



**POWER OF SIMPLICITY**

## **Tally.ERP 9 at a Glance**

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# Basic Accounting

## Basic concept of accounting

**Accounting:** It is an art of recording, classifying and summarizing in significant manner and in terms of money, transactions and events which are of financial character and interpreting the results thereof.

**Business transaction:** A business transaction is “The movement of money and money’s worth from one person to another”. Or exchange of values between two parties is also known as “Business Transaction”.

**Purchase:** A purchase means goods purchased by a businessman from suppliers.

**Sales:** Sales is goods sold by a businessman to his customers.

**Purchase Return or Rejection in or Outward Invoice:** Purchase return means the return of the full or a part of goods purchased by the businessman to his suppliers.

**Sales Return or Rejection out or Inward Invoice:** Sales return means the return of the full or a part of the goods sold by the customer to the businessman.

**Assets:** Assets are the things and properties possessed by a businessman not for resale but for the use in the business.

**Liabilities:** All the amounts payable by a business concern to outsiders are called liabilities.

**Capital:** Capital is the amount invested for starting a business by a person.

**Debtors:** Debtor is the person who owes amounts to the businessman.

**Creditor:** Creditor is the person to whom amounts are owed by the businessman.

**Debit:** The receiving aspect of a transaction is called debit or Dr.

**Credit:** The giving aspect of a transaction is called credit or Cr.

**Drawings:** Drawings are the amounts withdrawn (taken back) by the businessman from his business for his personal, private and domestic purpose. Drawings may be made in the form cash, goods and assets of the business.

**Receipts:** It is a document issued by the receiver of cash to the giver of cash acknowledging the cash received voucher.



**Account:** Account is a summarized record of all the transactions relating to every person, every thing or property and every type of service.

**Ledger:** The book of final entry where accounts lie.

**Journal entries:** A daily record of transaction.

**Trail Balance:** It is a statement of all the ledger account balances prepared at the end of particular period to verify the accuracy of the entries made in books of accounts.

**Profit:** Excess of credit side over debit side.

**Profit and loss account:** It is prepared to ascertain actual profit or loss of the business.

**Balance Sheet:** To ascertain the financial position of the business. It is a statement of assets and liabilities.

### Types of accounts

**Personal account:** Personal accounts are the accounts of persons, firms, concerns and institutions which the businessmen deal.

**Principles:**  
Debit the receiver  
Credit the giver

**Real Account:** These are the accounts of things, materials, assets & properties. It has physical existence which can be seen & touch.

Ex. Cash, Sale, Purchase, Furniture, Investment etc.

**Principles:**  
Debit what comes in  
Credit what goes out

**Nominal account:** Nominal account is the account of services received (expenses and Losses) and services given (income and gain)

Ex. Salary, Rent, Wages, Stationery etc.

**Principles:**  
Debit all expense/losses  
Credit all income/ gains

## Tally Erp.9

Tally is a complete business solution for any kind of Business Enterprise. It is a full fledged accounting software.

### Procedure for creating company in Tally

Double click on Tally icon on desktop. **Alt+F3 Company info**-Create company.

**Accounts Only:** To maintain only the financial accounts of the company. Inventory (stock) management is not involved in it.

**Account with Inventory:** This is the default option, which allows maintaining both the financial account of the company as well as the inventory of the company.

**Select Company:** We can choose the company which is already created. Shortcut key - F1.

**Shut Company:** It is used to close the company which is opened. Shortcut key - Alt+F1.

**Alter:** It is used to make alterations in the company creation like name, date, maintain etc.

**Quit:** Exits from Tally. 1. Click on quit button.  
2. Esc, Esc, Esc and enter.  
3. Ctrl+Q

### Short cut keys

Alt+F3 Company information menu

Enter To accept information typed into a field.  
To accept a voucher or master.  
To get a report with further details of an item in a report.

Esc To remove what has been typed into a field.  
To exit a screen.

To indicate you do not want to accept a voucher or master.

Ctrl+A To accept a form wherever you use the key combination the screen or report will be accepted as it is on this screen.

Ctrl+Q	It quits the screen without making any changed to it.
Alt+C	To create a master at a voucher screen. When working within an amount field presses Alt+C to act as a calculator.
Alt+D	To delete a voucher. To delete a master.
Ctrl+Enter	To alter a master while making an entry or viewing report.
F2	Date
Alt+F2	Change period
Alt+F1	To see detail
F11	Features company
F12	Configuration options are applicable to all the companies in a data directory.
Ctrl+N	Calculator screen.
Ctrl+V	Voucher mode (Cr. Dr) Invoice mode (name of item, rate, quantity, and amount)

**Gateway of tally-Accounts info-Group**

Bank account	Bank Account
Bank Od account	Branch/division
Capital account	Cash in hand
Current asset	Current liability
Deposit	Direct expenses
Direct income	Indirect expense
Indirect income	Duties and tax
Fixed asset	Investment
Loans and advance	Loan (liability)
Miscellaneous expenses	Provisions
Retained earning	Reserves and surplus
Purchase account	Sales account
Secured loan	Stock in hand
Sundry debtor's	Sundry creditors
Suspense	Unsecured account

## Meaning:

### **Current asset:**

It is converted into cash within a year. Ex. Bills receivable

### **Direct expenses:**

These are the expenses which are directly related to manufacturing of goods. Ex. Wages, factory rent, heating, lighting etc

### **Indirect expense:**

These are the expenses which are indirectly related to manufacturing of goods. Ex. Salary, rent, stationery, advertisement, printing

**Depreciation:** Decrease the value of the asset.

**Sundry debtors:** The person who is the receiver or customer

**Sundry creditors:** The person who gives or supplier.

### **Expenses Outstanding or Unpaid expenses or Expenses due:**

Expenditure incurred during current year but the amount on which is not yet paid. (Added to the expenditure on the debit side and entered on the liability side.)

### **Income received in advance or Income received but not earned**

Income received during the current year but not earned or a part of which relates to the next year. (Deducted from the concerned income on the credit side and entered on the liability side)

### **Prepaid advance or Expenses or Prepaid expenses**

Expenditure paid during current year but not incurred or a part of which relates to the next year is called expenditure prepaid. (Deducted from the concerned expenditure on the debit side and entered on the assets side)

### **Income outstanding or income earned but not received or Income accrued**

Income outstanding means income earned during the current year but the amount on which is not yet received (added to the concerned income on the credit side and entered on the asset side)

Gateway of Tally-Accounts info-ledger-create

<b>Ledger</b>	<b>Group</b>
Opening stock	Stock in hand
Purchase	Purchase account
Purchase return	Purchase account
Fright charges	Direct expenses
Carriage inwards or Purchases	Direct expenses
Cartage and coolie	Direct expenses
Octroi	Direct expenses
Manufacturing wages	Direct expenses
Coal, gas, water	Direct expenses
Oil and fuel	Direct expenses
Factory rent, insurance, electricity, lighting and heating	Direct expenses
Sales	Sales account
Salary	Indirect expenses
Postage and telegrams	Indirect expenses
Telephone charges	Indirect expenses
Rent paid	Indirect expenses
Rates and taxes	Indirect expenses
Insurance	Indirect expenses
Audit fees	Indirect expenses
Interest on bank loan	Indirect expenses
Interest on loans paid	Indirect expenses
Bank charges	Indirect expenses
Legal charges	Indirect expenses
Printing and stationery	Indirect expenses
General expenses	Indirect expenses
Sundry expenses	Indirect expenses
Discount allowed	Indirect expenses
Carriage outwards or sales	Indirect expenses
Traveling expenses	Indirect expenses
Advertisement	Indirect expenses
Bad debts	Indirect expenses
Repair renewals	Indirect expenses
Motor expenses	Indirect expenses
Depreciation on assets	Indirect expenses
Interest on investment received	Indirect income
Interest on deposit received	Indirect income
Interest on loans received	Indirect income
Commission received	Indirect income
Discount received	Indirect income
Rent received	Indirect income
Dividend received	Indirect income

Bad debts recovered	Indirect income
Profit by sale of assets	Indirect income
Sundry income	Indirect income
Loan from others	Loan Liabilities
Bank loan	Loan Liabilities
Bank overdraft	Bank OD
Bills payable	Current Liabilities
Sundry creditors	Sundry creditors
Mortgage loans	Secured loans
Expense outstanding	Current Liabilities
Income received in advance	Current Liabilities
Other liabilities	Current Liabilities
Capital	Capital account
Drawings	Capital account
Cash in hand	Cash in hand
Cash at bank	Bank account
Fixed deposit at bank	Deposit
Investments	Investments
Bills receivable	Current asset
Sundry debtors	Sundry debtors
Closing stock	Stock in hand
Stock of stationery	Current asset
Loose tools	Fixed asset
Fixtures and fittings	Fixed asset
Furniture	Fixed asset
Motor vehicles	Fixed asset
Plant and machinery	Fixed asset
Land and building	Fixed asset
Leasehold property	Fixed asset
Patents	Fixed asset
Goodwill	Fixed asset
Prepaid expenses	Current asset
Income outstanding	Current asset

**Trading account:** Buying and selling of goods.

Dr. Receiving aspect Giving aspect Cr.

Direct expenses		Amount	Direct Income		Amount
To	Opening stock	xxx	By	Sales	xxx
To	Purchases	xxx	By	(-)Sales return	xxx
To	(-)purchase return	xxx	By	Closing stock	xxx
To	Freight charges	xxx			
To	Cartage and coolie	xxx			

To	Lorry hire	xxx			
To	Manufacturing expenses	xxx			
To	Wages	xxx			
To	Factory rent, fuel power	xxx			
To	Gross profit (transfer to profit and loss account)	xxx			

**To Profit and loss account:** Actual profit and loss of the business

Indirect expenses or payments		Amount		Indirect income or receipts		Amount
To	Salary	xxx	By	Gross profit		xxx
To	Postage and Telegram	xxx	By	Interest on investment received		xxx
To	Telephone charges	xxx	By	Interest on deposit received		xxx
To	Rent paid	xxx	By	Interest on loans received		xxx
To	Rate and taxes	xxx	By	Discount received		xxx
To	Insurance paid	xxx	By	Discount received		xxx
To	Interest on bank loan	xxx	By	Rent received		xxx
To	Bank charges	xxx	By	Bad debts received		xxx
To	Printing and stationery	xxx	By	Net loss		xxx
To	Discount allowed	xxx				
To	Advertisement					
To	Carriage outward (sales)					
To	Depreciation on assets					
To	General expenses					
To	Traveling					
To	Bad debts					
To	Net profit					

**Balance sheet:** Actual financial position

Liabilities	Amount	Assets	Amount
Bank loan	xxx	Cash in hand	xxx
Bank overdraft	xxx	Cash at bank	xxx
Bills payable	xxx	Fixed deposit at bank	xxx
Sundry creditors	xxx	Investments	xxx
Expenses outstanding	xxx	Bills receivable	xxx
Capital	xxx	Sundry debtors	xxx
(-)drawings	xxx	Closing stock	xxx
Net profit	xxx	Stock of stationery	xxx
		Furniture	xxx
		Plant machinery	xxx
		Land and building	xxx
		Motor vehicles	xxx
		Prepaid expenses	xxx
		Income outstanding	xxx

## Alt+F3 Company Creation

### Gateway of tally-Accounting voucher

F4	Contra:	Records funds transfer between cash and bank accounts. Deposit into bank or Opened bank account	Cr. Cash Dr. Bank
		Withdraw form bank	Cr. Bank Dr. Cash
F5	Payment:	Record all bank and cash payments. Paid or Give	Dr. Cr. Cash/bank (in case cheque)
F6	Receipt:	Records all receipts into bank or cash accounts. Received or Borrow or Take	Cr. Dr. Cash/bank (in case cheque)
F7	Journal:	Records adjustments between ledger accounts.	
F8	Sales:	Records all sales.	Dr. Cash/party (incase of credit-party) Cr. Sales
F9	Purchase:	Records all purchase.	Cr. Cash/party (incase of credit-party) Dr. Purchase

Attitude tally Academy



### Journalize the following transactions

1. Commenced business with cash Rs.10, 000.
2. Deposit into bank Rs. 15,000
3. Bought office furniture Rs.3,000
4. Soled goods for cash Rs.2,500
5. Purchased goods form Mr X on credit Rs.2,000
6. Soled goods to Mr Y on credit Rs.3,000
7. Received cash form Mr. Y on account Rs.2,000
8. Paid cash to Mr X Rs. 1,000
9. Received commission Rs. 50
10. Received interest on bank deposit Rs. 100
11. Paid into bank Rs. 1,000
12. Paid for advertisement Rs.500
13. Purchased goods for cash Rs. 800
14. Sold goods for cash Rs. 1,500
15. Paid salary Rs. 500

### Gateway of tally-Account info-Ledger-Create Gateway of tally – Accounting voucher

Sl.No	Key	Voucher	Ledger	Group	Type of account	Principles	Amount
1	F6	Receipt	Cr. Capital	Capital account	Personal	Giver	10,000
			Dr. Cash	Cash in hand	Real	Comes in	10,000
2	F4	Contra	Cr. Cash	Cash in hand	Real	Goes out	15,000
			Dr. Bank	Bank account	Real	Comes in	15,000
3	F5	Payment	Dr. Office furniture	Fixed asset	Real	Comes in	3,000
			Cr. Cash	Cash in hand	Real	Goes out	3,000
4	F8	Sales	Dr. Cash	Cash in hand	Real	Comes in	2,500
			Cr. Sales	Sales account	Real	Goes out	2,500
5	F9	Purchase	Cr. X	Sundry creditor	Personal	Giver	2,000
			Dr. purchase	Purchase account	Real	Comes in	2,000
6	F8	Sales	Dr. Y	Sundry debtors	Personal	Receiver	3,000
			Cr. Sales	Sales account	Real	Goes out	3,000
7	F6	Receipt	Cr. Y			Giver	2,000

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

**To view-** Gateway of tally-Accounts info-Ledger -Multiple ledger Alter-All items  
(for ledger)

Gateway of tally-Display-Day book-Alt+F1 (to see detail) (Accounting Voucher)

## Inventory information

Alt+F3 Company creation-Maintain-Accounts with inventory  
Gateway of Tally-Inventory information-Unit of measure  
Gateway of tally –Inventory information-Godown  
Gateway of tally-Inventory information-Stock group  
Gateway of tally – Inventory information-Stock item

### To View

Gateway of tally-Display-Day book-Alt+F2 (change period) Alt+F1 (to see detail) or  
Gateway of tally-Stock summary

1. On 1-4-06 Raman commenced business with cash of Rs. 25,00,000. He further introduced Land and Building costing Rs. 30,000, Plant and Machinery costing Rs. 25,000 and furniture and fixture costing Rs. 36,000.

2. On 2-4-06 Purchased Vehicle and Patents Rs. 20,000 and Rs. 15,000.

3. On 5-4-06 He deposited Rs. 1, 00,000 into Canara Bank.

4. On 6-4-06 Purchased from Cadbury Company

500	5 Stars @ Rs. 5	1000	Cadbury @ Rs. 5
100	Kit kat @ Rs. 4	200	Dairy milk @ Rs. 7

5. On 10-4-06 Purchased from Paras

500	Moov @ Rs. 20
500	D'Clod @ Rs. 12

6. On 13-4-06 Sold to Pankaj

200	Moov @ Rs. 20.50
100	D'Clod @ Rs. 12.25
200	Adhesive tape roll @ Rs. 15.25
100	Band Aid box @ Rs. 252
200	Boric Acid powder @ Rs.14

7. On 15-4-06 Sold to Akbar

500	Cadbury @ Rs. 6
200	5 Star @ Rs.5.25
50	Kit Kat @ Rs. 6

8. On 16-4-06 Paid to Cadbury company Rs.

9. On 18-4-06 Received from Pankaj

10. On 20-4-06 Paid to Paras Rs.

11. On 25-4-06 Received from Akbar Rs.

12. On 26-4-06 Purchase from Well Cloth

T-Shirts	Lee-25Pc-Rs.200
	Nike-30Pc-Rs.300

Formal Shirts Pan America-35Pc-400  
 Peter England-30Pc-450  
 Jeans Pants Tiger-20Pc-500  
 Ruff and Tuff-30Pc-350  
 Cotton Pants Arrow-40Pc-200  
 Ex-Calibar-20Pc-250

13. Paid Postage Rs. 500 by cheque
14. Received commission Rs. 15,000
15. Paid wages Rs. 2,500

### Procedure for Inventory Problem

Gateway of Tally-Inventory Info-Unit of Measure-Create-  
 Symbol- Nos. Pcs  
 Formal Name-Number Pieces

Gateway of Tally-Inventory Info-Stock Group-Create  
 Chocolate, Medicines, Cotton Pants, Jeans Pants, Formal Shirts, T-Shirts

Gateway of Tally-Inventory Info-Stock Item-Create

5 Stars

Kitkat

Chocolate

Cadbury

Dairy milk

Moov

D'Clod

Adhesive tape rolls

Medicines

Band Aid box

Boric Acid powder

Lee

T-Shirts

Nike

Pan America

Formal Shirts

Peter England

Tiger

Jeans Pants

Ruff and Tuff

Arrow

Ex-Calibar

Cotton Pants

**Journalize the following Transactions using the debit and credit given by the American accounts**

- |  |        |
|--|--------|
| 1. Commenced business with cash                      | 10,000 |
| 2. Deposited into bank                               | 5,000  |
| 3. Purchased goods for cash                          | 3,000  |
| 4. Sold goods for cash                               | 2,500  |
| 5. Purchased goods from A on credit                  | 4,000  |
| 6. Sold goods to B on credit                         | 4,500  |
| 7. Withdraw from bank                                | 3,000  |
| 8. Paid A on account                                 | 2,000  |
| 9. Received from B on account                        | 2,500  |
| 10. Took loan from C                                 | 5,000  |
| 11. Gave loan to D                                   | 4,000  |
| 12. Paid salary                                      | 1,000  |
| 13. Cash withdraw from the business for personal use | 200    |
| 14. Rent paid to E                                   | 1,000  |

Ledger	Group
Capital	Capital Account
Cash	Cash in hand
Bank	Bank account
Purchase	Purchase account
Sales	Sales account
A	Sundry creditor
B	Sundry debtor
C	Sundry creditor
D	Sundry debtor
Salary	Indirect expenses
Drawings	Capital account
Rent	Indirect expenses

## Rakesh and company

1. Started business with cash Rs. 2,000, Bank Rs. 20,000.
2. Issued cheque for goods purchased Rs. 1,000.
3. Bought goods for cash Rs.8,000.
4. Bought furniture from Anil for cash Rs.100.
5. Bought goods from harish Rs. 1,500.
6. Bought goods from chandan on credit Rs. 5,800.
7. Returned damaged goods to Chandan Rs.800.
8. Bought goods from Naveen and paid by cheque immediately Rs.400.
9. Sold goods to Guptha Rs. 1,000.
10. Received a cheque from Guptha Rs.1,000 for goods sold.
11. Paid commission Rs.2,000.
12. Paid wages by cheque Rs.4,000.
13. Draw cheque for personal use Rs.4,000.
14. Draw cash for personal use from bank Rs.3,000.
15. Receive a cheque from Manju Rs.2,800.
16. Borrow loan from Anands Rs.1,000.
17. Paid Anands Loan with interest Rs.1,000.

Ledger	Group
Capital	Capital account
Bank	Bank account
Purchase	Purchase account
Anil	Sundry Creditor
Chandan	Sundry Creditor
Harish	Sundry Creditor
Purchase return	Purchase account
Naveen	Sundry Creditor
Sales	Sales account
Guptha	Sundry debetor
Commission	Indirect expenses
Wages	Direct expenses
Drawings	Capital account
Manju	Sundry Creditor
Anand	Sundry Creditor

## Haridas and company

1. Started business with cash Rs.10,000, furniture Rs.4,000 and machinery Rs.5,000.
2. Bought goods from Anil on credit Rs. 4,000 and for cash Rs.5,000.
3. Sold goods to Rajesh on credit Rs.5,000 and for cash Rs.3,000.
4. Bought goods from Arun Subject to trade discount of 2% of Rs.2,000.
5. Sold goods to Ramesh subject to trade discount of 5% of Rs.4,000.
6. Paid salary Rs.1,000, printing Rs.150 and wages rs.100.
7. Received rent Rs.500, commission Rs.400.
8. Received a cheque from Ganesh Rs.1,000.

Ledger	Group
Capital	Capital account
Furniture	Fixed asset
Machinery	Fixed asset
Purchase	Purchase account
Anil	Sundry Creditor
Sales	Sales account
Rajesh	Sundry debtor
Arun	Sundry creditor
Ramesh	Sundry debtor
Salary	Indirect expenses
Printing	Indirect expenses
Wages	Direct expenses
Rent	Indirect expenses
Commission	Indirect expenses
Ganesh	Sundry creditor
Trade discount	Indirect expenses

## Memorandum book

### Particulars

1. Commenced business with cash Rs. 10,000.
2. Purchased goods for cash Rs.3,000.
3. Opened a bank account with Rs.2,000.
4. Purchased stationary Rs.1,00.
5. Purchased furniture Rs.1,000.
6. Sold goods to A Rs.2,000.
7. Purchased goods from B Rs.2,000.
8. Sold goods for cash Rs.1,000.
9. Paid for postage Rs.20.
10. Took loan from C Rs.1,500.
11. Paid rent Rs.300.
12. Withdraw from bank Rs.800.
13. Received from A on account Rs.500.
14. Paid commission by cheque Rs.200.

Ledger	Group
Capital	Capital account
Purchase	Purchase account
Bank	Bank account
Purchase	Purchase account
Stationary	Indirect expenses
Furniture	Fixed asset
Sales	Sales account
A	Sundry debtor
B	Sundry Creditor
Potage	Indirect expenses
C	Sundry Creditor
Rent	Indirect expenses
Commission	Indirect expenses



## Roa and company

<b>Particulars</b>	<b>Rs.</b>
1. Bought goods for cash	2,500
2. Bought office furniture for cash	500
3. Paid for postage	10
4. Purchased goods from Rajkamal	2,000
5. Sold goods for cash	150
6. Bought goods from Rahim	400
7. Sold goods to Suresh	400
8. Sold goods to Nayak	250
9. Purchased goods for cash	400
10. Received cash from Nayak	200
11. Paid cash to Rahim	50
12. Returned goods to Rajkamal	200
13. Suresh returned goods	50
14. Paid salary	150
15. Sold goods for cash	500
16. Rao withdraw for his personal use	800
17. Paid for stationery	100
18. Paid rent	50
19. Received commission	225

Ledger	Group
Capital	Capital account
Purchase	Purchase account
Postage	Indirect expenses
Rajkamal	Sundry Creditor
Sales	Sales account
Rahim	Sundry Creditor
Suresh	Sundry Debtor
Nayak	Sundry Debtor
Purchase returns	Purchase account
Salary	Indirect expenses
Drawings	Capital account
Stationery	Indirect expenses
Rent	Indirect expenses
Commission	Indirect income

## Creating a Company

**Creating a Company** involves providing basic information about the company whose books of accounts are to be maintained in Tally.ERP 9.

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

The Company Creation screen appears as shown:

Company Creation Ctrl + M

Directory	: C:\Tally.ERP 9\Data	<b>Company Details</b>
Name	: ABC Company	Currency Symbol : ₹
<b>Mailing &amp; Contact Details</b>		Maintain : Accounts with Inventory
Mailing Name	: ABC Company	Financial Year from : 1-4-2012
Address	: 9/1, Mahalaxmi Chambers M G Road Bangalore	Books beginning from : 1-4-2012
		<b>Security Control</b>
Statutory compliance for	: India	TallyVault Password (if any) : .....
State	: Karnataka	Repeat Password : .....
PIN Code	: 560001	(Password Strength is Strong)
Telephone No.	: +91-080-66275299	(WARNING: forgetting your TallyVault password will render your data unusable!!)
Mobile No.	: +919755145887	Use Security Control ? No
E-Mail	:	(Enable Security to avail Tally.NET Features)
<b>Auto Backup Details</b>		
Enable Auto Backup	: No	
<b>Base Currency Information</b>		
Base Currency Symbol	: ₹	Show Amounts in Millions ? No
Formal Name	: INR	Put a SPACE between Amount and Symbol ? Yes
Number of Decimal Places	: 2	Decimal Places for Printing Amounts in W
Is Symbol SUFFIXED to Amounts	? No	
Symbol for Decimal Portion	: paise	Accept ?
		Yes or No

A detailed explanation on each field is given:

### Directory

The data path where you want the company to be created is specified in the **Directory** field.

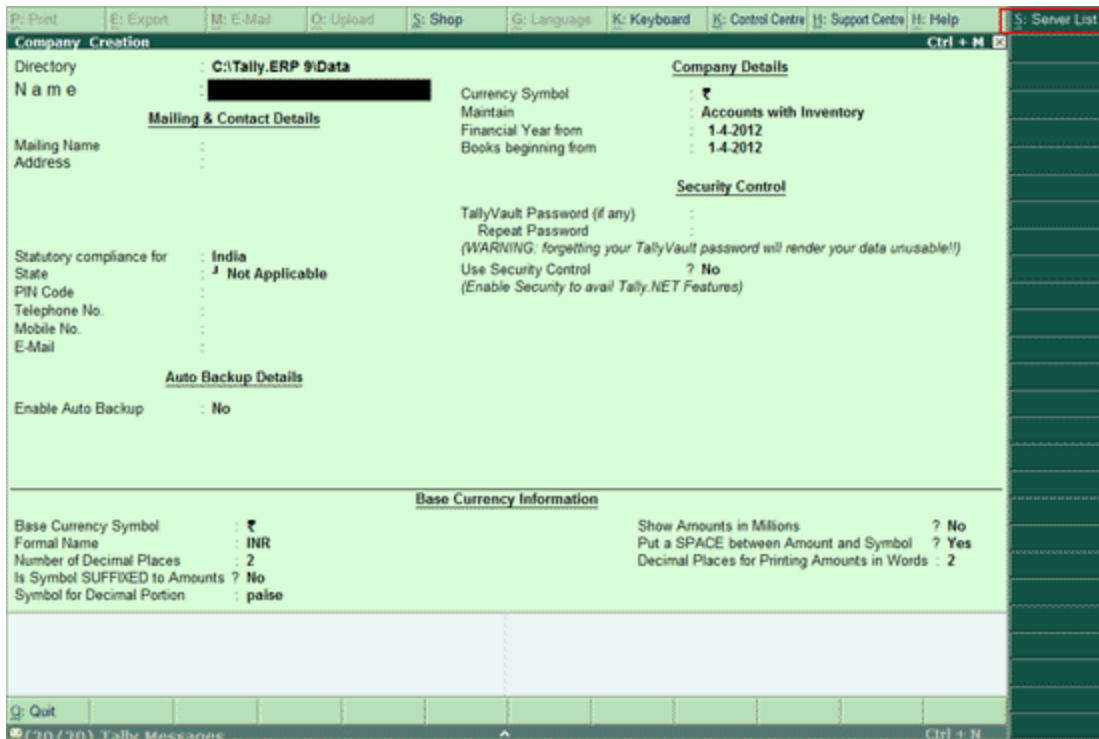
This field is skipped by default when you create the company in the data path given in the **Tally.INI** file. If you want to change it, use the **Backspace** key and modify it to the path required.

This is referred to as the Tally Anywhere concept – which is the ability to create/load companies in separate directories. The Directory field is displayed while selecting Select, Create, Backup, Restore and Rewrite options for a company. By default, the cursor will skip the field, presuming that you wish to use the default data directory for your work. You may press **Backspace** to give a new path and work from there.

For example, the default Tally.ERP 9 data directory could be **C:\TALLY.ERP\DATA**. You may now wish to create a new company on C:\TALLY.ERP\PERSONAL, and some other companies on C:\TALLY.ERP\BRANCHES. The next time, the default directory displays C:\TALLY.ERP\DATA, and if you wish to work on the data of your branches, press Backspace and enter C:\TALLY.ERP\BRANCHES for the directory name. This displays the companies whose data is stored in that location in the List of Companies. You can even give the path of a network server or any other storage device.

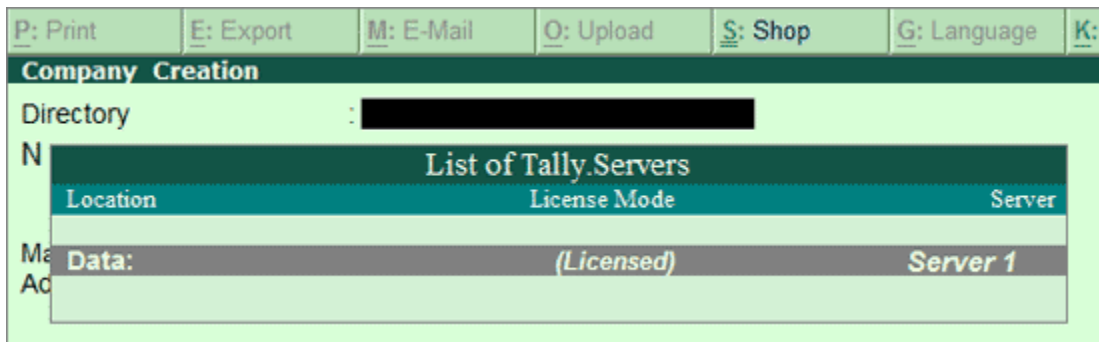
If your business uses **Tally.Server 9** to maintain data,

- Click on **S: Server List** or press **Alt+S**



**Note:** If the administrator has enabled Security Access, users need to provide the authorised Tally.NET credentials in order to access the Server List.

- The **List of Tally.Servers** is displayed. Select the required location



- Press **Enter** to continue with Company Creation

### Name

Enter the name of the company whose books are being opened. If you are a professional accountant and are maintaining the books of your clients, give the Client Company's name.

## Mailing Name and Address

In addition to the Company Name, Tally.ERP 9 provides the facility to enter the Mailing Name field. It displays the Company Name by default. You may change it as required, if the mailing name is different from the Company Name. The mailing name and address details are picked up for inclusion in any report that needs the company name and address as heading. For example: Balance Sheets, Statement of Accounts, and so on.

<b><u>Mailing &amp; Contact Details</u></b>	
Mailing Name	: <b>ABC Company</b>
Address	: 9/1, Mahalaxmi Chambers M.G. Road, Bangalore

Tally.ERP's reports print the mailing name and address as given:

<b>ABC Company</b> 9/1, Mahalaxmi Chambers M.G Road, <u>Bangalore</u>
--

Tally.ERP 9 does NOT restrict the number of lines for the address details. Tally.ERP 9 accommodates all the entered information and vertically compresses the same.

**Note:** In the space provided for the Address details, observe the vertical compression as compared to the Mailing Name field where there is horizontal compression.

You can specify any length for the mailing name and you are permitted to give any number of lines for the address. The information is completely visible.

Tally.ERP 9 handles compressed information correctly while printing. It adjusts the reports accordingly.

## Statutory compliance for

Select the Country from the List of Countries. The Statutory Features and Base Currency Symbol are enabled in accordance with the country selected. For example, if the accounts belong to a company in India, the base currency would be Indian Rupees. The Base Currency will appear with respect to the Country selected.

Selecting **India** from the List of Countries brings up a State, Pin Code and Telephone No. field.

### State

You can select the appropriate state from the predefined list.

### **PIN Code**

Specify the PIN Code (Postal Index Number) of the specified address.

### **Telephone**

Enter the Telephone number.

### **Mobile No**

Enter the mobile number of the company.

### **E-mail Address**

Enter the E-mail address that will be used to e-mail documents, reports and data from Tally.ERP 9.

### **Enable Auto Backup**

Set this to **Yes**, if you want to enable the automatic backup of Tally.ERP 9 data (per company). Else, set this to **No**. The data backup is stored in the data folder of the respective company. The auto backup data can be restored by pressing **Ctrl+Alt+K** from **Company Info** menu or **Gateway of Tally**.

**Note:** Ensure that all the systems in a network have the same **date** and **time** settings.

### **Currency**

Currency symbol is the symbol of the base currency, that is, the currency that will be used to maintain the books of account.

The symbol ` ` appears by default in case India for India/SAARC Companies and the field is left blank for International Companies.

**Note:** The **currency symbol** changes based on the country selected from the list for **Statutory compliance for** field.

Click [here](#) to read about **Indian Rupee Symbol Conversion**.

### **Maintain**

Tally.ERP 9 displays a drop down for the Type of Company with two options **Accounts only** and **Accounts with Inventory**

Select **Accounts only** if you do not have any inventory transactions (suitable for professionals and corporate offices).

However, at a later date (if required) you can choose to alter the information as **Accounts-with-Inventory**. Select **Accounts-with-Inventory**, to maintain both financial accounts and inventory.

### **Financial Year From**

In most countries, the books of accounts of a company are maintained for a stipulated period like, 12 months, 15 months, and so on. This stipulated period is referred to as the Financial Year.

The stipulated period of the financial year is 12 months in most countries. Tally.ERP 9 automatically considers 12 months from the date you give here as the Financial Year.

For example, if you enter April 1, 2008 as the date, the Financial Year will be from April to March ending with March 31, 2009. If you enter October 1, 2008 as the Financial Year From then the financial year will be from October 2008 to September 2008 ending with 30th of September every year.

Tally.ERP 9 allows you to maintain data for multiple years by changing the period (**Alt+F2**) at the Gateway of Tally. In addition, you can also specify the date of actual establishment of the company (date of incorporation)

### **Books Beginning From**

Tally.ERP 9 presumes that you wish to maintain books from the beginning of the financial year. Hence, Tally.ERP 9 displays the date given in Financial Year From field automatically.

The date for Books beginning from can be changed, in case of companies, which are incorporated in the middle of the year. If your company is new, you can opt to start the books of accounts from the date of actual establishment of the company (date of incorporation) but close books according to the Financial Year as specified by you. Tally.ERP 9 provides the required flexibility in such a case by allowing you to give the date when the books of accounts actually began. Tally.ERP 9 will open books from this date and close as on the last day of the Financial Year.

For example, if your company is established on August 19, 2008, the opening balances for all the accounts can be given as on August 19, 2008 even though the Financial Year given is April 1, 2008 (April to March financial year). The company's books will begin on August 19, 2008 and close on March 31, 2009, which ensures smooth transition to the next year.

This concept can be applied even when you are migrating to Tally.ERP 9 from any other system or from a manual accounting system on any day during the Financial Year. Close books in that other system on the previous day and start books on Tally.ERP 9 from this day. You are allowed to give opening balances of all Ledger accounts including Revenue accounts.

### **TallyVault Password**

TallyVault is an enhanced security system, which allows for encryption of the company data. Encryption involves converting normally accessible Tally information into unrecognisable information, which can only be reconverted by authorised persons.

Give a password here and repeat the same in the Repeat field. This basically results in the creation of an encrypted company whose information is not accessible to users other than the password holder.

### **Password Strength**

**Password Strength** indicator is available in Tally.ERP 9 from Release 4.5 onwards. Now, strength is displayed while creating / altering passwords under Security Control, Tally Vault, and Control

Centre. Also when Password Policy is enabled, Password Strength is indicated in the Change Password screen that appears for first time login.

Let us understand the logic used by Tally.ERP 9 to ascertain a password's strength. This logic consists of two sets of conditions to be applied.

### A. Password Score

### B. Password Length and Username match

#### **Use Security Control?**

Set this to **Yes**, if you want to initiate a password-protected system to control access to Tally.ERP 9 data. Else, set this to **No**.

If you opt for security control, Tally.ERP 9 offers a comprehensive password based access control to different features of Tally.ERP 9 based on authority lists created by the Administrator. For more information refer Data Management in Tally.ERP 9.

**Security Control**

Use Security Control  **Yes**  
(Enable Security to avail Tally.NET Features)

Name of Administrator : **Ajay**

Password : \*\*\*\*\*

Repeat Password : \*\*\*\*\*

(Password Strength is Strong)

Use Tally Audit Features  **Yes**

Disallow opening in Educational mode  **Yes**

Name of Administrator, Password, Repeat

Assuming the Tally Vault Password and Use Security Control is set to **Yes** enter the **Name of Administrator**, **Password** and **Repeat** in the respective fields.

#### **Use Tally Audit Features**

Tally Audit allows the administrator or an auditor profile user to track changes in accounting information. If you wish to use this facility, select Yes. Tally Audit will be available only to the administrator/auditor, through Display of Statements of Accounts. For more information refer Data Management in Tally.ERP 9.

#### **Disallow opening in Educational mode ?**

Set this option to **Yes**, if you don't want the company to be opened in **Educational mode** of Tally.ERP 9. Else, set this to **No**.

On accepting the company creation screen, if you have specified **Tally Vault** password, Tally.ERP 9 prompts you to enter the TallyVault password as appears:

**Tally Vault** Ctrl + M

Directory : C:\TallyData  
Name : ABC Company

<u>Mailing &amp; Contact Details</u>		<u>Company Details</u>	
Mailing Name	: ABC Company	Currency Symbol	: Rs.
Address	: 9/1, Mahalaxmi Chambers M.G. Road, Bangalore	Maintain	: Accounts with Inventory
		Financial Year from	: 1-4-2008
		Books beginning from	: 1-4-2008
<u>Statutory compliance for</u>		<u>Security Control</u>	
State	: India	Disallow opening in Educational mode ?	Yes
State	: Karnataka	TallyVault Password (if any)	****
PIN Code	: 560001		****
Telephone No.	: +91-089-2229905		(password will render your data unusable!)
E-Mail	: sales@abc.com		Yes
			(features)
		Name of Administrator	: Admin
		Password	: *****
		Repeat Password	: *****
		Use Tally Audit Features	? Yes

**TallyVault Password**

\*\*\*\*

Base Currency Information

Base Currency Symbol	: Rs.	Show Amounts in Millions	? No
Formal Name	: Indian Rupees	Put a SPACE between Amount and Symbol	? Yes
Number of Decimal Places	: 2	Decimal Places for Printing Amounts in Words	: 2
Is Symbol SUFFIXED to Amounts ?	: No		
Symbol for Decimal Portion	: paise		

Then Tally.ERP 9 prompts you to enter the **Name of User** and **Password** (if any).

**Company Login** Ctrl + M

Current Period

Select Company

Directory : C:\TallyData  
Name : ABC Company

List of Selected Companies

Name of Company

Date of Last Entry

**Company : ABC Company**

Name of User : Admin  
Password (if any) : \*\*\*\*

Company Info

Select Company

as Remote User

e Company

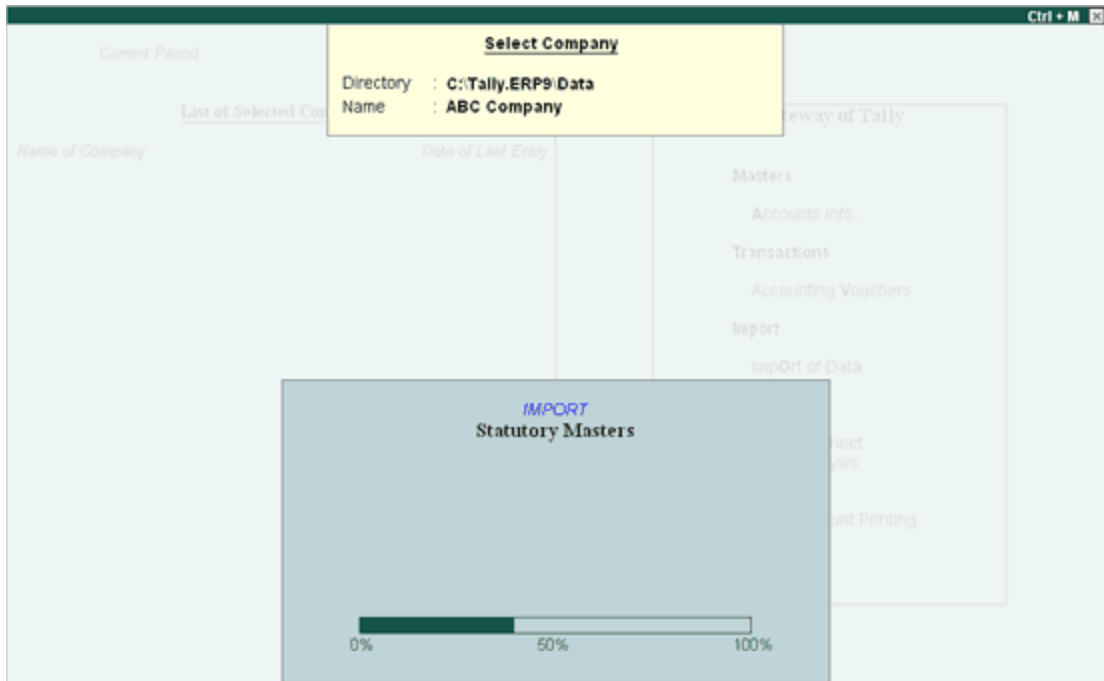
ip

re

Quit

After verification Tally.ERP 9 imports the latest statutory masters. Wait till the screen shows that 100% of import is complete.





This completes the Company Creation process in Tally.ERP 9.

An explanation on the fields on the bottom of the Company creation screen follows:

### Base Currency Information

The **Base Currency** Information is found in the bottom frame of the Company creation Screen. Base Currency is the currency in which your accounts would be maintained. Financial statements are prepared in the base currency by default and these are normally required to be submitted to local statutory authorities. The Base Currency information in Tally.ERP 9 varies with the country selected for Statutory Compliance.

You can record transactions and raise invoices in foreign currency; and also maintain bank accounts or ledgers in foreign exchange, when required.

Base Currency Information		
Base Currency Symbol	: ₹	Show Amounts in Millions ? No
Formal Name	: INR	Put a SPACE between Amount and Symbol ? Yes
Number of Decimal Places	: 2	Decimal Places for Printing Amounts in Words : 2
Is Symbol SUFFIXED to Amounts ?	No	
Symbol for Decimal Portion	: paise	

### Base Currency Symbol

The **currency symbol** given earlier in the Company Creation screen is displayed here automatically.

Tally.ERP 9 uses this **currency symbol** in reports, wherever necessary.

Click [here](#) to read about **Indian Rupee Symbol Conversion**.

## Formal Name

**Formal Name** is the full name of the **currency** specified.

The Formal Name for the base currency is set to **Indian Rupees for Indian Companies**.

## Number of decimal places

The number of **decimal places** for the base currency is set to **2**, by default. However, you have the option of specifying up to 4 decimal places. Indian currency has 2 decimal places whereas certain other countries require 3 decimal places and so on.

## Is Symbol Suffixed to Amounts

For countries, which specify the **symbol after the amount** (value) – this facility is provided. For example, **Yen** is specified after the amount (5000 Yen) unlike in India where the symbol is specified before the amount (Rs.5000)

## Symbol for Decimal Portion

Enter the **symbol for decimal portion**.

## Show Amounts in Millions

This is useful for companies, which require reporting the financial statements in millions. This is possible only if **Allow Multi-Currency** is enabled in **F11: Accounting Features**.

## Put a space between Amounts and Symbol

This facility is provided to users who require a **space** between the amount and the symbol. However, putting a space between the amount and symbol could give an opportunity for misuse in case of cheque printing. Hence, the flexibility to turn this option on and off as required is provided.

## Decimal Places for Printing Amounts in Words

You can specify the **number** of decimal places for **printing the amount in words**. This number should be equal to or lesser than the number specified in Number of Decimal places field in company creation or currency master screen which will appear in Invoice and Cheque printing screen.

For example, if the currency is expressed upto 3 decimal places, the numeric to be printed in words can be restricted to 2 decimal places.

**Note:** The **Name of the Company**, cannot be translated or transliterated but will appear in the

## Loading a Company

---

In order to load a company using the **Select Company** option, disable the default loading of a company in Tally.ini file. Set **Default Companies** to **No** OR place a semi-colon before Load = 00001 (company number - placing a semicolon means that the words following it in that line would not be executed. Each line is a separate command).

On **double-clicking** the **Tally icon**, the screen is displayed as shown:



You can use the **Select Company** option in two ways, from the **Company Info.** Menu OR by using the button **F1: Select Cmp**(available on the Gateway of Tally screen).

## Select Company

---

**Select Company** option allows you to load another company from the list of companies listed which you may have created earlier.

Press **Enter** on **Select Company** or use the button **F1: Select Cmp**. Tally.ERP 9 displays the following screen:

**Select Company**

Directory : C:\Tally.ERP9\Data  
 Name : ██████████

**List of Companies**

<b>ABC Company</b>	<b>(10002)</b>	<b>1-Apr-2007 to 31-Mar-2009</b>
ABC Company	(10003)	1-Apr-2008 to 31-Mar-2009
ABC Company	(10005)	1-Apr-2006 to 31-Mar-2007
ABC Company	(10006)	1-Apr-2005 to 31-Mar-2006

If your business uses **Tally.Server 9** to maintain data,

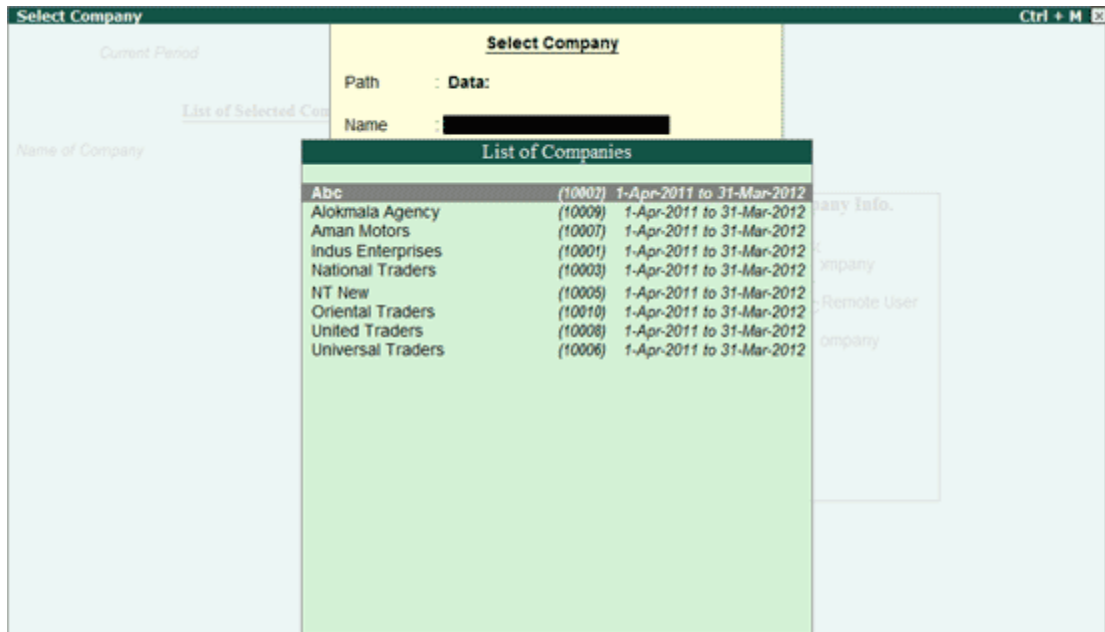
Click on **S: Server List** or press **Alt+S**

**Note:** If the administrator has enabled Security Access, users need to provide the authorised Tally.NET credentials in order to access the Server List.

The **List of Tally.Servers** is displayed. Select the required location

Location	License Mode	Server
Data:	(Licensed)	Server 1

The Companies available on the selected Tally.Server will be displayed:



Tally.ERP 9 displays

1. **Company Name** (All the companies created are displayed in an alphabetical order)
2. **System-generated code** for each company displayed
3. The **Financial Year** information relating to the number of years data present in the company

**Note:** The system-generated code for each company is displayed to assist you in identifying which company you wish to work on in case you have multiple companies with the same name (as displayed in the above screen).

Select the required company from the list given to go to the **Gateway of Tally** for that company.

In case two or more companies are loaded , click on the company which you need to work on so that the selected company will be highlighted and will appear on top of the list.

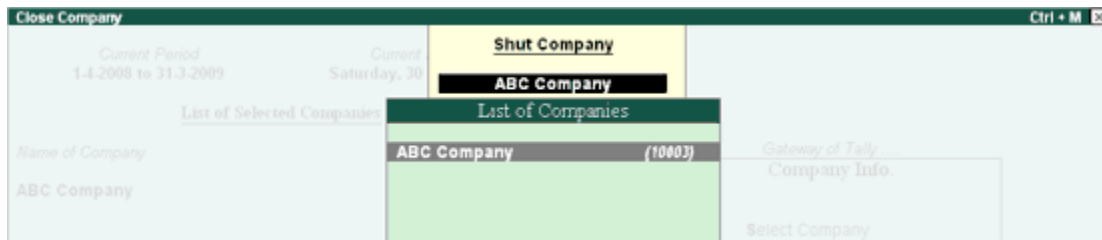
## Shut a Company

---

**Shut a Company** is to unload it. It does not mean that you have deleted it. Simply select it again to load and work on it again.

You can shut a company in two ways – either using the button **F1: Shut Cmp (Alt + F1)** or pressing Enter on **Shut Company** menu option on the **Company Info. Menu**.

The screen appears as shown below:



Select the company to be **shut** from the **List of Primary Companies**.

## Alter a Company

---

This option allows you to alter information about the existing company, you can **modify** any information at any time that is set while creating a company.

Go to **Gateway of Tally**

1. Select **F3: Cmp Info. (ALT+F3)** from the button bar
2. Select **Alter** and press **Enter** and the screen appears as shown below:



3. Select the company from the List of Companies and press Enter to view the Company Alteration screen.
4. Make the necessary changes in the required fields and accept the screen.

To change the password if **Use Security Control** is set to **Yes**:

1. Enter the **Name of Administrator**.
2. Enter the new password.
3. Re-enter the password in the Repeat field to confirm.
4. Enter the Old Password and **Accept** the screen to alter the company.

Security Control	
Use Security Control	? Yes
<i>(Enable Security to avail Tally.NET Features)</i>	
Name of Administrator	: Ajay
Password	: *****
Repeat Password	: *****
Old Password	: *****
<i>(Password Strength is Strong)</i>	

**Note:** To understand the conditions that determine a Password's strength, click [Password Strength Indicator](#).

## Delete a Company

This option allows you to delete an existing company.

To **delete** a company, you have to load the company first.

1. Select **F3: Cmp Info. (ALT+F3)** from the **Gateway of Tally** to proceed to the Company Information menu.
2. Select **Alter** and press Enter.
3. Select the company to be deleted. The **Company Alteration** screen is displayed.
4. Use **Alt + D** to delete. Tally.ERP 9 will prompt for a confirmation on deleting the company.

Company Alteration		Ctrl + M	
Name	: ABC Company		
<u>Mailing &amp; Contact Details</u>		<u>Company Details</u>	
Mailing Name	: ABC Company	Currency Symbol	: Rs.
Address	: No. 225, 8th Cross, AMC Road Bangalore	Maintain	: Accounts with Inventory
		Financial Year from	: 1-4-2009
		Books beginning from	: 1-4-2009
<u>Statutory compliance for</u>		<u>Security Control</u>	
State	: India	?	Yes
State	: Karnataka	<i>(Tally.NET Features)</i>	
PIN Code	: 560064	?	+
Telephone No.	: 08025547552	?	+
Mobile No.	: 9741432204	?	Yes
E-Mail	: sales@abc.com	ational mode	? No
<b>Delete ?</b>			
<b>Yes or No</b>			
<u>Base Currency Information</u>			
Base Currency Symbol	: Rs.	Show Amounts in Millions	? No
Formal Name	: Indian Rupees	Put a SPACE between Amount and Symbol	? Yes
Number of Decimal Places	: 2	Decimal Places for Printing Amounts in Words	: 2
is Symbol SUFFIXED to Amounts ?	: No		
Symbol for Decimal Portion	: paise		

5. Press **Enter** to delete the company.

**Note:** Deletion of a company is irreversible. The company is permanently deleted from the system.

## Pre-defined Groups in Tally.ERP 9

---

By default, Tally.ERP 9 provides a list of Groups called **pre-defined groups**. The user can create any number of Primary Groups and Sub Groups which are again grouped under a Primary Group/Sub Group.

There are **28 pre-defined Groups** in Tally.ERP 9, out of which **15 are Primary Groups** and **13 are Sub-Groups**.

15 Primary Groups	13 Sub Groups
Branch / Divisions	Bank Accounts
Capital Account	Bank OD A/c
Current Assets	Cash-in-hand
Current Liabilities	Deposits (Asset)
Direct Expenses	Duties & Taxes
Direct Incomes	Loans & Advances (Asset)
Fixed Assets	Provisions
Indirect Expenses	Reserves & Surplus
Indirect Incomes	Secured Loans
Investments	Stock-in-hand
Loans (Liability)	Sundry Creditors
Misc. Expenses (ASSET)	Sundry Debtors
Purchase Accounts	Unsecured Loans
Sales Accounts	
Suspense A/c	

Out of the 15 Primary Groups, 9 Primary Groups appear in the Balance Sheet which are Capital in nature and 6 Primary Groups appear under Profit & Loss Account which are Revenue in nature.

13 Sub Groups are classified under the 15 Primary Groups and they appear in the Balance Sheet.

Pre defined Sub Groups	Under
Bank Accounts	Current Assets
Bank OD A/c	Loans (Liability)
Cash-in-hand	Current Assets
Deposits (Asset)	Current Assets
Duties & Taxes	Current Liabilities
Loans & Advances (Asset)	Current Assets
Provisions	Current Liabilities





# F-12 Configure

Attitude Academy

# F12: Configure



**Configuration**

- General**
  - Numeric Symbols
- Accts / Inventory Info.
- Voucher Entry
- Invoice / Orders Entry
- PaYroll Configuration
- Banking Configuration**
- Printing
- E-Mailing
- Data Configuration
- AdvanCed Configuration
- MeSsage Centre
- ProducT & Features
- Licensing
- Quit



General  
Numeric Symbols  
Accts / Inventory Info.  
Voucher Entry  
Invoice / Orders Entry  
Payroll Configuration  
Printing  
E-Mailing  
Data Configuration  
Message Centre  
Product & Features  
Advanced Configuration  
Licensing

You can configure Country Details, Style of Names, Style of Dates, Configuration of Numbers in the General configuration screen.  
Go to **Gateway of Tally > F12: Configuration Menu > General**



Ashutosh Ltd. Company

Country Details

Use Accounting terminology of : **India / SAARC**  
*(SAARC countries include India, Pakistan, Sri Lanka, Bangladesh, Nepal, Bhutan and*

Style of Names

Default appearance of Names in Reports : **Name Only**  
 Default appearance of Stock Item Names in Reports : **Name Only**

Style of Dates

Style of Short Date : **dd-mm-yy**  
 Separator used in Short Date : **-**

Configuration of Numbers

Decimal Character to use : **.**  
 Thousands Separator to use : **,**  
 Put Sign before Currency/Unit Symbols ? **No**  
 Show numbers in Millions (and not Lakhs) ? **No**

Table Configuration

Use Common Table for Stock Items ? **No**  
 Use 'Reducing List' for Tables ? **Yes**  
*(Contains Search)*  
 Apply for all Columns ? **Yes**  
 Show tables with Masters only in Current Language? **No**

Import/Export Options

Ignore errors & continue during data import ? **No**  
*(Applicable for importing vouchers in XML format/SOAP Request)*  
 Overwrite vouchers during import ? **No**  
*(where voucher Remote GUID matches)*  
 Export Base Currency Symbol along with Amount ? **No**  
 Open file after export ? **Yes**

Other Options

Show Monthly reports with Graphs ? **Yes**  
 Use separate Menu for Final A/c Statements ? **No**  
 Tally alert using beeps ? **Yes**  
 Always show Info Panel ? **No**

List of Countries

- India / SAARC
- International



This enables you to set the **number styles**. The default styles and symbols are specified. However, you have the option of changing them in the respective fields according to your preference.

For example, change negative sign from (-) to (+).  
Go to Gateway of Tally > F12: Configure > Numeric Symbols



Friday, 1 Apr, 2016

Gateway of Tally ....  
Configuration

**Configuration of Number Styles**  
(use underscore to denote a SPACE)

**Symbols to use for Positive Numbers**

Symbol before number (prefix) : **(+)** default: '(+)'  
Symbol after number (suffix) : default: blank

**Symbols to use for Negative Numbers**

Symbol before number (prefix) : **(-)** default: '(-)'  
Symbol after number (suffix) : default: blank

**Symbols to use for Debit Amounts**

Symbol before number (prefix) : default: blank  
Symbol after number (suffix) : **\_Dr** default: '\_Dr'

**Symbols to use for Credit Amounts**

Symbol before number (prefix) : default: blank  
Symbol after number (suffix) : **\_Cr** default: '\_Cr'

Version	License	Configuration	Calculator	Ctrl + N
Series A Release 4.93	Serial Number 742412736	Stat 234 Install STAT 269		
☑ (26/27) Tally Messages	Site ID 742412736 Account ID attitudetallyyv@gmail.com			
Edition Users	Gold Unlimited Tally.NET subscription expired on 31-Jul-2014	Proxy OOBC Server on Port 9000	None 1>	

> Configuration --> Configuration of Number Styles

(c) Tally Solutions Pvt. Ltd., 1988-; Mon, 13 Feb, 2016

Here you can configure the details you want in the masters over and above those provided by fault. You can access the **F12: Configure** screen from **Accounts Masters** and **Inventory Masters** when required. The fields pertaining to both Accounting and Inventory Info. can be configured here. Go to **Gateway of Tally > F12: Configure > Accts/Inventory Info.**



Tally.ERP 9

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

Master Configuration Ashutosh Ltd. Company Ctrl + M

Current Period 1-4-2016 to 31-3-2017 Current Date Friday, 1 Apr, 2016 Gateway of Tally ... Configuration

List of Selected Companies

Name of Company Ashutosh Ltd.

**Master Configuration**

Allow ALIASES along with Names ? **Yes**  
 Allow Language ALIASES along with Names ? No

<u>Accounts</u>		<u>Inventory</u>	
Allow ADVANCED entries in Masters	? Yes	Allow ADVANCED entries in Masters	? No
Use ADDRESSES for Ledger Accounts	? Yes	Use PART NUMBERS for Stock Items	? No
Use CONTACT Details	? No	Use Description for Stock Items	? Yes
Add NOTES for Ledger Accounts	? No	Use REMARKS for Stock Items	? No
		Use ALTERNATE UNITS for Stock Items	? Yes
		Allow Std. Rates for Stock Items	? No
		Specify Default Ledger Allocation for Invoicing	? Yes
		Allow Component list details (Bill of Materials)	? Yes
		Use ADDRESSES for Godowns	? No

Quit

Product	Version	License	Configuration	Calculator
<b>Tally</b> POWER OF SIMPLICITY Tally.ERP 9	Series A Latest Release 4.93 Latest ✉ (26/27) Tally Messages	Serial Number 742412736 Site ID 742412736 Account ID attitudetallyyy@gmail.com Edition Users Gold Unlimited Tally.NET subscription expired on 31-Jul-2014	Stat 234 Install STAT 269 Proxy None ODBC Server on Port 9000	Ctrl + N

Tally MAIN --> Gateway of Tally --> Configuration --> Master Configuration (c) Tally Solutions Pvt. Ltd., 1988- Mon, 13 Feb, 2016

This option allows you to configure the vouchers entries in Tally.ERP 9, both the Accounting and Inventory Vouchers can be configured from this menu for additional information.

Go to **Gateway of Tally > F12: Configure > Voucher Entry**



Tally.ERP 9

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

Voucher Configuration Ashutosh Ltd. Company Ctrl + M

Current Period: 1-1-2016 to 31-3-2017 Current Date: Friday, 4 Apr 2016

### Voucher Entry Configuration

Accounts		Inventory	
Skip Date field in Create Mode (faster entry!)	? Yes	Use Ref. Number in Stock Journal	? No
Use Single Entry mode for Pymt/Rcpt/Contra	? No	Show Compound Unit of Item based on Rate	? No
Use Payment/Receipt as Contra	? No	Show Full Details of Compound Unit	? No
Use Cr/Dr instead of To/By during entry	? Yes	Warn on Negative Stock Balance	? No
Use Cheque Printing for Contra	? No	Show Balances as on Voucher Date	? No
Warn on Negative Cash Balance	? Yes	Show Godown-wise Details	? Yes
Pre-Allocate Bills for Payment/Receipt/Journal	? Yes	Show Batch-wise Details	? Yes
Allow Cash Accounts in Journals	? No		
Allow Expenses/Fixed Assets in Purchase Vouchers	? No	Statutory	
Allow Income Accounts in Sales Vouchers	? No	Allow selection of VAT/Tax Class during entry	? No
Show Inventory Details	? Yes	Warn on Mismatch in VAT Rates	? No
Show Table of Bill Details for Selection	? Yes	Activate 'E1' or 'E2' Transaction (VAT)	? No
Show Bill-wise Details	? Yes		
Expand into multiple lines	? Yes		
Show Ledger Current Balances	? Yes		
Show Balances as on Voucher Date	? No		

Product	Version	License	Configuration	Calculator
 POWER OF SIMPLICITY	Series A Release 4.93 Latest Latest	Serial Number 742412736	Stat 234 Install STAT 269	Ctrl + N
	<input checked="" type="checkbox"/> (26/27) Tally Messages	Site ID 742412736 Account ID attitudetallyyy@gmail.com		
Tally.ERP 9	Edition Gold Users Unlimited	Tally.NET subscription expired on 31-Jul-2014	Proxy None ODBC Server on Port 9000	1 >

This allows you to configure invoice, delivery notes and sales & purchase orders. The Invoice entry and Order entry screens can be configured for additional information such as export details, shipping details, etc.

Go to **Gateway of Tally > F12: Configure > Invoice/Orders Entry**



<u>Invoice / Delivery Note / Order Configuration</u>			
<u>General</u>		<u>Inventory</u>	
Accept Supplementary Details <i>(Address Details, Despatch Details etc.)</i>	? <b>Yes</b>	Show Compound Unit of Item based on Rate	? No
		Show Full Details of Compound Unit	? No
		Warn on Negative Stock Balance	? No
Allow Separate Buyer and Consignee Names	? Yes	Complete Accounting Allocations in Order/Delivery Note	? Yes
Allow modification of ALL fields during entry	? No		
		<u>Statutory</u>	
Allow Provision in Purchase Voucher	? No	Calculate Tax on current Sub-Total	? Yes
Use Common Ledger A/c for Item Allocation	? No	<i>(else calculations are on Inventory Total only)</i>	
Use Defaults for Bill Allocations	? No	Allow selection of VAT/Tax Class during entry	? No
Use Additional Description(s) for Item Name	? No	Warn on Mismatch in VAT Rates	? No
Use Additional Description(s) for Ledger Name <i>(for Accounting Invoice.)</i>	? No	Activate 'E1' or 'E2' Transaction (VAT)	? No
Consolidate Stock Items with same rates	? Yes		
Show Compound Unit of Item based on Rate	? No		
Show Full Details of Compound Unit	? No		
Show turnover achieved with Customer	? No		
		<u>Exporters' Options</u>	
Specify Export Shipping details	? No		
Specify Marks & Nos./Container No.	? No		
Specify No. and Kind of Packages	? No		





**Payroll Configuration** Ashutosh Ltd. Company Ctrl + M X

Current Period: 1-4-2016 to 31-3-2017  
Current Date: Friday, 1 Apr, 2016

List of Selected Companies

Name of Company	Date of Last Entry
Ashutosh Ltd. Company	1-Apr-2016

**Payroll Configuration**

Add NOTES for Employees	? No
Show Statutory Details	? Yes
Show Passport & Visa Details	? No
Show Contract Details	? No
Show Resigned / Retired Employees	? No
Show Employee Display Name	? No

Gateway of Tally Configuration

- General
- Numeric Symbols
- Inventory Info.
- Entry
- Orders Entry Configuration
- Configuration
- Configuration
- Configuration
- Configuration
- Configuration
- Message Centre
- Product & Features
- Licensing
- Quit

Q: Quit

Product	Version	License	Configuration	Calculator
 POWER OF SIMPLICITY <b>Tally.ERP 9</b>	Series A Release 4.93 Latest Latest	Serial Number 742412736	Stat 234 Install STAT 269	Ctrl + N X
	<input checked="" type="checkbox"/> (26/27) Tally Messages	Site ID 742412736 Account ID attitudetallyyv@gmail.com		
	Edition Users Gold Unlimited	Tally.NET subscription expired on 31-Jul-2014	Proxy OOBC Server on Port 9000	None None 1>

Tally MAIN --> Gateway of Tally --> Configuration --> Payroll Configuration (c) Tally Solutions Pvt. Ltd., 1988-; Mon, 13 Feb, 2016 16:46:22

This allows you to configure the BRS Report and alter the Reconciled Vouchers.

Go to Gateway of Tally > F12: Configuration Menu > Banking Configuration



Banking Configuration Ashutosh Ltd. Company Ctrl + M X

Current Period 1-4-2016 to 31-3-2017 Current Date Friday, 1 Apr, 2016

Gateway of Tally ... Configuration

List of Selected Companies

Name of Company	Date of Last Entry	General
Ashutosh L		

**Banking Configuration**

Show all Unreconciled Transactions in BRS Till Date ? **Yes**

Remove Bank Date on Altering Reconciled Voucher (Bank Ledger/Amount) ? **No**

Location of New Bank Statement files : D:\New folder (2)\Program Files\Tally.ERP9

Location of Imported Bank Statement files : D:\New folder (2)\Program Files\Tally.ERP9

Location of Payment Instruction(s) : D:\New folder (2)\Program Files\Tally.ERP9

Show Details Before Export : Yes

Location of New Intermediate Files : D:\New folder (2)\Program Files\Tally.ERP9


Location of Imported Intermediate Files : D:\New folder (2)\Program Files\Tally.ERP9

Product & Features

Licensing

Quit

Q: Quit

Product	Version	License	Configuration	Calculator
 POWER OF SIMPLICITY Tally.ERP 9	Series A Release 4.93 Latest Latest <input checked="" type="checkbox"/> (26/27) Tally Messages	Serial Number 742412736 Site ID 742412736 Account ID atitudetallyyy@gmail.com	Stat 234 Install STAT 269 Proxy None OOBC Server on Port 9000	Ctrl + N X

Tally.ERP 9 Gold Unlimited  
Tally.NET subscription expired on 31-Jul-2014

Tally MAIN --> Gateway of Tally --> Configuration --> Banking Configuration

(c) Tally Solutions Pvt. Ltd., 1988- | Mon, 13 Feb, 20

The printing option allows you to configure the printing parameters of a Voucher, Invoice and Statement layouts before final printing.

Go to **Gateway of Tally > F12: Configure > Printing**

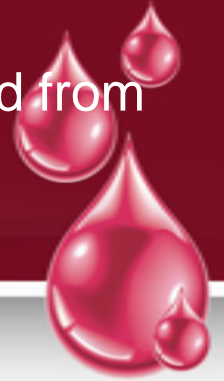


The screenshot shows the 'Gateway of Tally' interface with the 'Printing' configuration window open. The main window displays the current period (1.4-2016 to 31.3-2017) and current date (Friday, 1 Apr, 2016). A list of selected companies shows 'Ashutosh Ltd. Company' with a last entry date of '1-Apr-2016'. The 'Printing' window is titled 'Gateway of Tally .... Configuration .... Printing' and contains a 'General' section with the following options: Purchase Transactions, Payment Voucher, Sales Transactions, Receipt Voucher, Journal / Contra, Debit / Credit Note, REminder Letters, Confirmation Statements, PAYment Advice Configuration, PaYroll, AdVanced Configuration, and Quit.

Product	Version	License	Configuration	Calculator
<b>Tally</b> POWER OF SIMPLICITY Tally.ERP 9	Series A Release 4.93 <input checked="" type="checkbox"/> (26/27) Tally Messages Edition Users Gold Unlimited	Serial Number 742412736 Site ID 742412736 Account ID attitudetallyyyu@gmail.com Tally.NET subscription expired on 31-Jul-2014	Stat 234 Install STAT 269 Proxy None OOBC Server on Port 9000	Ctrl + N

Tally MAIN --> Gateway of Tally --> Configuration --> Printing (c) Tally Solutions Pvt. Ltd., 1988-; Mon, 13 Feb, 2016

The General Printing Configuration will help you to setup the print screens for various reports and transactions.  
 This **Configuration** is applicable to all the reports that are printed from Tally.ERP 9.



Tally.ERP 9

Print | E: Export | M: E-Mail | O: Upload | S: Shop | G: Language | K: Keyboard | K: Control Centre | H: Support Centre | H: Help

Printing Configuration Ashutosh Ltd. Company Ctrl + M

Current Period: 1-4-2016 to 31-3-2017 | Current Date: Friday, 1 Apr, 2016

Gateway of Tally ... Configuration ...

List of Selected Companies

Name of Company: Ashutosh Ltd. Company | Date of Last Entry: ...

**Configuration**

Print Date & Time of Report ? No

Print Date & Time of Voucher Printing ? No

Print State and PIN Code with Address ? No

Stop printing Vertical Lines/Borders ? No  
*(for faster printing on dot-matrix printers)*

Standard Space on Top of pages (inches) : 0.50

**Settings for 'Quick Format'**

Split long names into multiple lines ? No

Split long amts/numbers into multiple lines ? No

Print Party Name and Address from left margin in invoice ? No

Quit

Product	Version	License	Configuration	Calculator
 POWER OF SIMPLICITY Tally.ERP 9	Series A Release 4.93 Latest Latest	Serial Number 742412736	Stat 234 Install STAT 269	
	(26/27) Tally Messages Edition Users Gold Unlimited	Site ID 742412736 Account ID attitudetallyyy@gmail.com Tally.NET subscription expired on 31-Jul-2014	Proxy None ODBC Server on Port 9000	

Tally MAIN --> Gateway of Tally --> Configuration --> Printing --> Printing Configuration (c) Tally Solutions Pvt. Ltd., 1988-; Mon, 13 Feb, 2016



The Advanced Printing Configuration provides: Optimize usage of space while printing in pre-printed format of invoice Support printing of POS invoice for customized paper sizes Enable usage of bitmap printing as an option to avoid overlapping and compression of text To use the advanced configurations, Go to **Gateway of Tally>F12: Configure>Printing>Advanced Printing Configuration**

Advanced Printing Configuration Ashutosh Ltd. Company

Current Period: 1-4-2016 to 31-3-2017 Current Date: Friday, 1 Apr, 2016

List of Selected Companies

Name of Company	Date of Last Entry
Ashutosh Ltd. Company	1-Apr-2016

Printing Configuration

General

**Advanced Configuration**

Reduce Space between Address & Item Name/Particulars ? **Yes**  
*(Note: Enable/Disable this in case of mis-alignment in pre-printed format)*

Retrieve paper-size for non standard printers ? No

Bitmap mode of printing ? No  
*(Note: Choose Yes in case of overlapped text in the printout)*

Product: Tally.ERP 9

Product	Version	License	Configuration	Calculator
Tally.ERP 9	Series A Release 4.93 Latest Latest	Serial Number 742412736	Stat 234 Install STAT 269	Ctrl + N
	[26/27] Tally Messages	Site ID 742412736		
	Account ID attitudetallyyy@gmail.com			
	Edition Users Gold Unlimited	Tally.NET subscription expired on 31-Jul-2014	Proxy ODBC Server on Port 9000	

Tally MAIN --> Gateway of Tally --> Configuration --> Printing --> Advanced Printing Configuration (c) Tally Solutions Pvt. Ltd., 1988-; Mon, 13 Feb, 2016

# The Purchase printing option allows you to configure the printing of Purchase Invoice, Purchase Orders and Receipt Note.

## Go to Gateway of Tally > F12: Configure > Printing > Purchase Transactions



Gateway of Tally Ctrl + M

Current Period: 1-4-2016 to 31-3-2017      Current Date: Friday, 1 Apr, 2016

List of Selected Companies

Name of Company	Date of Last Entry
Ashutosh Ltd. Company	1-Apr-2016

Gateway of Tally ....  
Configuration ....  
Printing ....

**Purchase Printing**

- Purchase Voucher / Invoice
- Receipt Note
- Purchase Order
- Quit

Product	Version	License	Configuration	Calculator	Ctrl + N
 <b>POWER OF SIMPLICITY</b> <b>Tally.ERP 9</b>	Series A Release 4.93	Serial Number 742412736	Stat 234    Install STAT 269		
	<input checked="" type="checkbox"/> (26/27) Tally Messages Edition Gold Users Unlimited	Site ID 742412736 Account ID attitudetallyyv@gmail.com Tally.NET subscription expired on 31-Jul-2014	Proxy None ODBC Server on Port 9000		

Tally MAIN --> Gateway of Tally --> Configuration --> Printing --> Purchase Printing (c) Tally Solutions Pvt. Ltd., 1988- | Mon, 13 Feb, 2016 | 16:56:02

This screen allows you to configure a purchase invoice for printing. The Print Configuration settings shown below is applicable to purchase voucher type only.



**Purchase Print Configuration** Ashutosh Ltd. Company Ctrl + M

Current Period: 1-4-2016 to 31-3-2016

Name of Company: Ashutosh Ltd. Company

### Purchase Printing Configuration

Title of Document : [REDACTED]  
 (for Optional Voucher) : **INVOICE**  
 Sub Title (if any) :

Height of Normal Invoice (inches)	: 10	Simple/Voucher	: 10
Width of Normal Invoice (inches)	: 7.50	Simple/Voucher	: 7.50
Space to leave on top (default 0.25)	: 0.25	Simple/Voucher	: 0.25
Space to leave on left (default 0.5)	: 0.50	Simple/Voucher	: 0.50

Number of Copies to Print	: 1	Print Serial No.	? Yes
Print in Simple Format	? No	Print Part No.	? No
Print in Voucher Format	? No	Print Quantity Column	? Yes
Print Cost Allocations in Voucher Format	? No	Print Alternate Quantity	? Yes
Print Voucher Reference	? Yes	Print as separate Column	? No
Print Order Details	? No	Print Actual Quantity Column	? No
Print VAT Analysis of Items	? No	Print Rate Column	? Yes
Print Company's PAN / Income Tax No.	? Yes	Print VAT % Column	? No
Print Company's Tax Regn. Numbers	? Yes	Print Batch Details	? Yes
Print Buyer's Tax Regn. Number	? Yes	Print Godown Name	? No
Print Buyer's CST Regn. Number	? Yes	Print Godown Address	? No
Print Complete Mailing details	? No	Print Rate of Duty with Items	? No
		Print Sub-Totals after each line	? No
		Print Narration	? No
		Print Narration for each entry	? No
		Print Base Currency Symbol for Total	? Yes

Method to use for Ledger Name : **Name Only**  
 Method to use for Stock Item Name : **Name Only**  
 Jurisdiction :

Product	Version	License	Configuration	Calculator
<b>Tally</b> POWER OF SIMPLICITY <b>Tally.ERP 9</b>	Series A Release 4.93 Latest Latest [26/27] Tally Messages	Serial Number 742412736 Site ID 742412736 Account ID attitudetallyyyv@gmail.com	Stat 234 Install STAT 269 Proxy None ODBC Server on Port 9000	Ctrl + N

Tally MAIN --> Gateway of Tally --> Configuration --> Printing --> Purchase Printing --> Purchase Print Configuration (c) Tally Solutions Pvt. Ltd., 1988- Mon, 13 Feb, 20

This screen allows you to configure the Receipt Note for printing. The Print Configuration settings shown below is applicable to receipt note voucher type only.



Receipt Note Print Configuration - Ashutosh Ltd. Company

Current Period: 1-4-2016 to 31-3-2016

Name of Company: Ashutosh Ltd. Company

### Receipt Note Printing Configuration

Title of Document : **Receipt Note**  
 (for Optional Voucher) : **Receipt Note**  
 Sub Title (if any) :

Height of Normal Invoice (inches)	: 10	Simple: 10
Width of Normal Invoice (inches)	: 7.50	Simple: 7.50
Space to leave on top (default 0.25)	: 0.25	Simple: 0.25
Space to leave on left (default 0.5)	: 0.50	Simple: 0.50

---

Number of Copies to Print	: 1	Print Serial No.	? Yes
Print in Simple Format	? No	Print Part No.	? No
Print Voucher Reference	? Yes	Print Quantity Column	? Yes
Print Order Details	? No	Print Alternate Quantity	? Yes
Print Company's PAN / Income Tax No.	? Yes	Print as separate Column	? No
Print Company's Tax Regn. Numbers	? Yes	Print Actual Quantity Column	? No
Print Supplier's Tax Regn. Numbers	? Yes	Print Rate Column	? Yes
Print Supplier's CST Regn. Numbers	? Yes	Print Amount Column	? Yes
Print Complete Mailing details	? No	Print Batch Details	? Yes
		Print Godown Name	? No
		Print Godown Address	? No
		Print Rate of Duty with Items	? No
		Print Sub-Totals after each line	? No
		Print Narration	? No
		Print Base Currency Symbol for Total	? Yes

---

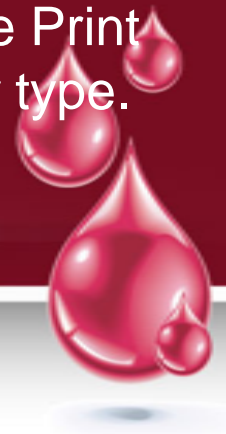
Method to use for Ledger Name : **Name Only**  
 Method to use for Stock Item Name : **Name Only**  
 Jurisdiction :

Product	Version	License	Configuration	Calculator
<b>Tally</b> POWER OF SIMPLICITY <b>Tally.ERP 9</b>	Series A Release 4.93 [26/27] Tally Messages	Serial Number 742412736 Site ID 742412736 Account ID atbitudetailyyv@gmail.com Tally.NET subscription expired on 31-Jul-2014	Stat 234 Install STAT 269 Proxy None ODBC Server on Port 9000	Ctrl + N

Tally MAIN --> Gateway of Tally --> Configuration --> Printing --> Purchase Printing --> Receipt Note Print Configuratio (c) Tally Solutions Pvt. Ltd., 1988-; Mon, 13 Feb, 2016



This allows you to configure the Purchase Order for printing. The Print Configuration settings is applicable to **Purchase Order** voucher type.



**Purchase Order Print Configuration** Ashutosh Ltd. Company Ctrl + M

Current Period: 1-4-2016 to 31-3-2016

Name of Company: Ashutosh Ltd. Company

### Purchase Order Printing Configuration

Title of Document : **PURCHASE ORDER**  
 (for Optional Voucher) : **PURCHASE ORDER**  
 Sub Title (if any) :  
 Print Company Logo ? Yes

Height of Normal Purchase Order (inches) : 10 Simple: 10  
 Width of Normal Purchase Order (inches) : 7.50 Simple: 7.50  
 Space to leave on top (default 0.25) : 0.25 Simple: 0.25  
 Space to leave on left (default 0.5) : 0.50 Simple: 0.50

Number of Copies to Print	: 1	Print Serial No.	? Yes
Print in Simple Format	? No	Print Part No.	? No
Print Voucher Reference	? Yes	Print Quantity Column	? Yes
Print Terms of Payment and Delivery	? Yes	Print Alternate Quantity	? Yes
Print details of Despatch	? Yes	Print as separate Column	? No
Print Company's PAN / Income Tax No.	? Yes	Print Actual Quantity Column	? No
Print Company's Tax Regn. Numbers	? Yes	Print Rate Column	? Yes
Print Complete Mailing details	? No	Print Delivery Date / Batch Details	? Yes
		Print Godown Name	? No
		Print Godown Address	? No
		Print Rate of Duty with Items	? No
		Print Sub-Totals after each line	? No
		Print Narration	? No
		Print Base Currency Symbol for Total	? Yes

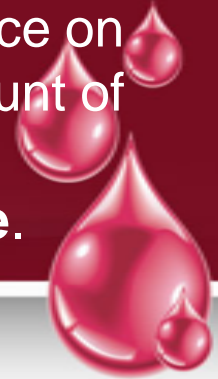
Method to use for Ledger Name : Name Only  
 Method to use for Stock Item Name : Name Only  
 Jurisdiction :

Product	Version	License	Configuration	Calculator
<b>Tally</b> POWER OF SIMPLICITY <b>Tally.ERP 9</b>	Series A Release 4.93 Latest Latest <input checked="" type="checkbox"/> (26/27) Tally Messages	Serial Number 742412736 Site ID 742412736 Account ID attitudetallyyyu@gmail.com	Stat 234 Install STAT 269	
	Edition Gold Users Unlimited	Tally.NET subscription expired on 31-Jul-2014	Proxy None ODBC Server on Port 9000	

Tally MAIN --> Gateway of Tally --> Configuration --> Printing --> Purchase Printing --> Purchase Order Print Configuration | (c) Tally Solutions Pvt. Ltd., 1988- | Mon, 13 Feb, 2016

This allows you to configure the dimensions and details of payment voucher, you can set the size, top margin of voucher, leave space on voucher for signature / verification purpose and decide the amount of information you wish to print.

This configuration is applicable to **Payment voucher type**.



**Payment Print Configuration** Ashutosh Ltd. Company Ctrl + M

Current Period: 1-4-2016 to 31-3-2017  
 Current Date: Friday, 1 Apr, 2016  
 Gateway of Tally Configuration

**Payment Printing Configuration**

- Height of Voucher (inches) : 7
- Width of Voucher (inches) : 5
- Space to leave on top (default 0.25) : 0.25
- Space to leave on left (default 0.75) : 0.75
- Payment Mode on Top of Voucher ? No
- Print Bill-wise Details ? Yes
  - Print Bill Due Date also ? No
  - Print Due Date with Credit Days ? No
- Print Inventory Details ? No
- Print Bank Transaction Details ? No
  - Print All Details ? No
- Space for Checked/Verified initials ? No
- Print Narration ? Yes
- Print Narration for each entry ? Yes
- Print Base Currency Symbol for Total ? Yes
- Method to use for Ledger Name : Name Only

Product	Version	License	Configuration	Calculator
<b>Tally</b> POWER OF SIMPLICITY <b>Tally.ERP 9</b>	Series A Release 4.93 Latest Latest [26/27] Tally Messages	Serial Number 742412736 Site ID 742412736 Account ID attitudetallyyv@gmail.com	Stat 234 Instal STAT 269 Proxy None ODBC Server on Port 9000	Ctrl + N

Tally MAIN --> Gateway of Tally --> Configuration --> Printing --> Payment Print Configuration (c) Tally Solutions Pvt. Ltd., 1988- Mon, 13 Feb, 20

# The Sales printing option allows you to configure the printing of Sales Invoice, POS Invoice, Delivery Note, Sales Order and Quotation.

## Go to Gateway of Tally > F12: Configure > Printing > Sales Transactions



Gateway of Tally Ctrl + N

Current Period: 1-4-2016 to 31-3-2017      Current Date: Friday, 1 Apr, 2016

List of Selected Companies

Name of Company	Date of Last Entry
Ashutosh Ltd. Company	1-Apr-2016

Gateway of Tally ....  
 Configuration ....  
 Printing ....

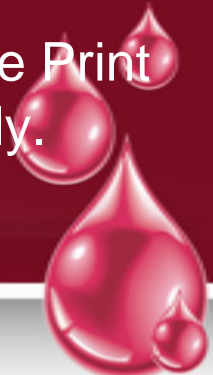
**Sales Printing**

- Sales Invoice
- POS Invoice
- Delivery Note
- Sales Order / Quotation
- Quit

Product	Version	License	Configuration	Calculator	Ctrl + N
 POWER OF SIMPLICITY Tally.ERP 9	Series A Latest Release 4.93 Latest	Serial Number 742412736	Stat 234 Install STAT 269		
	[26/27] Tally Messages Edition Gold Users Unlimited	Site ID 742412736 Account ID attitudetallyyv@gmail.com Tally.NET subscription expired on 31-Jul-2014	Proxy None ODBC Server on Port 9000		

Tally MAIN --> Gateway of Tally --> Configuration --> Printing --> Sales Printing (c) Tally Solutions Pvt. Ltd., 1988. Mon, 13 Feb, 20

This screen allows you to configure Sales Invoice for printing. The Print Configuration settings is applicable to sales voucher type only.



**Invoice Print Configuration** Ashutosh Ltd. Company Ctrl + M

---

**Invoice Printing Configuration**

Current Period : 1-4-2016 to 31-3-2017

Title of Document : **PROFORMA INVOICE**  
 (for Optional Voucher):  
 Sub Title (if any) :  
 Print Company Logo ? **Yes**

Height of Normal Invoice (inches) : **10** Simple: **10**  
 Width of Normal Invoice (inches) : **7.50** Simple: **7.50**  
 Space to leave on top (default 0.25) : **0.25** Simple: **0.25**  
 Space to leave on left (default 0.5) : **0.50** Simple: **0.50**

---

Number of Copies to Print : <b>1</b>	Print Serial No. ? <b>Yes</b>
Print in Simple Format ? <b>No</b>	Print Part No. ? <b>No</b>
Print Voucher Reference ? <b>Yes</b>	Print Quantity Column ? <b>Yes</b>
Print Order Details ? <b>Yes</b>	Print Alternate Quantity ? <b>Yes</b>
Print Terms of Payment and Delivery ? <b>Yes</b>	Print as separate Column ? <b>No</b>
Print details of Despatch ? <b>Yes</b>	Print Actual Quantity Column ? <b>No</b>
Print Tax Analysis of Items ? <b>No</b>	Print Rate Column ? <b>Yes</b>
Print VAT/CST Analysis of Items ? <b>No</b>	Print VAT/CST % Column ? <b>No</b>
Print Company's PAN / Income Tax No. ? <b>Yes</b>	Print Date & Time ? <b>No</b>
Print Company's Tax Regn. Numbers ? <b>Yes</b>	Print Batch Details ? <b>Yes</b>
Print Buyer's Tax Regn. Number ? <b>Yes</b>	Print Godown Name ? <b>No</b>
Print Complete Mailing details ? <b>No</b>	Print Godown Address ? <b>No</b>
Print Buyer's CST Regn. Number ? <b>Yes</b>	Print Rate of Duty with Items ? <b>No</b>
Print Declaration ? <b>Yes</b>	Print Sub-Totals after each line ? <b>No</b>
Print Customer's Signature ? <b>No</b>	Print Narration ? <b>No</b>
	Print Narration for each entry ? <b>No</b>
	Print Base Currency Symbol for Total ? <b>Yes</b>

---

Method to use for Party Name : **Name Only**  
 Method to use for Stock Item Name : **Name Only**  
 Print Bank Details ? **No**

Jurisdiction :

Generated by : **This is a Computer Generated Invoice**

---

Product	Version	License	Configuration	Calculator
 POWER OF SIMPLICITY <b>Tally.ERP 9</b>	Series A <i>Latest</i> Release 4.93	Serial Number 742412736	Stat 234 Install STAT 269	<span style="float: right;">Ctrl + N</span>
	<input checked="" type="checkbox"/> (26/27) Tally Messages Edition <i>Gold</i> Users <i>Unlimited</i>	Site ID 742412736 Account ID attitudetallyyy@gmail.com Tally.NET subscription expired on 31-Jul-2014	Proxy <i>None</i> ODBC Server on Port 9000	

Tally MAIN --> Gateway of Tally --> Configuration --> Printing --> Sales Printing --> Invoice Print Configuration (c) Tally Solutions Pvt. Ltd., 1988- Mon, 13 Feb, 20

This allows you to configure POS Invoice for printing, Title of the Document can be changed, you can print the Serial No., Batch Details, Card / Cheque No., Tax analysis of items, Narration and Default Name & Address of Party.

This configuration is applicable to **Sales voucher type** having the **POS** option enabled.



Tally.ERP 9

P: Print | E: Export | M: E-Mail | O: Upload | S: Shop | G: Language | K: Keyboard | K: Control Centre | H: Support Centre | H: Help

Invoice Print Configuration | Ashutosh Ltd. Company | Ctrl + M

Current Period: 1-4-2016 to 31-3-2017 | Current Date: Friday, 1 Apr, 2016

List of Selected Companies

Name of Company: Ashutosh Ltd. Company

**POS Invoice Printing Configuration**

Title of Document : [REDACTED]

Method to use for Stock Item Name : Name Only

Print Item Name in one line ? No

Print Serial No. ? Yes

Print Part No. ? No

Print Quantity Units ? No

Print Rate Column ? Yes

Print Rate Units ? No

Print Additional Description(s) for Item Name ? No

Print MRP/Marginal ? No

Print Card / Cheque No. ? Yes

Print whole Card Number ? No

Print VAT/CST Analysis of Items ? No

Print Narration ? No

Print Default Name & Address of Party ? Yes

Print Base Currency Symbol for Total ? Yes

Product	Version	License	Configuration	Calculator
 <b>POWER OF SIMPLICITY</b> Tally.ERP 9	Series A Release 4.93 Latest Latest	Serial Number 742412736	Stat 234 Install STAT 269	
	<input checked="" type="checkbox"/> (26/27) Tally Messages Edition Gold Users Unlimited	Site ID 742412736 Account ID attitudetallyyyv@gmail.com Tally.NET subscription expired on 31-Jul-2014	Proxy ODBC Server on Port 9000	None

Tally MAIN --> Gateway of Tally --> Configuration --> Printing --> Sales Printing --> Invoice Print Configuration | (c) Tally Solutions Pvt. Ltd., 1988- | Mon, 13 Feb, 20

This screen allows you to configure Delivery Note for printing. This Print Configuration settings is applicable to Delivery Note voucher type.



Tally.ERP 9

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

Ashutosh Ltd. Company Ctrl + M

**Delivery Note Printing Configuration**

Current Period: 1-4-2016 to 31-3-2017

Name of Company: Ashutosh Ltd. Company

Title of Document : **DELIVERY NOTE**  
 (for Optional Voucher) : **Delivery Note**  
 Sub Title (if any) :  
 Print Company Logo ? Yes

Height of Normal Delivery Note (inches) : 10 Simple: 10  
 Width of Normal Delivery Note (inches) : 7.50 Simple: 7.50  
 Space to leave on top (default 0.25) : 0.25 Simple: 0.25  
 Space to leave on left (default 0.5) : 0.50 Simple: 0.50

Number of Copies to Print : 1	Print Serial No. ? Yes
Print in Simple Format ? No	Print Part No. ? No
Print Voucher Reference ? Yes	Print Quantity Column ? Yes
Print Order Details ? Yes	Print Alternate Quantity ? Yes
Print Terms of Payment and Delivery ? Yes	Print as separate Column ? No
Print details of Despatch ? Yes	Print Actual Quantity Column ? No
Print Company's PAN / Income Tax No. ? Yes	Print Rate Column ? Yes
Print Company's Tax Regn. Numbers ? Yes	Print Amount Column ? Yes
Print Buyer's Tax Regn. Number ? Yes	Print Batch Details ? Yes
Print Buyer's CST Regn. Number ? Yes	Print Godown Name ? No
Print Complete Mailing details ? No	Print Godown Address ? No
	Print Rate of Duty with Items ? No
	Print MRP/Marginal Column ? No
	Print Sub-Totals after each line ? No
	Print Narration ? No
	Print Base Currency Symbol for Total ? Yes


Method to use for Ledger Name : **Name Only**  
 Method to use for Stock Item Name : **Name Only**  
 Jurisdiction :

Product	Version	License	Configuration	Calculator
<b>Tally</b> POWER OF SIMPLICITY <b>Tally.ERP 9</b>	Series A Latest Release 4.93 Latest ☑ (26/27) Tally Messages	Serial Number 742412736 Site ID 742412736 Account ID attitudetallyyy@gmail.com	Stat 234 Install STAT 269 Proxy None ODBC Server on Port 9000	Ctrl + N

Tally MAIN --> Gateway of Tally --> Configuration --> Printing --> Sales Printing --> Delivery Note Print Configuration (c) Tally Solutions Pvt. Ltd., 1988- Mon, 13 Feb, 20

This screen allows you to configure Sales Order for printing. The **Print Configuration** settings is applicable to Sales Order voucher type.

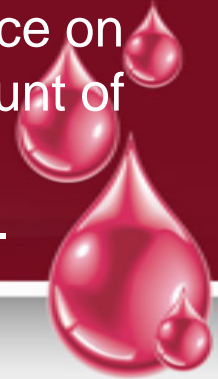


Sales Order Print Configuration		Ashutosh Ltd. Company		Ctrl + M																														
<p>Current Period 1-4-2016 to 31-3-2016</p> <p>List</p> <p>Name of Company Ashutosh Ltd. Company</p>		<p align="center"><b>Sales Order Printing Configuration</b></p> <p>Title of Document : <b>SALES ORDER</b> (for Optional Voucher): <b>QUOTATION</b> Sub Title (if any) : Print Company Logo ? <b>Yes</b></p> <p>Height of Normal Sales Order (inches) : <b>10</b>      Simple: <b>10</b> Width of Normal Sales Order (inches) : <b>7.50</b>      Simple: <b>7.50</b> Space to leave on top (default 0.25) : <b>0.25</b>      Simple: <b>0.25</b> Space to leave on left (default 0.5) : <b>0.50</b>      Simple: <b>0.50</b></p> <hr/> <table border="0"> <tr> <td>Number of Copies to Print : <b>1</b></td> <td>Print Serial No. ? <b>Yes</b></td> </tr> <tr> <td>Print in Simple Format ? <b>No</b></td> <td>Print Part No. ? <b>No</b></td> </tr> <tr> <td>Print Voucher Reference ? <b>Yes</b></td> <td>Print Quantity Column ? <b>Yes</b></td> </tr> <tr> <td>Print Terms of Payment and Delivery ? <b>Yes</b></td> <td>Print Alternate Quantity ? <b>Yes</b></td> </tr> <tr> <td>Print details of Despatch ? <b>Yes</b></td> <td>Print as separate Column ? <b>No</b></td> </tr> <tr> <td>Print Company's PAN / Income Tax No. ? <b>Yes</b></td> <td>Print Actual Quantity Column ? <b>No</b></td> </tr> <tr> <td>Print Company's Tax Regn. Numbers ? <b>Yes</b></td> <td>Print Rate Column ? <b>Yes</b></td> </tr> <tr> <td>Print Complete Mailing details ? <b>No</b></td> <td>Print Delivery Date / Batch Details ? <b>Yes</b></td> </tr> <tr> <td></td> <td>Print Godown Name ? <b>No</b></td> </tr> <tr> <td></td> <td>Print Godown Address ? <b>No</b></td> </tr> <tr> <td></td> <td>Print Rate of Duty with Items ? <b>No</b></td> </tr> <tr> <td></td> <td>Print MRP/Marginal Column ? <b>No</b></td> </tr> <tr> <td></td> <td>Print Sub-Totals after each line ? <b>No</b></td> </tr> <tr> <td></td> <td>Print Narration ? <b>No</b></td> </tr> <tr> <td></td> <td>Print Base Currency Symbol for Total ? <b>Yes</b></td> </tr> </table> <hr/> <p>Method to use for Ledger Name : <b>Name Only</b> Method to use for Stock Item Name : <b>Name Only</b> Print Bank Details ? <b>No</b></p> <p>Jurisdiction :</p>			Number of Copies to Print : <b>1</b>	Print Serial No. ? <b>Yes</b>	Print in Simple Format ? <b>No</b>	Print Part No. ? <b>No</b>	Print Voucher Reference ? <b>Yes</b>	Print Quantity Column ? <b>Yes</b>	Print Terms of Payment and Delivery ? <b>Yes</b>	Print Alternate Quantity ? <b>Yes</b>	Print details of Despatch ? <b>Yes</b>	Print as separate Column ? <b>No</b>	Print Company's PAN / Income Tax No. ? <b>Yes</b>	Print Actual Quantity Column ? <b>No</b>	Print Company's Tax Regn. Numbers ? <b>Yes</b>	Print Rate Column ? <b>Yes</b>	Print Complete Mailing details ? <b>No</b>	Print Delivery Date / Batch Details ? <b>Yes</b>		Print Godown Name ? <b>No</b>		Print Godown Address ? <b>No</b>		Print Rate of Duty with Items ? <b>No</b>		Print MRP/Marginal Column ? <b>No</b>		Print Sub-Totals after each line ? <b>No</b>		Print Narration ? <b>No</b>		Print Base Currency Symbol for Total ? <b>Yes</b>
Number of Copies to Print : <b>1</b>	Print Serial No. ? <b>Yes</b>																																	
Print in Simple Format ? <b>No</b>	Print Part No. ? <b>No</b>																																	
Print Voucher Reference ? <b>Yes</b>	Print Quantity Column ? <b>Yes</b>																																	
Print Terms of Payment and Delivery ? <b>Yes</b>	Print Alternate Quantity ? <b>Yes</b>																																	
Print details of Despatch ? <b>Yes</b>	Print as separate Column ? <b>No</b>																																	
Print Company's PAN / Income Tax No. ? <b>Yes</b>	Print Actual Quantity Column ? <b>No</b>																																	
Print Company's Tax Regn. Numbers ? <b>Yes</b>	Print Rate Column ? <b>Yes</b>																																	
Print Complete Mailing details ? <b>No</b>	Print Delivery Date / Batch Details ? <b>Yes</b>																																	
	Print Godown Name ? <b>No</b>																																	
	Print Godown Address ? <b>No</b>																																	
	Print Rate of Duty with Items ? <b>No</b>																																	
	Print MRP/Marginal Column ? <b>No</b>																																	
	Print Sub-Totals after each line ? <b>No</b>																																	
	Print Narration ? <b>No</b>																																	
	Print Base Currency Symbol for Total ? <b>Yes</b>																																	
<p>Product</p>  <p>POWER OF SIMPLICITY</p> <p><b>Tally.ERP 9</b></p>	<p>Version</p> <p>Series A      <i>Latest</i> Release 4.93      <i>Latest</i></p> <p><input checked="" type="checkbox"/> (26/27) Tally Messages</p> <p>Edition      <i>Gold</i> Users      <i>Unlimited</i></p>	<p>License</p> <p>Serial Number      742412736</p> <p>Site ID      742412736 Account ID      attitudetallyyy@gmail.com</p> <p>Tally.NET subscription expired on      31-Jul-2014</p>	<p>Configuration</p> <p>Stat      234      Install      STAT      269</p> <p>Proxy      <i>None</i> ODBC Server on Port      9000</p>	<p>Calculator</p> <p>Ctrl + N</p>																														
<p>Tally MAIN --&gt; Gateway of Tally --&gt; Configuration --&gt; Printing --&gt; Sales Printing --&gt; Sales Order Print Configuration      (c) Tally Solutions Pvt. Ltd., 1988 · Mon, 13 Feb, 2016</p>																																		



This allows you to configure the dimensions and details of receipt voucher, you can set the size, top margin of voucher, leave space on voucher for signature / verification purpose and decide the amount of information you wish to print.

This configuration is applicable to Receipt voucher type.



Tally.ERP 9

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

Receipt Print Configuration Ashutosh Ltd. Company Ctrl + M

Current Period  
1-4-2016 to 31-3-2017

List of Selected C

Name of Company  
Ashutosh Ltd. Company

**Receipt Printing Configuration**

Print Company Logo ? Yes  
 Height of Voucher (inches) : 7  
 Width of Voucher (inches) : 5  
 Space to leave on top (default 0.25) : 0.25  
 Space to leave on left (default 0.75) : 0.25  
 Receipt Mode on Top of Voucher ? No  
 Print Bill-wise Details ? Yes  
     Print Bill Due Date also ? No  
     Print Due Date with Credit Days ? No  
 Print Inventory Details ? No  
 Print Bank Transaction Details ? No  
     Print All Details ? No  
 Space for Checked/Verified initials ? No  
 Print Base Currency Symbol for Total ? Yes  
 Method to use for Ledger Name : Name Only

**Formal Receipt Printing Configuration**

Print Company Logo ? Yes  
 Height of Receipt (inches) : 6  
 Width of Receipt (inches) : 5  
 Space to leave on top (default 0.25) : 0.25  
 Print Bank Transaction Details ? No  
     Print All Details ? No  
 Print Party Address ? Yes  
 Print Narration ? Yes  
 Print Narration for each entry ? Yes

Product	Version	License	Configuration	Calculator
<b>Tally</b> POWER OF SIMPLICITY Tally.ERP 9	Series A Release 4.93 Latest Latest [26/27] Tally Messages	Serial Number 742412736 Site ID 742412736 Account ID attitudetallyyv@gmail.com Tally.NET subscription expired on 31-Jul-2014	Stat 234 Install STAT 269 Proxy None ODBC Server on Port 9000	Ctrl + N

Tally MAIN --> Gateway of Tally --> Configuration --> Printing --> Receipt Print Configuration (c) Tally Solutions Pvt. Ltd., 1988- Mon, 13 Feb, 2



This allows you to configure the dimensions and details of Journal/Contra voucher. This Print Configuration settings is applicable only to Journal and Contra voucher type.



**Journal / Contra Printing Configuration** Ashutosh Ltd. Company Ctrl + M

Current Period: 1-4-2016 to 31-3-2017  
 Current Date: Friday, 1 Apr, 2016  
 Gateway of Tally Configuration

List of Selected Companies

Name of Company: Ashutosh Ltd. Company

**Journal / Contra Printing Configuration**

Height of Voucher (inches) : 7

Width of Voucher (inches) : 5

Space to leave on top (default 0.25) : 0.25

Space to leave on left (default 0.75) : 0.75

Print Bill-wise Details ? Yes

    Print Bill Due Date also ? No

    Print Due Date with Credit Days ? No

Print Inventory Details ? No

Print Bank Transaction Details ? No

    Print All Details ? No

Space for Checked/Verified initials ? No

Print Narration ? Yes

Print Narration for each entry ? Yes

Print Base Currency Symbol for Total ? Yes

Method to use for Ledger Name : Name Only

Product	Version	License	Configuration	Calculator
 POWER OF SIMPLICITY Tally.ERP 9	Series A Release 4.93 Latest Latest	Serial Number 742412736	Stat 234 Install STAT 269	Ctrl + N
	[26/27] Tally Messages Edition Users Gold Unlimited	Site ID 742412736 Account ID attitudetallyyv@gmail.com Tally.NET subscription expired on 31-Jul-2014	Proxy None ODBC Server on Port 9000	

Tally MAIN --> Gateway of Tally --> Configuration --> Printing --> Journal / Contra Printing Configuration (c) Tally Solutions Pvt. Ltd., 1988- Mon, 13 Feb, 2016

This allows you to configure the dimensions and details of Debit / Credit Note, you can set the size, top margin of voucher, leave space on voucher for signature / verification purpose, you can print the full ledger details like inventory details, bill-wise details, cost centre details and narrations.



Tally.ERP 9

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

Debit / Credit Note Print Configuration Ashutosh Ltd. Company Ctrl + M

Current Period: 1-4-2016 to 31-3-2017  
Current Date: Friday, 1 Apr, 2016

List of Selected Companies

Name of Company: Ashutosh Ltd. Company

**Debit / Credit Note Printing Configuration**

Print Company Logo ? **Yes**

Height of Voucher (inches) : 6

Width of Voucher (inches) : 5

Space to leave on top (default 0.25) : 0.25

Space to leave on left (default 0.75) : 0.75

Print Complete Mailing details ? No

Print full Ledger details ? No

Print Inventory details ? No

Print with Narrations ? No

Print Narration for each entry ? No

Print Bill-wise Details ? No

Print Bill Due Date also ? No

Space for Checked/Verified initials ? No

Print Base Currency Symbol for Total ? Yes

Printing

Transactions Voucher

Transactions Voucher

Contra Credit Note

Letters on Statements

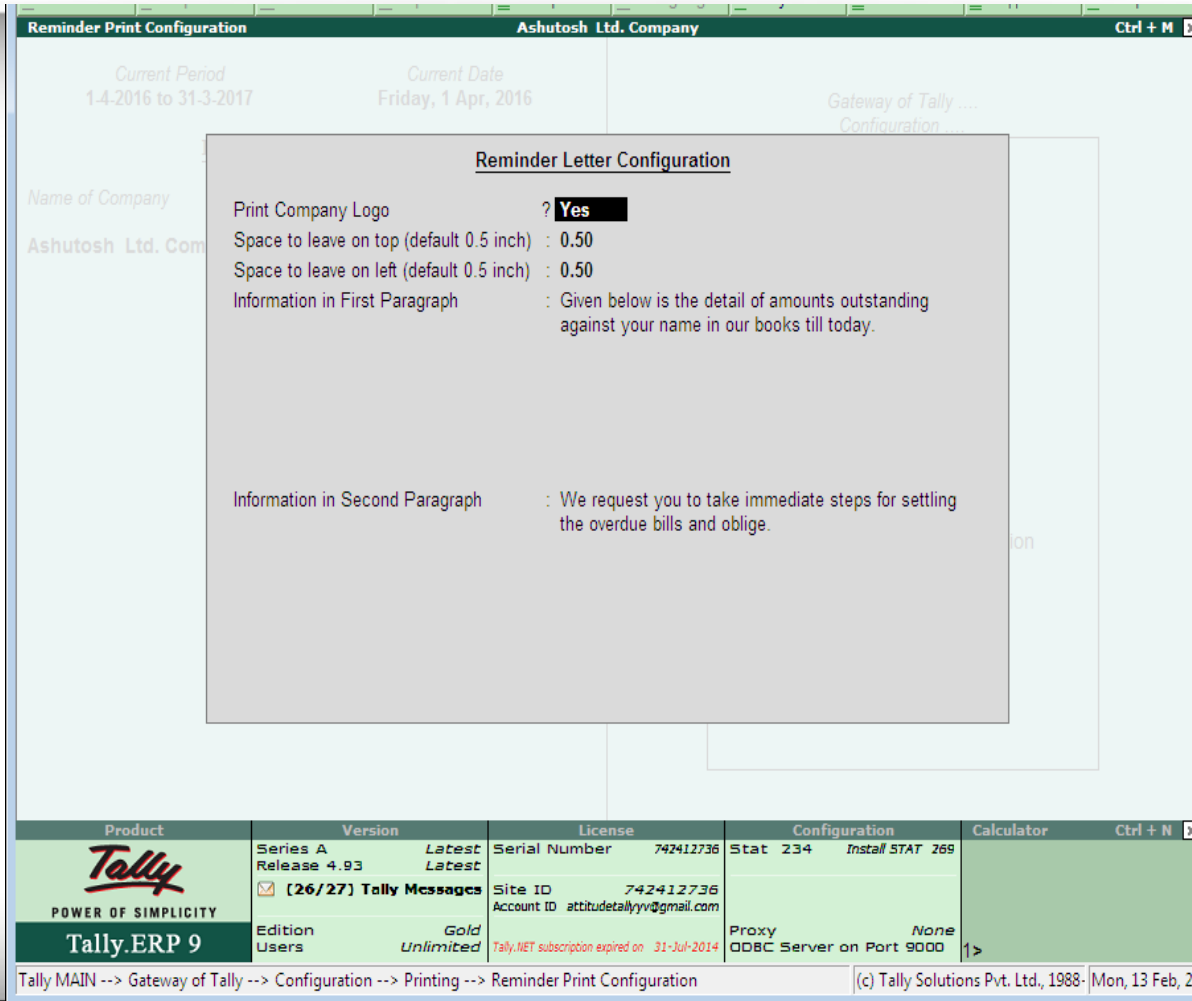
Advice Configuration

Configuration

Quit

Product	Version	License	Configuration	Calculator
 POWER OF SIMPLICITY Tally.ERP 9	Series A Release 4.93	Serial Number 742412736	Stat 234 Install STAT 269	
	(26/27) Tally Messages Edition Gold Users Unlimited	Latest Latest Site ID 742412736 Account ID atitutedallyyyv@gmail.com Tally.NET subscription expired on 31-Jul-2014	Proxy None ODBC Server on Port 9000	

The **Reminder Letters** feature in Tally.ERP 9 is used to send the outstanding Aging report to a customer in the form of Letter. You can also configure the letter in the Reminder Letter Configuration settings. Go to **Gateway of Tally > F12 Configuration > Printing > Reminder Letters**



The screenshot shows the 'Reminder Print Configuration' window for 'Ashutosh Ltd. Company'. The window displays the current period (1-4-2016 to 31-3-2017) and current date (Friday, 1 Apr, 2016). A central dialog box titled 'Reminder Letter Configuration' is open, showing settings for printing company logos and specific text for the first and second paragraphs of the reminder letter.

**Reminder Letter Configuration**

- Print Company Logo:  Yes
- Space to leave on top (default 0.5 inch): 0.50
- Space to leave on left (default 0.5 inch): 0.50
- Information in First Paragraph: Given below is the detail of amounts outstanding against your name in our books till today.
- Information in Second Paragraph: We request you to take immediate steps for settling the overdue bills and oblige.

The bottom status bar shows the following information:

Product	Version	License	Configuration	Calculator
Tally POWER OF SIMPLICITY Tally.ERP 9	Series A Release 4.93 [26/27] Tally Messages	Serial Number 742412736 Site ID 742412736 Account ID atitudetallyyv@gmail.com Tally.NET subscription expired on 31-Jul-2014	Stat 234 Install STAT 269 Proxy None OOBC Server on Port 9000	Ctrl + N

Tally MAIN --> Gateway of Tally --> Configuration --> Printing --> Reminder Print Configuration (c) Tally Solutions Pvt. Ltd., 1988: Mon, 13 Feb, 20



**Confirmation Statements** is used to send confirmation of account balance to customers, suppliers, lenders and borrowers. You can configure the **Confirmation Statement** as per your requirement.

Go to **Gateway of Tally > F12 Configuration > Printing > Confirmation Statements**



Confirmation of Accounts Print Configuration Ashutosh Ltd. Company Ctrl + M

Current Period: 1-4-2016 to 31-3-2017  
 Current Date: Friday, 1 Apr, 2016  
 Gateway of Tally ...  
 Configuration ...

List of Selected Companies

Name of Company: Ashutosh Ltd. Com

Printing

**Confirmation of A/cs' Configuration**

Print Company Logo ? **Yes**

Space to leave on top (default 0.5 inch) : 0.50

Titling for 'Subject' in Letter : Confirmation of Accounts

Information in First Paragraph : Given below is the details of your Accounts as standing in my/our Books of Accounts for the above mentioned period.

Information in Second Paragraph : Kindly return 3 copies stating your I.T. Permanent A/c No., duly signed and sealed, in confirmation of the same. Please note that if no reply is received from you within a fortnight, it will be assumed that you have accepted the balance shown below.

Sign-off used for the Letter : I/We hereby confirm the above

Product	Version	License	Configuration	Calculator
<b>Tally</b> POWER OF SIMPLICITY Tally.ERP 9	Series A Release 4.93 Latest Latest	Serial Number 742412736 Site ID 742412736 Account ID attitudetallyyv@gmail.com Tally.NET subscription expired on 31-Jul-2014	Stat 234 Install STAT 269 Proxy None ODBC Server on Port 9000	Ctrl + N

Tally MAIN --> Gateway of Tally --> Configuration --> Printing --> Confirmation of Accounts Print Configuration | (c) Tally Solutions Pvt. Ltd., 1988- | Mon, 13 Feb, 20



**Payroll Configuration** Ashutosh Ltd. Company Ctrl + M

Current Period: 1-4-2016 to 31-3-2017      Current Date: Friday, 1 Apr, 2016

Gateway of Tally Configuration ...      Printing

List of Selected Companies

Name of Company: Ashutosh Ltd      Date of Last Entry:

**Payroll Print Configuration**

Information in Payment Advice : Please make the payroll transfer from above account number to the below mentioned account numbers towards employee salaries:

Pay Slip Note : **This is a Computer Generated Pay Slip**

Pay Slip Message :

Advanced Configuration      Quit

---

**Q: Quit**

Product	Version	License	Configuration	Calculator	Ctrl + N
<b>POWER OF SIMPLICITY</b> <b>Tally.ERP 9</b>	Series A Release 4.93	Latest Latest	Serial Number 742412736	Stat 234      Install STAT 269	
	<input checked="" type="checkbox"/> <b>(26/27) Tally Messages</b>		Site ID 742412736 Account ID attitudetallyyy@gmail.com		
	Edition Users	Gold Unlimited	Tally.NET subscription expired on 31-Jul-2014	Proxy ODBC Server on Port 9000	None 1>

Tally MAIN --> Gateway of Tally --> Configuration --> Printing --> Payroll Configuration      (c) Tally Solutions Pvt. Ltd., 1988- Mon, 13 Feb, 20

**Payment Advice** slip is sent along with the payment voucher containing the payment details and requesting an acknowledgement for the remittance made.

You can configure the **Payment Advice** as per your requirement.  
Go to **Gateway of Tally > F12 Configuration > Printing > Payment Advice Configuration**



1-4-2018 to 31-3-2017      Friday, 1 Apr, 2018

List of Selected Companies      Gateway of Tally ....  
Configuration ....

Name of Company      Date of Last Entry

Asst

<u>Payment Advice Configuration</u>			
<u>Printing</u>		<u>e-Mailing</u>	
Salutation	: Please find below the payment details.	Salutation	: Please find below the payment details.
Acknowledgement	: Kindly acknowledge the receipt.	Acknowledgement	: Kindly acknowledge the receipt.
Signature - Left	: Authorised Signatory	Signature - Left	: Authorised Signatory
Signature - Right	: Receiver's Signature	Signature - Right	: Receiver's Signature

Quit

# F11 Features in Tally.ERP9



**Get In Touch**  
**011-43522151**

# F11 Features in Tally.ERP9

## F11 features in Tally.ERP 9

- This feature enables you to set the various **Accounting Features** required for transaction entries.
- Go to **Gateway of Tally > F11: Features > F1: Accounting Features**



## Integrate Accounts and Inventory

This option has a significant effect on the Balance Sheet and Profit & Loss Account. If set to **Yes**, it extracts the stock/inventory balance figures from the inventory records and provides a drill down to the Stock registers from the Balance Sheet.

If set to **No**, it ignores the inventory books figures and picks up manually entered closing stock balances from the ledger account created. This facilitates the maintaining of accounts and inventory separately.

Stock records often contain compensating errors caused by wrong allocation to items. This feature enables finalization of financial books without waiting for the reconciliation of stocks.

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

## Income/Expense Statement Instead of P & L

By Default, this option is set to **No**.

If set to **Yes** – Tally.ERP 9 displays Income & Expenses A/c instead of Profit & Loss A/c in the Gateway of Tally.ERP 9 Menu. Income and Expenditure statement generally used for Non-Trading accounts and Profit & Loss a/c are used for trading accounts.

Company: Attitude

Accounting Features

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

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

**Allow Multi-Currency**  
By Default, this option is **No**.  
Set this option to **Yes**, if you want to create multiple currencies and the Menu Currencies is displayed in .

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

## Maintain Bill wise Details

The Bill-wise facility is made functional by setting this option to **Yes**. By activating the Billwise feature, the ledger masters under Sundry Debtors and Sundry Creditors automatically displays an additional option called Maintain balances bill-by-bill. On setting this option to **Yes**, an additional option Default Credit Period is displayed.

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

## Activate Interest calculation

Set this option to **Yes** to enable Tally.ERP 9 to calculate interest automatically based on the interest rate and style of calculation specified. Enabling this option allows interest calculation on outstanding balances for any ledger account or on each invoice for the period it is outstanding completely or partly.

## Use advanced parameters

The advanced parameters are useful when interest rates change from time to time. Set this option to **Yes** to enable this function.

Company: Attitude

Accounting Features

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

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



## Management Maintain Payroll

Set this option to **Yes** if you want to maintain Payroll information on Tally.ERP 9 for the selected company .

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

A Cost Centre can be defined as a unit of an organization to which transactions can be posted. When only costs or expenses are allocated to these units, they are referred to as Cost Centres. The Cost Centre feature is activated by setting this option to **Yes**.

### Use Cost Center for Job Costing

Set this option to **Yes** to track all income and expenses for a **Job/Project**.

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

## More than ONE Payroll/Cost category

Set this option to **Yes** to create more than one Payroll or Cost Category.

## Use Pre-defined Cost Centre Allocations during Entry

Set this option to **Yes** to define Cost Centre Allocations. Refer [Cost Centres](#) and [Cost Categories](#) for details.

## **Show Opening Balance for Revenue Items in Reports**

Set this option to **Yes** to display the opening balance in **Cost Centre Report** for the cost centres which are allocated to the Ledgers, grouped under **Income and Expenses Group**.

## **Invoicing**

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



## Allow Invoicing

Set this option to **Yes**, to create Sales and Purchase vouchers in the invoice format. The advantage of using the invoice format for sales invoice entry is that it enables automatic calculations of Duties and Taxes accounts.

## Enter Purchases in Invoice Format

Set this option to **Yes**, to enable voucher class option in purchase voucher type.

Company: Attitude

Accounting Features

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

## Use Debit/Credit Notes

The Debit Note and Credit Note voucher types are made available only if this feature is set to **Yes**.

## Use Invoice Mode for Credit Notes

Set this option to **Yes** to create Credit Notes in Invoice Mode.

## Use Invoice Mode for Debit Notes

Set this option to **Yes** to create Debit Notes in Invoice Mode.

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

## Budgets & Scenario Management

### Maintain Budgets and Controls

Set this option to **Yes**, to create multiple budgets. The Budgets menu option is displayed in

**Gateway of Tally > Masters Info. > Accounts Info. menu. Use Reversing Journals & Optional Vouchers**

Setting this option to **Yes** displays the **Scenario** option in **Accounts Info** menu. You will now be able to create and alter Scenarios. You can enter the Reversing Journal and make it Optional, so that the entries do not to affect the books.

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

## Banking Features Enable Cheque Printing

Set this option to **Yes**,  
to enable **Cheque**  
**Printing**. Refer  
[Cheque Printing](#) for  
details.

## **Alter Banking** **Features**

Set this option to **Yes**  
to alter features with  
respect to Banking.  
Refer [Banking](#)

[Features](#) for details.

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

## Other Features

### Allow Zero Valued Entries in Vouchers

Set this option to **Yes**, to allow Zero valued entries in vouchers.

### Maintain Multiple Mailing Details for Company & Ledgers

Set this option to **Yes**, to maintain multiple mailing details for your **company** and **ledgers**. Refer [Multi Address](#) for details.

### Set/Alter Company Mailing Details

If this option is set to **Yes**, Tally.ERP 9 will allow you to alter the Create/Alter **Address Types**.

Company: Attitude

#### Accounting Features

##### General

Integrate Accounts and Inventory	? Yes
Income/Expense Statement instead of P & L	? No
Allow Multi-Currency	? <b>No</b>

##### Outstandings Management

Maintain Bill-wise Details (for Non-Trading A/cs also)	? Yes ? No
Activate Interest Calculation (use advanced parameters)	? No ? No

##### Cost/Profit Centres Management

Maintain Payroll	? No
Maintain Cost Centres	? No
Use Cost Centre for Job Costing	? No
More than ONE Payroll / Cost Category	? No
Use Pre-defined Cost Centre Allocations during Entry	? No
Show Opening Balance for Revenue Items in Reports	? No

##### Invoicing

Allow Invoicing	? Yes
Enter Purchases in Invoice Format	? Yes
Use Debit/Credit Notes	? No
Use Invoice mode for Credit Notes	? No
Use Invoice mode for Debit Notes	? No

##### Budgets & Scenario Management

Maintain Budgets and Controls	? No
Use Reversing Journals & Optional Vouchers	? No

##### Banking Features

Enable Cheque Printing (Use Banking Configuration in Bank Ledger Master for Cheque Printing Configuration)	? Yes
Alter Banking Features	? No

##### Other Features

Allow Zero valued entries	? No
Maintain Multiple Mailing Details for Company & Ledgers	? No
Set/Alter Company Mailing Details	? No
Enable Company Logo	? No



## Enable Company Logo

This option allows to print the company's logo on the selected vouchers, reports and invoices.

Set this option to **Yes**, the **Company Logo** screen appears. Specify the path of the logo image file under **Location of Logo** (E.g. C:\Tally.ERP9\CompLogo.bmp). The Company's logo is printed on the top left of the respective voucher, report or an invoice.

Company: Attitude

Accounting Features

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

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

# General Integrate Accounts and Inventory

This field performs the same function as explained in [Accounting Features](#).

## Allow Zero Valued Entries in Vouchers

Set this option to Yes, to allow zero valued entries in Inventory vouchers.

Company: Attitude

Inventory Features

<u>General</u>		<u>Invoicing</u>	
Integrate Accounts and Inventory	<input checked="" type="checkbox"/> Yes	Allow Invoicing	? Yes
Allow Zero valued entries	<input type="checkbox"/> No	Enter Purchases in Invoice Format	? Yes
<u>Storage &amp; Classification</u>		Use Debit/Credit Notes	? No
Maintain Multiple Godowns	? No	Use Invoice mode for Credit Notes	? No
Maintain Stock Categories	? No	Use Invoice mode for Debit Notes	? No
Maintain Batch-wise Details (set Expiry Dates for Batches)	? No	Separate Discount column on Invoices	? No
Use different Actual & Billed Qty	? No	<u>Purchase Management</u>	
<u>Order Processing</u>		Track additional costs of Purchase	? No
Allow Purchase Order Processing	? No	<u>Sales Management</u>	
Allow Sales Order Processing	? No	Use Multiple Price Levels	? No
Allow Job Order Processing (Note : Enables Maintain Multiple Godowns and Use Material In/Out)	? No	<u>Other Features</u>	
		Use Tracking Numbers (Delivery/Receipt Notes)	? No
		Use Rejection Inward/Outward Notes	? No
		Use Material In/Out	? No
		Use Cost Tracking for Stock Item	? No

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

## Storage & Classification Maintain Multiple Godowns

Set this option to **Yes**, if you have more than one stock point/storage Locations/ Godowns, and you want to track stock movement across these Locations. You can create any number of Stock.

Company: **Attitude**

Inventory Features

<u>General</u>		<u>Invoicing</u>	
Integrate Accounts and Inventory	? <b>Yes</b>	Allow Invoicing	? Yes
Allow Zero valued entries	? No	Enter Purchases in Invoice Format	? Yes
<u>Storage &amp; Classification</u>		Use Debit/Credit Notes	? No
Maintain Multiple Godowns	? <b>No</b>	Use Invoice mode for Credit Notes	? No
Maintain Stock Categories	? No	Use Invoice mode for Debit Notes	? No
Maintain Batch-wise Details (set Expiry Dates for Batches)	? No	Separate Discount column on Invoices	? No
Use different Actual & Billed Qty	? No	<u>Purchase Management</u>	
<u>Order Processing</u>		Track additional costs of Purchase	? No
Allow Purchase Order Processing	? No	<u>Sales Management</u>	
Allow Sales Order Processing	? No	Use Multiple Price Levels	? No
Allow Job Order Processing (Note : Enables Maintain Multiple Godowns and Use Material In/Out)	? No	<u>Other Features</u>	
		Use Tracking Numbers (Delivery/Receipt Notes)	? No
		Use Rejection Inward/Outward Notes	? No
		Use Material In/Out	? No
		Use Cost Tracking for Stock Item	? No

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



**Maintain Stock Categories**  
Set this option to **Yes**, if you wish to create and maintain Stock Categories. This creates a new field Category in the Stock Item Creation screen.

Company: Attitude

Inventory Features

<u>General</u>		<u>Invoicing</u>	
Integrate Accounts and Inventory	? <b>Yes</b>	Allow Invoicing	? Yes
Allow Zero valued entries	? No	Enter Purchases in Invoice Format	? Yes
<u>Storage &amp; Classification</u>		Use Debit/Credit Notes	? No
Maintain Multiple Godowns	? No	Use Invoice mode for Credit Notes	? No
Maintain Stock Categories	? <b>No</b>	Use Invoice mode for Debit Notes	? No
Maintain Batch-wise Details (set Expiry Dates for Batches)	? No	Separate Discount column on Invoices	? No
Use different Actual & Billed Qty	? No	<u>Purchase Management</u>	
<u>Order Processing</u>		Track additional costs of Purchase	? No
Allow Purchase Order Processing	? No	<u>Sales Management</u>	
Allow Sales Order Processing	? No	Use Multiple Price Levels	? No
Allow Job Order Processing (Note : Enables Maintain Multiple Godowns and Use Material In/Out)	? No	<u>Other Features</u>	
		Use Tracking Numbers (Delivery/Receipt Notes)	? No
		Use Rejection Inward/Outward Notes	? No
		Use Material In/Out	? No
		Use Cost Tracking for Stock Item	? No

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

## Maintain Batch-Wise Details

Set this option to **Yes**, to maintain batch information pertaining to Stock Items. A new field Maintain in Batches is displayed in the Stock Item Creation screen.

## Set Expiry Dates for Batches

Set this option to **Yes**, if you want to set expiry dates for the batches. This displays an additional field **Use Expiry Dates** in the Stock Item Creation screen.

Company: Attitude

Inventory Features

<u>General</u>		<u>Invoicing</u>	
Integrate Accounts and Inventory	? <b>Yes</b>	Allow Invoicing	? Yes
Allow Zero valued entries	? No	Enter Purchases in Invoice Format	? Yes
<u>Storage &amp; Classification</u>		Use Debit/Credit Notes	? No
Maintain Multiple Godowns	? No	Use Invoice mode for Credit Notes	? No
Maintain Stock Categories	? No	Use Invoice mode for Debit Notes	? No
Maintain Batch-wise Details (set Expiry Dates for Batches)	? No	Separate Discount column on Invoices	? No
Use different Actual & Billed Qty	? No	<u>Purchase Management</u>	
		Track additional costs of Purchase	? No
<u>Order Processing</u>		<u>Sales Management</u>	
Allow Purchase Order Processing	? No	Use Multiple Price Levels	? No
Allow Sales Order Processing	? No	<u>Other Features</u>	
Allow Job Order Processing (Note : Enables Maintain Multiple Godowns and Use Material In/Out)	? No	Use Tracking Numbers (Delivery/Receipt Notes)	? No
		Use Rejection Inward/Outward Notes	? No
		Use Material In/Out	? No
		Use Cost Tracking for Stock Item	? No

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

## Use different Actual & Billed Quantity

Set this option to **Yes**, if you want to specify quantities, that are different from those delivered/received, when invoicing.

## Order Processing Allow Purchase Order Processing

Set this option to **Yes**, to create Purchase Orders. This feature can also be used for pre-closure of purchase order.

## Allow Sales Order Processing

Set this option to **Yes**, to create Sales Orders. This feature can also be used for pre-order closure of sales order.

Company: Attitude

Inventory Features

<u>General</u>		<u>Invoicing</u>	
Integrate Accounts and Inventory	? <b>Yes</b>	Allow Invoicing	? Yes
Allow Zero valued entries	? No	Enter Purchases in Invoice Format	? Yes
		Use Debit/Credit Notes	? No
		Use Invoice mode for Credit Notes	? No
		Use Invoice mode for Debit Notes	? No
		Separate Discount column on Invoices	? No
		<u>Purchase Management</u>	
		Track additional costs of Purchase	? No
		<u>Sales Management</u>	
		Use Multiple Price Levels	? No
		<u>Other Features</u>	
		Use Tracking Numbers (Delivery/Receipt Notes)	? No
		Use Rejection Inward/Outward Notes	? No
		Use Material In/Out	? No
		Use Cost Tracking for Stock Item	? No

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

**Allow Job Order Processing**  
Set this option to **Yes**, to create  
Job Work Out/In Orders.

## Invoicing

### Allow Invoicing

This field performs the same  
function as explained in  
Accounting Features.

### Enter Purchases in Invoice Format

This field performs the same  
function as explained in  
Accounting Features

Company: Attitude

Inventory Features

<u>General</u>		<u>Invoicing</u>	
Integrate Accounts and Inventory	? <b>Yes</b>	Allow Invoicing	? <b>Yes</b>
Allow Zero valued entries	? No	Enter Purchases in Invoice Format	? <b>Yes</b>
<u>Storage &amp; Classification</u>		Use Debit/Credit Notes	? No
Maintain Multiple Godowns	? No	Use Invoice mode for Credit Notes	? No
Maintain Stock Categories	? No	Use Invoice mode for Debit Notes	? No
Maintain Batch-wise Details (set Expiry Dates for Batches)	? No	Separate Discount column on Invoices	? No
Use different Actual & Billed Qty	? No	<u>Purchase Management</u>	
<u>Order Processing</u>		Track additional costs of Purchase	? No
Allow Purchase Order Processing	? No	<u>Sales Management</u>	
Allow Sales Order Processing	? No	Use Multiple Price Levels	? No
Allow Job Order Processing (Note : Enables Maintain Multiple Godowns and Use Material In/Out)	? <b>No</b>	<u>Other Features</u>	
		Use Tracking Numbers (Delivery/Receipt Notes)	? No
		Use Rejection Inward/Outward Notes	? No
		Use Material In/Out	? No
		Use Cost Tracking for Stock Item	? No

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

## Use Debit/Credit Notes

This field performs the same function as explained in Accounting Features.

## Use Invoice Mode for Credit Notes

This field performs the same function as explained in Accounting Features.

## Use Invoice Mode for Debit Notes

This field performs the same function as explained in Accounting Features

Company: Attitude

Inventory Features

<u>General</u>		<u>Invoicing</u>	
Integrate Accounts and Inventory	? <b>Yes</b>	Allow Invoicing	? Yes
Allow Zero valued entries	? No	Enter Purchases in Invoice Format	? Yes
		Use Debit/Credit Notes	? No
		Use Invoice mode for Credit Notes	? No
		Use Invoice mode for Debit Notes	? No
		Separate Discount column on Invoices	? No
		<u>Purchase Management</u>	
		Track additional costs of Purchase	? No
		<u>Sales Management</u>	
		Use Multiple Price Levels	? No
		<u>Other Features</u>	
		Use Tracking Numbers (Delivery/Receipt Notes)	? No
		Use Rejection Inward/Outward Notes	? No
		Use Material In/Out	? No
		Use Cost Tracking for Stock Item	? No

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

## Separate Discount Column on Invoices

This option is active only if **Allow invoicing** is set to **Yes**. Set this option to **Yes**, if you want a separate column for discounts in invoices.

## Purchase Management Track Additional Costs of Purchase

Set this option to **Yes**, to obtain a break-up of purchase costs, without the need to separately debit ledger accounts for expenses.

Company: Attitude

Inventory Features

<u>General</u>			
Integrate Accounts and Inventory	? <b>Yes</b>	Allow Invoicing	? Yes
Allow Zero valued entries	? No	Enter Purchases in Invoice Format	? Yes
<u>Storage &amp; Classification</u>		Use Debit/Credit Notes	? No
Maintain Multiple Godowns	? No	Use Invoice mode for Credit Notes	? No
Maintain Stock Categories	? No	Use Invoice mode for Debit Notes	? No
Maintain Batch-wise Details (set Expiry Dates for Batches)	? No	Separate Discount column on Invoices	? No
Use different Actual & Billed Qty	? No	<u>Purchase Management</u>	
<u>Order Processing</u>		Track additional costs of Purchase	? No
Allow Purchase Order Processing	? No	<u>Sales Management</u>	
Allow Sales Order Processing	? No	Use Multiple Price Levels	? No
Allow Job Order Processing (Note : Enables Maintain Multiple Godowns and Use Material In/Out)	? No	<u>Other Features</u>	
		Use Tracking Numbers (Delivery/Receipt Notes)	? No
		Use Rejection Inward/Outward Notes	? No
		Use Material In/Out	? No
		Use Cost Tracking for Stock Item	? No

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



## Sales Management

### Use Multiple Price Levels

Set this option to **Yes** to create Multiple Price Levels. Refer Enable and Create Price Lists for more details.

### Additional Inventory Vouchers Additional Inventory Vouchers

### Use Tracking Numbers (Delivery/Receipt Notes)

Set this option to **Yes**, if you want to use tracking numbers to maintain the relation between Delivery notes and Invoices/Bills. This is available for both Purchases and Sales.

Company: Attitude

Inventory Features

<u>General</u>		<u>Invoicing</u>	
Integrate Accounts and Inventory	? <b>Yes</b>	Allow Invoicing	? Yes
Allow Zero valued entries	? No	Enter Purchases in Invoice Format	? Yes
<u>Storage &amp; Classification</u>		Use Debit/Credit Notes	? No
Maintain Multiple Godowns	? No	Use Invoice mode for Credit Notes	? No
Maintain Stock Categories	? No	Use Invoice mode for Debit Notes	? No
Maintain Batch-wise Details (set Expiry Dates for Batches)	? No	Separate Discount column on Invoices	? No
Use different Actual & Billed Qty	? No	<u>Purchase Management</u>	
<u>Order Processing</u>		Track additional costs of Purchase	? No
Allow Purchase Order Processing	? No	<u>Sales Management</u>	
Allow Sales Order Processing	? No	Use Multiple Price Levels	? No
Allow Job Order Processing (Note : Enables Maintain Multiple Godowns and Use Material In/Out)	? No	<u>Other Features</u>	
		Use Tracking Numbers (Delivery/Receipt Notes)	? No
		Use Rejection Inward/Outward Notes	? No
		Use Material In/Out	? No
		Use Cost Tracking for Stock Item	? No

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

## Use Rejection

### Inward/Outward Notes

Set this option to **Yes**, if you wish to record rejection of goods separately and not through a common Debit Note or Credit Note.

### Use Material In/Out

Set this option to **Yes**, to record transfer of item quantity towards the party and transfer material from one Godown (Location) to the other.

### Track Stock Item Cost

Set this option to **Yes**, to analyse the cost involved for an item.

Company: Attitude

Inventory Features

<u>General</u>		<u>Invoicing</u>	
Integrate Accounts and Inventory	? <b>Yes</b>	Allow Invoicing	? Yes
Allow Zero valued entries	? No	Enter Purchases in Invoice Format	? Yes
<u>Storage &amp; Classification</u>		Use Debit/Credit Notes	? No
Maintain Multiple Godowns	? No	Use Invoice mode for Credit Notes	? No
Maintain Stock Categories	? No	Use Invoice mode for Debit Notes	? No
Maintain Batch-wise Details (set Expiry Dates for Batches)	? No ? No	Separate Discount column on Invoices	? No
Use different Actual & Billed Qty	? No	<u>Purchase Management</u>	
<u>Order Processing</u>		Track additional costs of Purchase	? No
Allow Purchase Order Processing	? No	<u>Sales Management</u>	
Allow Sales Order Processing	? No	Use Multiple Price Levels	? No
Allow Job Order Processing (Note : Enables Maintain Multiple Godowns and Use Material In/Out)	? No	<u>Other Features</u>	
		Use Tracking Numbers (Delivery/Receipt Notes)	? No
		Use Rejection Inward/Outward Notes	? No
		Use Material In/Out	? No
		Use Cost Tracking for Stock Item	? No

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



Enable Excise  
Enable Value Added Tax  
Enable Service Tax  
Enable Tax Deducted at Source  
Enable Tax Collected at Source  
Enable Payroll  
Statutory

Company: Ashu

Statutory & Taxation

Enable Excise	? <b>No</b>	Enable Tax Deducted at Source (TDS)	? Yes
Set/Alter Excise Details <i>(Note : 'Enable Maintain Multiple Godowns' for Multiple Excise Units)</i>	? No	Set/Alter TDS Details	? No
Follow Excise rules for Invoicing	? No	Enable Tax Collected at Source (TCS) Set/Alter TCS Details	? No ? No
Enable Value Added Tax (VAT) Set/Alter VAT Details	? No ? No	Enable Fringe Benefit Tax (FBT) Set/Alter FBT Details	? No ? No
Enable Service Tax Set/Alter Service Tax Details	? No ? No	Enable MCA Reports	? No

Tax Information

Local Sales Tax Number :  
Inter-state Sales Tax Number :  
PAN / Income - Tax No. :  
Corporate Identity No. (CIN) :

To **Enable Excise** in Tally.ERP 9,  
 Go to **Gateway of Tally > F11: Features > Statutory & Taxation**  
 Set the options **Enable Dealer - Excise** and **Set/Alter Excise Details** to **Yes**

Company: Ashu

Statutory & Taxation

Enable Excise	? No	Enable Tax Deducted at Source (TDS)	? Yes
Set/Alter Excise Details <i>(Note : 'Enable Maintain Multiple Godowns' for Multiple Excise Units)</i>	? No	Set/Alter TDS Details	? No
Follow Excise rules for Invoicing	? No	Enable Tax Collected at Source (TCS)	? No
Enable Value Added Tax (VAT)	? No	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 MCA Reports	? No

Tax Information

Local Sales Tax Number	:	
Inter-state Sales Tax Number	:	
PAN / Income - Tax No.	:	
Corporate Identity No. (CIN)	:	

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

To enable VAT in Tally.ERP 9,  
Go to **Gateway of Tally > F11: Features > F3: Statutory & Taxation** In the **Statutory & Taxation** Features, Set **Enable Value Added Tax (VAT)** to **Yes** Enable **Set/Alter VAT Details**

Company: Ashu

Statutory & Taxation

Enable Excise Set/Alter Excise Details <i>(Note : 'Enable Maintain Multiple Godowns' for Multiple Excise Units)</i>	? <b>No</b>	Enable Tax Deducted at Source (TDS) Set/Alter TDS Details	? Yes ? No
Follow Excise rules for Invoicing	? No	Enable Tax Collected at Source (TCS) Set/Alter TCS Details	? No ? No
Enable Value Added Tax (VAT) Set/Alter VAT Details	? No ? No	Enable Fringe Benefit Tax (FBT) Set/Alter FBT Details	? No ? No
Enable Service Tax Set/Alter Service Tax Details	? No ? No	Enable MCA Reports	? No

Tax Information

Local Sales Tax Number	:	
Inter-state Sales Tax Number	:	
PAN / Income - Tax No.	:	
Corporate Identity No. (CIN)	:	

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

To enable Service tax in Tally.ERP 9,  
Go to **Gateway of Tally > F11: Features > F3: Statutory & Taxation**  
In the **Statutory & Taxation Features, Service tax Yes**

Company: Ashu

Statutory & Taxation

Enable Excise	? <b>No</b>	Enable Tax Deducted at Source (TDS)	? Yes
Set/Alter Excise Details <i>(Note : 'Enable Maintain Multiple Godowns' for Multiple Excise Units)</i>	? No	Set/Alter TDS Details	? No
Follow Excise rules for Invoicing	? No	Enable Tax Collected at Source (TCS)	? No
Enable Value Added Tax (VAT)	? No	Set/Alter TCS Details	? No
Set/Alter VAT Details	? No	Enable Fringe Benefit Tax (FBT)	? No
Enable Service Tax	? <b>No</b>	Set/Alter FBT Details	? No
Set/Alter Service Tax Details	? <b>No</b>	Enable MCA Reports	? No

Tax Information

Local Sales Tax Number	:	
Inter-state Sales Tax Number	:	
PAN / Income - Tax No.	:	
Corporate Identity No. (CIN)	:	

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

To enable Service tax in Tally.ERP 9,  
Go to **Gateway of Tally > F11: Features > F3: Statutory & Taxation**  
In the **Statutory & Taxation** Features,  
**Tax Deducted At Source**

Company: Ashu

Statutory & Taxation

Enable Excise	? <b>No</b>	Enable Tax Deducted at Source (TDS)	? <b>Yes</b>
Set/Alter Excise Details	? No	Set/Alter TDS Details	? No
<i>(Note : 'Enable Maintain Multiple Godowns' for Multiple Excise Units)</i>		Enable Tax Collected at Source (TCS)	? No
Follow Excise rules for Invoicing	? No	Set/Alter TCS Details	? No
Enable Value Added Tax (VAT)	? No	Enable Fringe Benefit Tax (FBT)	? No
Set/Alter VAT Details	? No	Set/Alter FBT Details	? No
Enable Service Tax	? No	Enable MCA Reports	? No
Set/Alter Service Tax Details	? No		

Tax Information

Local Sales Tax Number	:	
Inter-state Sales Tax Number	:	
PAN / Income - Tax No.	:	
Corporate Identity No. (CIN)	:	

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

To enable Service tax in Tally.ERP 9,  
Go to **Gateway of Tally > F11: Features > F3: Statutory & Taxation**  
In the **Statutory & Taxation** Features,  
**Tax collected At Source**

Company: Ashu

Statutory & Taxation

Enable Excise	? <b>No</b>	Enable Tax Deducted at Source (TDS)	? Yes
Set/Alter Excise Details <i>(Note : 'Enable Maintain Multiple Godowns' for Multiple Excise Units)</i>	? No	Set/Alter TDS Details	? No
Follow Excise rules for Invoicing	? No	Enable Tax Collected at Source (TCS)	? No
Enable Value Added Tax (VAT)	? No	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 MCA Reports	? No

Tax Information

Local Sales Tax Number	:	
Inter-state Sales Tax Number	:	
PAN / Income - Tax No.	:	
Corporate Identity No. (CIN)	:	

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

To enable Service tax in Tally.ERP 9,  
 Go to **Gateway of Tally > F11: Features > F3: Statutory & Taxation**  
 In the **Statutory & Taxation Features**,  
 Enable Payroll

Company: Ashu

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>		Enable Tax Collected at Source (TCS)	? No
Follow Excise rules for Invoicing	? No	Set/Alter TCS Details	? No
Enable Value Added Tax (VAT)	? No	Enable Fringe Benefit Tax (FBT)	? No
Set/Alter VAT Details	? No	Set/Alter FBT Details	? No
Enable Service Tax	? No	Enable Payroll Statutory	<b>? No</b>
Set/Alter Service Tax Details	? No	Set/Alter Payroll Statutory Details	? No
		Enable MCA Reports	? No

Tax Information

Local Sales Tax Number :  
 Inter-state Sales Tax Number :  
 PAN / Income - Tax No. :  
 Corporate Identity No. (CIN) :

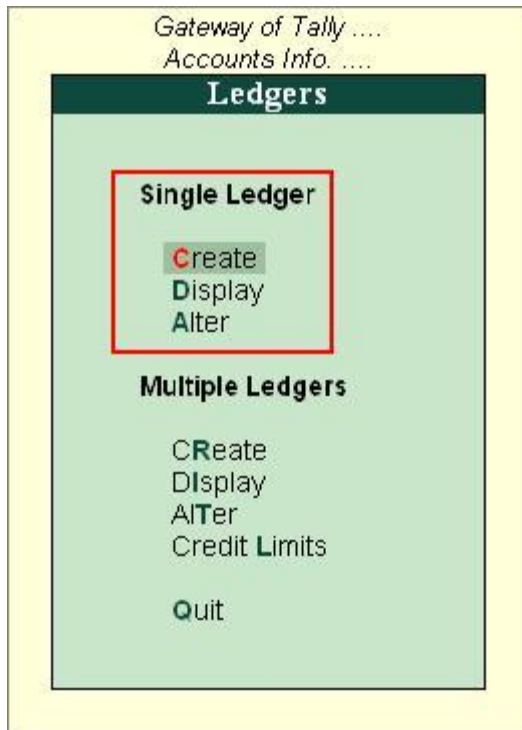
F1: Accounts   F2: Inventory   F3: Statutory   F6: Add-Ons

## Creating a Single Ledger

---

By default, Tally.ERP 9 contains two Ledger accounts namely, Cash (Under Cash-in- Hand) and Profit and Loss Account (direct Primary Account). You need to create all other accounts heads. There are no restrictions in Ledger creation except that you cannot create another Profit & Loss A/c. Any number of Cash Accounts may be created in any other name for ex: Petty Cash.

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



Ledgers can be created in [Normal mode](#) or in [Advance mode](#).

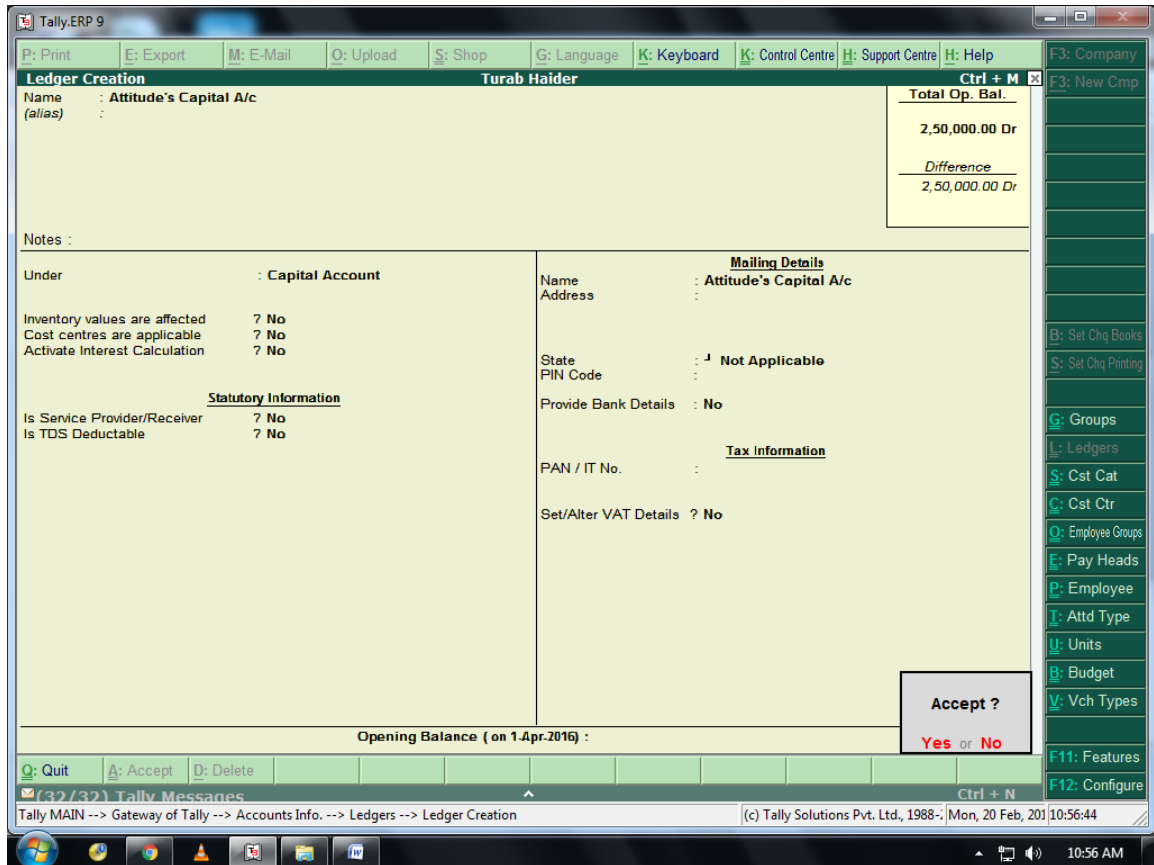
## Creating Ledger in Normal Mode

---

The creation of a Ledger depends on the features you have selected under **F11: Features** of your company and **F12: Configure**. You can create a single ledger account with the default options enabled.

Go to **Gateway of Tally > Accounts Info > Ledgers > Single Ledger > Create**





## Name

Enter the **Name** of the account. You can provide the full name of the account. Tally.ERP 9 fits it all in. Press Enter to move to the next field. Tally.ERP 9 does not allow the entry of duplicate names. The uniqueness check is made here itself.

Note that the punctuation and other non-relevant information are ignored by Tally.ERP 9 in its recognition of a name. Thus, CST, C.S.T. and C. S. T. are all considered as same.

Tally.ERP 9 converts the first letter of all relevant words to upper case, which helps you; speed up data entry.

## Alias

Enter an **alias name** if required. You can access the Ledgers using the original name or the alias name.

## Under

All accounts must be classified **under** their appropriate **Groups**. Select the **Group** under which the Ledger is created from the List of Groups. (To create a new Group from this field press **[ALT + C]**). A wrong classification would affect the treatment of the Ledger account in final statements and during voucher entry.

You can, alter a Ledger account to change its group classification at any time. Refer [Importance of Grouping and Accounting Classifications](#): for more details in Grouping

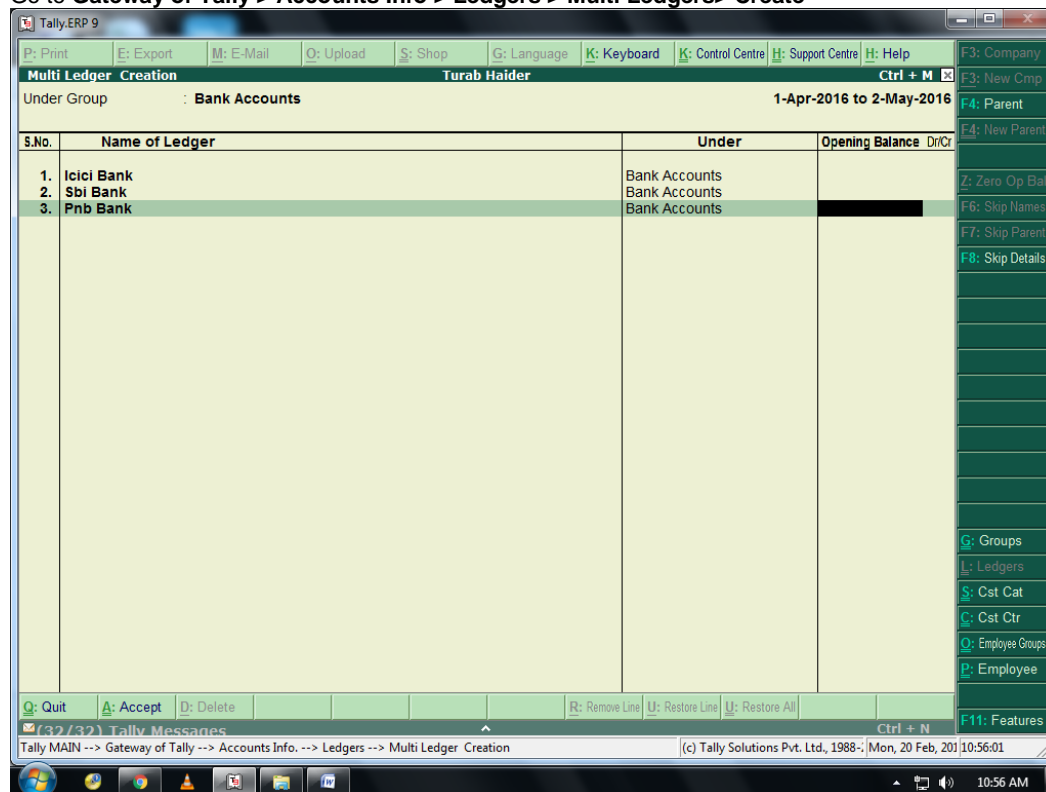
## Opening Balance

If yours is an existing company whose books you are entering into Tally.ERP 9, Opening Balance would be applicable in circumstances where the Ledger is an asset or a liability and if it has a balance in the account as on the date of beginning of books in Tally.ERP 9.

Tally.ERP 9 recognizes normal accounting principles of debit balances for Assets and credit balances for Liabilities. It accepts the reverse for obverse balances. Revenue accounts normally do not have balances. Tally.ERP 9, however, permits you to give balances even for such accounts - You may be transferring your books on to Tally.ERP 9 in the middle of the year and may not have closed them in your earlier system. Hence, you may specify whether the balance is Debit or Credit. Simply **D** or **C** would suffice.

## Creating a Multi Ledger

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

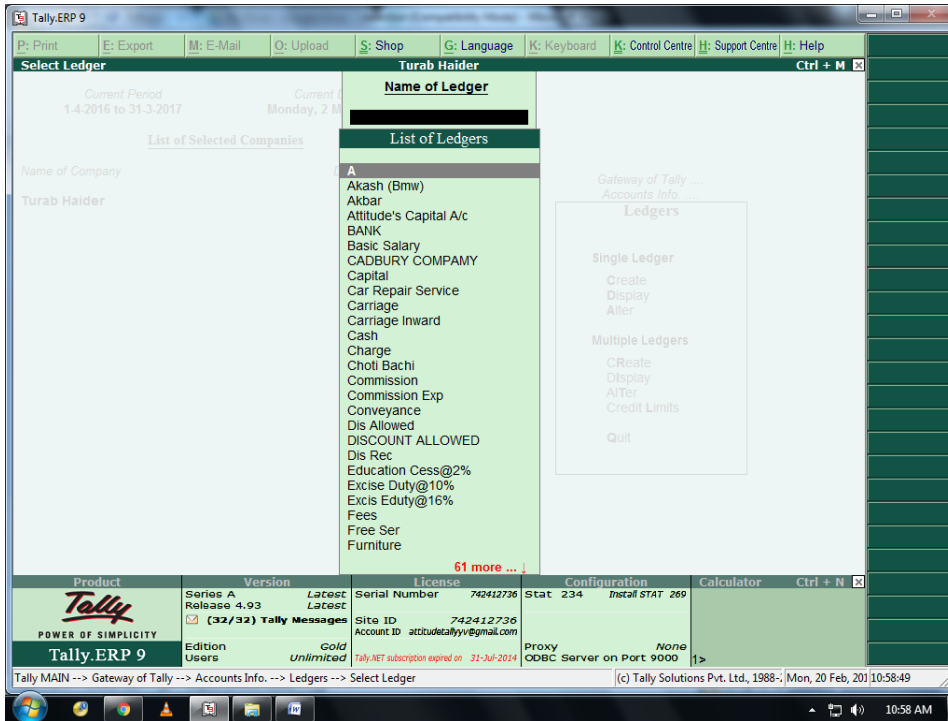


The screenshot shows the 'Multi Ledger Creation' window in Tally.ERP 9. The window title is 'Tally.ERP 9'. The menu bar includes: P: Print, E: Export, M: E-Mail, O: Upload, S: Shop, G: Language, K: Keyboard, K: Control Centre, H: Support Centre, H: Help. The window content shows 'Multi Ledger Creation' by 'Turab Haider' for the period '1-Apr-2016 to 2-May-2016'. The 'Under Group' is 'Bank Accounts'. The table below lists the ledgers to be created:

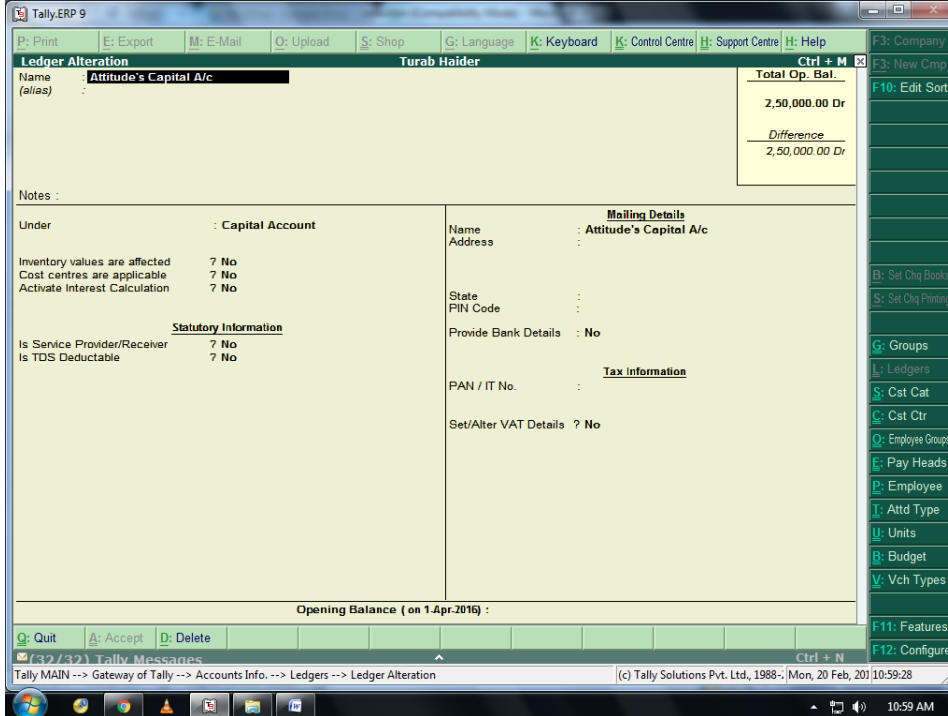
S.No.	Name of Ledger	Under	Opening Balance	DrCr
1.	Icici Bank	Bank Accounts		
2.	Sbi Bank	Bank Accounts		
3.	Pnb Bank	Bank Accounts		

The right-hand side of the window contains a vertical list of function keys: F3: Company, F3: New Cmp, F4: Parent, F4: New Parent, Z: Zero Op Bal, F6: Skip Names, F7: Skip Parent, F8: Skip Details, G: Groups, L: Ledgers, S: Cst Cat, C: Cst Ctr, O: Employee Groups, P: Employee, F11: Features. The bottom status bar shows '(32/32) Tally Messages', '(c) Tally Solutions Pvt. Ltd., 1988-', 'Mon, 20 Feb, 201 10:56:01', and '10:56 AM'.

Go to Gateway of Tally > Accounts Info > Ledgers > Ledgers> Display



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



Change and save  
For Delete Press Alt+D !!

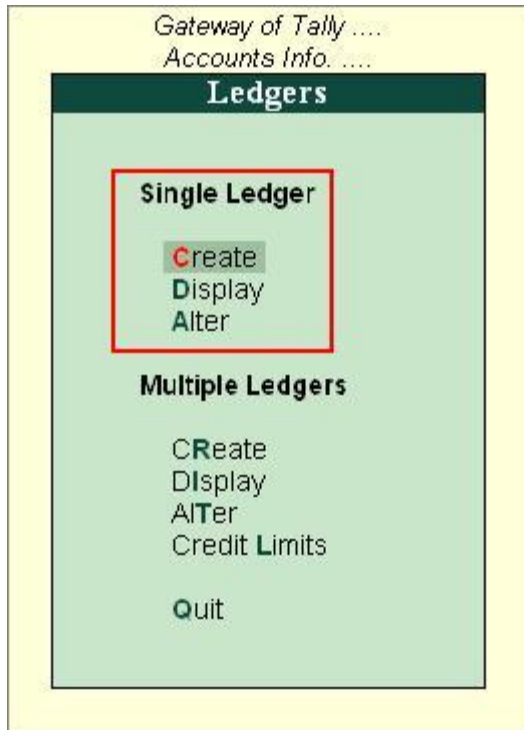
## Balance Sheet Opening Balance:

### Creating a Single Ledger

---

By default, Tally.ERP 9 contains two Ledger accounts namely, Cash (Under Cash-in- Hand) and Profit and Loss Account (direct Primary Account). You need to create all other accounts heads. There are no restrictions in Ledger creation except that you cannot create another Profit & Loss A/c. Any number of Cash Accounts may be created in any other name for ex: Petty Cash.

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



Ledgers can be created in [Normal mode](#) or in [Advance mode](#).

### Creating Ledger in Normal Mode

---

The creation of a Ledger depends on the features you have selected under **F11: Features** of your company and **F12: Configure**. You can create a single ledger account with the default options enabled.

Go to **Gateway of Tally > Accounts Info > Ledgers > Single Ledger > Create**

Ledger Creation		ABC Company
Name	: A's Capital Account	<u>Total Op. Bal.</u>
(alias)	:	
		<b>5,00,000.00 Cr</b>
		<i>Difference</i>
		<u>5,00,000.00 Cr</u>
Under : Capital Account		
<b>Opening Balance ( on 1-Apr-2008) : 5,00,000.00 Cr</b>		

### Name

Enter the **Name** of the account. You can provide the full name of the account. Tally.ERP 9 fits it all in. Press Enter to move to the next field. Tally.ERP 9 does not allow the entry of duplicate names. The uniqueness check is made here itself.

Note that the punctuation and other non-relevant information are ignored by Tally.ERP 9 in its recognition of a name. Thus, CST, C.S.T. and C. S. T. are all considered as same.

Tally.ERP 9 converts the first letter of all relevant words to upper case, which helps you; speed up data entry.

### Alias

Enter an **alias name** if required. You can access the Ledgers using the original name or the alias name.

## Under

All accounts must be classified **under** their appropriate **Groups**. Select the **Group** under which the Ledger is created from the List of Groups. (To create a new Group from this field press **[ALT + C]**). A wrong classification would affect the treatment of the Ledger account in final statements and during voucher entry.

You can, alter a Ledger account to change its group classification at any time. Refer [Importance of Grouping and Accounting Classifications](#): for more details in Grouping

## Opening Balance

If yours is an existing company whose books you are entering into Tally.ERP 9, Opening Balance would be applicable in circumstances where the Ledger is an asset or a liability and if it has a balance in the account as on the date of beginning of books in Tally.ERP 9.

Tally.ERP 9 recognizes normal accounting principles of debit balances for Assets and credit balances for Liabilities. It accepts the reverse for obverse balances. Revenue accounts normally do not have balances. Tally.ERP 9, however, permits you to give balances even for such accounts - You may be transferring your books on to Tally.ERP 9 in the middle of the year and may not have closed them in your earlier system. Hence, you may specify whether the balance is Debit or Credit. Simply **D** or **C** would suffice.

**Create all Ledger same as Capital and submit opening Balance.**

## Detailed Setup Guide:

1. Execute Tally.ERP 9 and select the required Company.
2. **Go to > Gateway of Tally > Balance Sheet**

1) In Balance Sheet Report click Alt+F1 to see the normal Balance Sheet in detail:

ABC Company Ltd as at 31-Mar-2010		ABC Company Ltd as at 31-Mar-2010	
<b>Liabilities</b>		<b>Assets</b>	
<b>Capital Account</b>	<b>66,12,500.00</b>	<b>Current Liabilities</b>	<b>6,39,92,204.29</b>
Current A/c		Duties & Taxes	37,14,271.88
Balasubramanian's Share Capital A/c	18,25,500.00	Provisions	(13,14,560.00)
Kavitha's Share Capital A/c	2,76,500.00	Sundry Creditors	(11,07,47,182.00)
Mohan's Share Capital A/c	15,00,000.00	<b>Total Deductions</b>	<b>(15,684.00)</b>
Priya Ganesh's Share Capital A/c	5,65,500.00	ESI Payable	
Sathish's Share Capital A/c	14,00,000.00	Interest on Car Loan A/c	(1,56,275.59)
Suresh's Share Capital A/c	4,75,500.00	PF Payable	
Vijayakumar's Share Capital A/c	5,69,500.00	Salary Payable	7,15,01,634.00
<b>Loans (Liability)</b>	<b>26,95,616.03</b>	<b>Investments</b>	<b>5,00,000.00</b>
Secured Loans	12,13,000.00	Investments	5,00,000.00
Unsecured Loans	14,62,716.03	NSC	
HDFC Silver Credit Card	19,900.00	Unadjusted Forex Gain/Loss	223.65
<b>Fixed Assets</b>	<b>3,45,02,708.92</b>	Diff. in Opening Balances	11,96,330.00
Accumulated Depreciation on Fixed Assets	3,85,67,820.80		
Land & Building	(14,00,000.00)		
Plant & Machinery	(116,25,000.00)		
Airconditioner	(121,500.00)		
Computers & Peripherals	(190,460.00)		
Furniture & Fixtures	(1,22,420.00)		
Motor Car - Hyundai GLX	(19,05,731.88)		
<b>Current Assets</b>	<b>5,41,58,016.19</b>		
Closing Stock	(12,500.00)		
Loans & Advances (Asset)	(116,02,600.00)		
Sundry Debtors	(146,92,597.98)		
Cash-in-hand	(2,01,75,731.24)		
Bank Accounts	8,08,81,445.41		
<b>Total</b>	<b>6,56,88,757.94</b>	<b>Total</b>	<b>6,56,88,757.94</b>

Press Alt+S for Schedule VI.

## Voucher Entry in Tally.ERP 9

### Lesson Objectives

On completion of this lesson, you will be able to

- Describe the purpose of the Tally.ERP 9 Accounting Vouchers
- Create and alter Accounting Vouchers
- Use vouchers to enter Accounting transactions
- Describe the use of Non-Accounting Vouchers
- Describe the purpose of the Tally.ERP 9 Inventory vouchers
- Create and alter Inventory Vouchers
- Using vouchers to enter Inventory transactions

In accounting terms, a voucher is a document containing the details of a financial transaction. For example, a purchase invoice, a sales receipt, a petty cash docket, a bank interest statement, and so on. For every such transaction made, a voucher is used to enter the details into the ledgers to update the financial position of the company. This feature of Tally.ERP 9 will be used most often.

Tally.ERP 9 follows the Golden Rule of Accounting :

	Real Accounts	Personal Accounts	Nominal Accounts
Debit	What Comes in	The Receiver	Expenses and Losses
Credit	What Goes out	The Giver	Incomes and Gains

### 5.1 Accounting Vouchers

Tally.ERP 9 is pre-programmed with a variety of accounting vouchers, each designed to perform a different job. The standard Accounting Vouchers are:

- Contra Voucher (F4)
  - Payment Voucher (F5)
-

- Receipt Voucher (F6)
- Journal Voucher (F7)
- Sales Voucher /Invoice (F8)
- Credit Note Voucher (CTRL+ F8)
- Purchase Voucher (F9)



**Optional Voucher:** All the available vouchers in Tally.ERP 9 (except non-accounting vouchers) can be marked optional, if required.

**Post-dated voucher:** All the available vouchers in Tally.ERP 9 can be marked post-dated, if required.

You can alter these vouchers to suit your company, and also create new ones. Read ahead to understand the function of each voucher type. The following exercises are sample entries for understanding Voucher entry in Tally.ERP 9, do not make these entries.

### 5.1.1 Contra Voucher (F4)

For example: withdrawing money from the bank for petty cash.

Contra Voucher			
<b>Description</b>	Records funds transfer between cash and bank accounts		
<b>Voucher Entry</b>	<b>Account</b>	<b>Amount</b>	<b>Amount</b>
	State Bank of India (Bank Accounts)		Credit
	Petty Cash (Cash-in-hand)	Debit	

**Use a Contra Voucher to record the entry.**

**Setup :**

In **Voucher entry mode**, press **F12: Contra Configuration** and set the following to

**Yes:** Skip the Date field in Create Mode (faster entry!)

Use Cr/Dr instead of To/By during entry Warn on Negative Cash Balance

Show Ledger Current Balances

Show Balances as on Voucher Date



Go to the **Gateway of Tally > Accounting Vouchers > F4: Contra.**

Accounting Voucher Creation		Indus Enterprises		Ctrl + M
<b>Contra</b> No. 1				1-Apr-2009 Wednesday
Particulars	Debit	Credit		
Cr <b>State Bank of India</b> <i>Cur Bal: 30,000.00 Dr</i>		5,000.00		
Dr <b>Petty Cash</b> <i>Cur Bal: 5,000.00 Dr</i>	5,000.00			
Narration:		5,000.00	5,000.00	Accept ?
Ch. No. :235648 Cash Transferred from State Bank of India to Petty Cash.				Yes or No

Figure 5.1 Contra Voucher

Press **Y** or **Enter** to accept the screen.

### 5.1.2 Payment Voucher (F5)

For example, a company settles a creditor's bill by cheque.

Payment Voucher			
<b>Description</b>	Records all bank and cash payments		
<b>Voucher Entry</b>	<b>Account</b>	<b>Amount</b>	<b>Amount</b>
	Ledger account paid Kaltronic Ltd. (Sundry Creditors)	Debit	
	Bank or cash account State Bank of India (Bank Account)		Credit

**Use a Payment Voucher to record the entry.**

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

Accounting Voucher Creation		Indus Enterprises	Ctrl + M
<b>Payment</b> No. 1			1-Apr-2009 Wednesday
Particulars	Debit	Credit	
Dr <b>Kaltronic Ltd</b> <i>Cur Bal: 500.00 Dr</i> On Account	500.00		
Cr <b>State Bank of India</b> <i>Cur Bal: 29,500.00 Dr</i>		500.00	
Narration:		500.00	500.00
Ch. No. :			

Figure 5.2 Payment Voucher

Press **Y** or **Enter** to accept the screen.

**Payment in Single Entry Mode**

In **Voucher entry mode**, use **F12: Payment Configuration** and set **Use Single Entry mode for Pymt/Rcpt/Contra** to **Yes**.

Payment Voucher			
<b>Description</b>	Records all bank and cash payments		
<b>Voucher Entry</b>	<b>Account</b>	<b>Amount</b>	<b>Amount</b>
	Ledger account paid Conveyance Postage (Indirect Expenses)	Debit	
	Bank or cash account Petty Cash (Bank Account)		Credit

The entry made in the single entry mode appears as shown below:

Accounting Voucher Creation		Indus Enterprises	Ctrl + M
<b>Payment</b>	No. 2		1-Apr-2009 Wednesday
Account : <b>Petty Cash</b> <i>Cur Bal: 5,300.00 Dr</i>			
Particulars	Amount		
<b>Conveyance</b> <i>Cur Bal: 300.00 Dr</i>	300.00		
<b>Postage</b> <i>Cur Bal: 800.00 Dr</i>	800.00		
Narration:		1,100.00	
		Accept ? Yes or No	

Figure 5.3 Payment Voucher with Single Entry Mode

Press **Y** or **Enter** to accept the screen.

The advantage of a single entry mode is that you can select multiple debits or credits depending on the type of entry. Similarly the transactions can be recorded in single entry mode even in Receipt and Contra vouchers.

### Warn on Negative Cash Balance

Tally.ERP 9 displays a warning if the cash balance is NIL when **Warn on Negative Cash Balance** is set to **Yes** in the **F12: Payment Configuration**. For example, a cash ledger account has no balance. A payment of Rs. 4,500 towards Telephone expenses is to be made. In the process of making the payment, Tally.ERP 9 displays a warning at the time of accepting the entry.

The entry made appears as shown below:

Accounting Voucher Creation		Indus Enterprises		Ctrl + M
<b>Payment</b> No. 3		1-Apr-2009 Wednesday		
Particulars	Debit	Credit		
Dr Telephone Expenses <i>Cur Bal: 4,500.00 Dr</i>	4,500.00			
Cr Cash <i>Cur Bal: 4,500.00 Cr</i>		4,500.00		
Narration:				
				<b>Warning !</b>  Negative Cash! Rs. (-)4,500.00  (press any key)

Figure 5.4 Payment Voucher with Warning on Negative Cash

In addition to the warning, Tally.ERP 9 also displays the negative balance amount in Red.

### 5.1.3 Receipt Voucher (F6)

For example, the company receives a bank advice that the interest has been credited to its deposit account.

Receipt Voucher			
<b>Description</b>	Records all receipts into bank or cash accounts		
<b>Voucher Entry</b>	<b>Account</b>	<b>Amount</b>	<b>Amount</b>
	Ledger account receiving Bank Interest (Indirect Incomes)		Credit
	Bank or cash account Deposit Account	Debit	

**Use a Receipt Voucher to record the entry.**

Ensure in **F12: Payment Configuration**, **Use Single Entry mode for Pymt/Rcpt/Contra** is set to **No**.

Go to the **Gateway of Tally > Accounting Vouchers > F6:**

**Receipt**. The entry made appears as shown below:

Particulars	Debit	Credit
Cr <b>Bank Interest</b> <i>Cur Bal: 1,000.00 Cr</i>		1,000.00
Dr <b>Deposit Account</b> <i>Cur Bal: 1,000.00 Dr</i>	1,000.00	
	1,000.00	1,000.00

Figure 5.5 Receipt Voucher

Press **Y** or **Enter** to accept the screen.

**5.1.4 Journal Voucher (F7)**

For example, the company has entered some expenditure on advertising as general office costs, rather than recording the transaction in the separate ledger for advertising.

Journal Voucher			
<b>Description</b>	Records adjustments between ledger accounts		
<b>Voucher Entry</b>	<b>Account</b>	<b>Amount</b>	<b>Amount</b>
	Advertising (Indirect Expenses)	Debit	
	Office Costs (Indirect Expenses)		Credit

**Use the Journal Voucher to adjust the two accounts.**

Go to the **Gateway of Tally > Accounting Vouchers > F7:**

**Journal.** The entry made appears as shown below:

Accounting Voucher Creation		Indus Enterprises	Ctrl + M
<b>Journal</b> No. 1		1-Apr-2009 Wednesday	
Particulars	Debit	Credit	
Dr <b>Advertising</b> <i>Cur Bal: 1,500.00 Dr</i>	1,500.00		
Cr <b>Office Costs</b> <i>Cur Bal: 1,500.00 Cr</i>		1,500.00	
Narration:	1,500.00	1,500.00	

Figure 5.6 Journal Voucher

Press **Y** or **Enter** to accept the screen.

### 5.1.5 Sales Voucher (F8)

For example, a company sells software on credit.

Sales Voucher			
<b>Description</b>	Records all sales		
<b>Voucher Entry</b>	<b>Account</b>	<b>Amount</b>	<b>Amount</b>
	Buyer's ledger account Milton & Co. (Sundry Debtors)	Debit	
	Sales Accounts (Local Sales)		Credit

**Use a Sales Voucher for making this entry.**

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

The entry made appears as shown below:

Particulars	Debit	Credit
Dr <b>Milton &amp; Co</b> <i>Cur Bal: 5,000.00 Dr</i>	5,000.00	
Cr <b>Local Sales</b> <i>Cur Bal: 5,000.00 Cr</i>		5,000.00

Narration:

5,000.00      5,000.00

Accept ?  
Yes or No

Figure 5.7 Sales Voucher

Press **Y** or **Enter** to accept the screen.

### 5.1.6 Credit Note Voucher (Ctrl + F8)

This voucher type is made available when the option **Use Debit/Credit Note** to is set to **Yes** in the **F11: Features (F1: Accounting features)**.

For example: A customer returns stock that was incorrectly supplied.

Credit Note Voucher			
<b>Description</b>	Records credit note entry for sales returns or Customer over-charging		
<b>Voucher entry</b>	<b>Account</b>	<b>Amount</b>	<b>Amount</b>
	Buyer's ledger account Milton & Co (Sundry Debtors)		Credit
	Sales Accounts Local Sales	Debit	

**Use a Credit note to record this entry.**

Go to the **Gateway of Tally > Accounting Vouchers > F8: Credit**

**Note.** The entry made appears as shown below:

Accounting Voucher Creation		Indus Enterprises	Ctrl + M
<b>Credit Note</b> No. 1		1-Apr-2009	
Ref.:		Wednesday	
Particulars	Debit	Credit	
Cr <b>Milton &amp; Co</b> <i>Cur Bal: 4,600.00 Dr</i>		400.00	
Dr <b>Local Sales</b> <i>Cur Bal: 4,600.00 Cr</i>	400.00		
Narration:	400.00	400.00	

Figure 5.8 Credit Note Voucher

Press **Y** or **Enter** to accept the screen.

### 5.1.7 Purchase Voucher (F9)

A company buys computer parts on credit.

Purchase Voucher			
<b>Description</b>	Records all purchases		
<b>Voucher Entry</b>	<b>Account</b>	<b>Amount</b>	<b>Amount</b>
	Supplier's ledger account Beltron Ltd (Sundry Creditor)		Credit
	Purchase Accounts (Local Purchases)	Debit	





Voucher Entry	Account	Amount	Amount
	Supplier's ledger account Beltron Ltd (Sundry Creditor)	Debit	
	Purchase Accounts (Local Purchases)		Credit

Use a Debit Note to record this entry.

Go to the **Gateway of Tally > Accounting Vouchers > F9: Debit Note.**

The entry made appears as shown below:

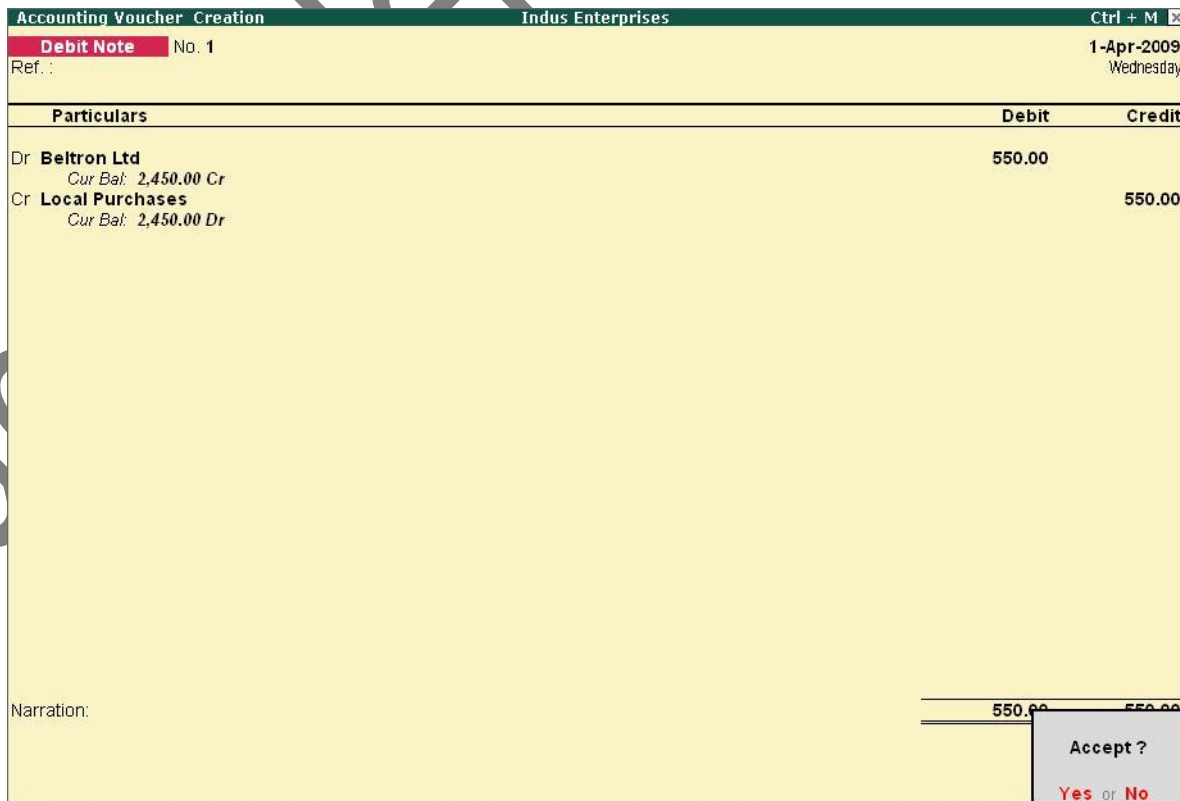


Figure 5.10 Debit Note Voucher

Press **Y** or **Enter** to accept the screen.

### 5.1.9 Reversing Journal Voucher (F10)

Reversing Journals are special journals that are automatically reversed after the date of the journal. They exist only for a day and are effective on the date of the reversing journal. This voucher type is available only if the feature **Use Reversing Journals & Optional Vouchers** is set to **Yes** in the **F11: Features (F1: Accounting Features)**.

The entry made for this, is as follows:

Reversing Journal Voucher			
<b>Description</b>	Records the voucher entries in a Reversing Journal Register, without affecting the ledger accounts and financial statements		
<b>Voucher entry</b>	<b>Account</b>	<b>Amount</b>	<b>Amount</b>
	Ledger account	Debit	
	Ledger account		Credit

Go to the **Gateway of Tally > Accounting Vouchers > F10: Reversing Journal**.



*Reversing Journals are useful in Scenario Management.*

### 5.1.10 Memo Voucher (Ctrl + F10)

Memo Voucher is a non-accounting voucher and the entries made using it will not affect your accounts. In other words, Tally.ERP 9 does not post these entries to ledgers but stores them in a separate **Memo Register**. You can alter and convert a Memo voucher into a regular voucher when you decide to bring the entry into your books.

**Memo vouchers are used for the following purposes :**

#### 1. Making suspense payments

For example, the company gives an employee cash to buy office supplies, the exact nature and cost of which are unknown. You could have entered a voucher stating petty cash advance, a voucher to record the actual expenditure details when they are known, and another voucher to record the return of surplus cash. However, a simpler way is to enter a Memo voucher when the cash is advanced, and then turn it into a Payment voucher for the actual amount spent, when known.

#### 2. Vouchers not verified at the time of entry

Sometimes it so happens that you do not understand the details of a voucher you are entering. In such cases, enter it as a Memo voucher and amend it when you get the details.

#### 3. Items given on approval

Usually, entries are made into the books only after a sales transaction is completed. Items given **on approval**, can be tracked by using a Memo voucher. It can either be converted into a proper Sales voucher or be deleted depending on the outcome.

Memo Voucher			
<b>Description</b>	Records the voucher entries in a memo register, without affecting the ledger accounts and financial statements		
<b>Voucher Entry</b>	<b>Account</b>	<b>Amount</b>	<b>Amount</b>
	Ledger account	Debit	
	Ledger account		Credit

### 5.1.11 Optional Voucher

This is another **non-accounting** voucher which is available only if the feature **Use Reversing Journals & Optional Vouchers** is set to **Yes** in the **F11: Features (F1: Accounting Features)**. It differs from the Memo voucher in two respects:

It is not a voucher type, since all the other voucher types can be marked as Optional during a voucher entry.

You have the option to bring this voucher into your accounts **temporarily** and see its effect on financial reports. Any voucher type (except non-accounting voucher) can be designated as an Optional voucher.

Optional Voucher			
<b>Description</b>	Records voucher entries temporarily, to help visualise the effect on reports, without affecting the ledgers		
<b>Voucher Entry</b>	<b>Account</b>	<b>Amount</b>	<b>Amount</b>
	Ledger account	Debit	
	Ledger account		Credit

### 5.1.12 Post-dated Vouchers

Post-dated Vouchers are ignored by Tally.ERP 9 until the date in question. This is useful for entering transactions that take place on a regular basis. For example, if you pay for something by instalments, you can set-up the payments in advance, and Tally.ERP 9 will only enter them in the ledgers as and when they fall due. A voucher is marked as Post-dated while creating or altering it.

### 5.1.13 Creating a New Voucher Type

**National Traders** wants to record bank and petty cash payments differently and needs two new voucher types to replace the pre-defined Payment voucher. In order to do this:

Create a **Bank Payment** voucher

---

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

1. **Name: Bank Payment**
2. **Type of Voucher: Payment** (Specify the default Tally.ERP 9 voucher, whose functions the new voucher should copy).
3. **Abbr.: Bank Pymt** (Specify the abbreviation to denote this new voucher in reports)
4. **Method of Voucher Numbering: Automatic**

You can choose one of the following methods for numbering from the pop-up:

Method of Numbering	Purpose
<b>Automatic</b>	For Tally.ERP 9 to do it for you.
<b>Manual</b>	You do it. You can also specify if you wish to prevent duplicates.
<b>None</b>	To disable numbering for this voucher type.

5. **Use Advance Configuration: No**
6. **Use EFFECTIVE Dates for Vouchers: No**
7. **Make 'Optional' as default: No** (This is to set the voucher type as an Optional voucher, by default)
8. **Use Common Narration: Yes**
9. **Narrations for each entry: No**
10. **Print after saving Voucher: No**
11. **Name of Class: Skip.**



*The voucher date is taken from the current date mentioned at the Gateway of Tally.ERP 9. However, the **effective date** for the voucher may be different. For example, entering a post-dated cheque.*

*Tally.ERP 9 displays the narration field which applies to the whole voucher. By setting **Use Common Narration** option to **No**, we can have separate narration fields for each line on the voucher. Reversing Journals are used for Scenario Management.*

*The **Name of Class** field enables creation of Voucher Classes for the respective voucher types. (The Voucher class is a template to customise voucher data entry).*

A **Bank Payment Voucher Type** Creation screen appears as shown below:

---

Voucher Type Creation		National Traders		Ctrl + M E
Name : <b>Bank Payment</b>				
(alias) :				
<b>General</b>		<b>Printing</b>		<b>Name of Class</b>
Type of Voucher	: <b>Payment</b>	Print after saving Voucher	? <b>No</b>	
Abbr.	: Bank Pymt			
Method of Voucher Numbering	? <b>Automatic</b>			
Use Advance Configuration	? <b>No</b>			
Use EFFECTIVE Dates for Vouchers	? <b>No</b>			
Make 'Optional' as default	? <b>No</b>			
Use Common Narration	? <b>Yes</b>			
Narrations for each entry	? <b>No</b>			
				<b>Accept ?</b> Yes or No

Figure 5.11 Voucher Type Creation Screen — Bank Payment

12. Press **Y** or **Enter** to accept the screen.

### 5.1.14 Displaying and Altering a Voucher Type

Observe the menu, you will notice that you can also display and alter voucher types. Selecting these options brings up a **List of Voucher Types**, from which you can select the one you want to view or work on. Apart from the heading, the **Voucher Type Display/Alter** screens are identical to the **Creation** screen.

#### Practice Exercise

##### Create a Petty Cash Payment Voucher Type

Ensure that the details in the Voucher Type Creation screen are as shown below:

General		Printing	Name of Class
Name : Petty Cash (alias) :		Print after saving Voucher ? No	
Type of Voucher : Payment			
Abbr. : PCash			
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 5.12 Voucher Type Creation — Petty Cash

Press **Y** or **Enter** to accept the screen.



The above exercises are sample entries for understanding Voucher entry in Tally.ERP 9, do not make these entries.

### 5.1.15 Recording Accounting Transactions

Let us record the following business transactions of National Traders for the month of April 2009 :

National Traders Business Transactions	
Date	Transaction Details
1-4-09	Paid Rs 500 to Challenger Systems by cheque
1-4-09	Bought office supplies for Rs 150 with Petty Cash
2-4-09	Wages of Rs 600 paid to employees by cheque
5-4-09	Banked a cheque for Rs 5000 received from Data Link Technologies
6-4-09	Sold 1 IBM Pentium IV to Spectrum Computers for Rs 24,785.
6-4-09	Withdrew Rs 200 from Bank Account for Petty Cash
7-4-09	Bought 1 Laserjet 1500 from Silver Plus computers on credit for Rs 8,100

The basic steps to be followed while entering each voucher are:

Check if the date is correct and use **F2: Date** to change it if necessary.

Select the voucher type from the button bar and make a further selection from the supplementary list that Tally.ERP 9 displays, if necessary.

Enter the appropriate reference for the **Purchase** and **Sales** vouchers. Select the ledgers and enter the amounts.

Type the narration and check whether all the data is correct before accepting.

Create the following **Accounting Vouchers** in the books of National Traders :

Date	Voucher Type	Ledgers to be Selected	Debit	Credit
1-4-09	<b>F5: Payment</b> Bank Payment	Dr - Challenger Systems Cr - Bank Account	500.00	500.00
1-4-09	<b>F5: Payment</b> Petty Cash	Dr - Office Costs Cr - Petty Cash	150.00	150.00
2-4-09	<b>F5: Payment</b> Bank Payment	Dr - Wages Cr - Bank Account	600.00	600.00
5-4-09	<b>F6: Receipt</b>	Cr - Data Link Technologies Dr - Bank Account	5000.00	5000.00
6-4-09	<b>F8: Sales</b>	Dr - Spectrum Computers Cr - Computer Sales	24,785.00	24,785.00
6-4-09	<b>F4: Contra</b>	Cr - Bank Account Dr - Petty Cash	200.00	200.00
7-4-09	<b>F9: Purchase</b>	Cr - Silverplus Computers Dr - Printer Purchases	8,100.00	8,100.00



*In the **Purchase/Sales Ledger Masters**, set **Inventory Values** are **affected** to **No** and proceed with the above transactions. Enable the option to **Yes** in the **Inventory Transactions** section.*





A **Voucher Entry screen** comprises of the following :

**Type of voucher**

It is essential to check if you are using the right voucher for the transaction. You can change the voucher type by selecting a new type from the button bar, if required. For example on the selection of a payment voucher, Tally.ERP 9 automatically displays the **List of Voucher** types you have cre-ated. You can select the voucher type required.

**Voucher number**

Tally.ERP 9 automatically sets the voucher number for you. You can change the voucher number manually, if required.

**Reference**

You can enter a reference of your choice. A Purchase order number or an Invoice Number can be entered as a reference.

**Date of voucher**

The date of the voucher you enter is displayed at the top -right of the Voucher Creation screen. The date is taken initially from the Gateway of Tally - Current Date and you may need to change it frequently to ensure that the vouchers are dated as you want.

**Effective date**

A voucher type can be configured to allow for an **Effective date**. The line below the **Date of voucher** displays the date when the voucher will be effective.

**Particulars**

This is where you enter the ledger names and the debit and credit amounts. Each line displays a prompt of **Dr** or **By** for debit entries and **Cr** or **To** for credit entries.

Depending on the voucher type, Tally.ERP 9 selects either 'Dr' or 'Cr' for the first prompt, which you cannot change. Thereafter, you can change the prompt (if necessary) by typing over it with a **D** or a **C**. To select a ledger, type the first letter of its name. Tally.ERP 9 then displays a **List of Ledger Accounts** beginning with the letter highlighted. Only ledgers suitable for the voucher type are displayed. As you continue typing, the highlights reduce until a match is found. The current balance is displayed when you select the ledger, (if this option has been configured). The revised current balance is shown after the amount is entered. On selecting the next ledger, Tally.ERP 9 suggests the balancing amount as the value to be entered, which may be accepted or typed over. The voucher entry cannot be completed until the debits equal the credits.

---



**Narration**

Here you type whatever appropriately describes the transaction. Remember, you can have a separate narration for each line of particulars, if you configure the voucher type in that way.

For Payment Vouchers, where a bank account has been credited, Tally.ERP 9 pre-sets the narration to **Ch.No.** expecting a cheque number to be entered. This can be over written if required.

Once the narration is complete, press **Enter** to bring up the Accept? box.

Once you accept the data, Tally.ERP 9 presents another data entry screen.

**5.1.16 Trial Balance for April 2009**

Go to the **Gateway of Tally > Display > Trial Balance**.

After making the above entries, the Trial Balance of National Traders will appear as shown :

Trial Balance		National Traders		Ctrl + M
Particulars	National Traders			
	1-Apr-2009 to 7-Apr-2009			
	Closing Balance			
	Debit	Credit		
Capital Account		2,50,000.00		
Loans (Liability)		50,000.00		
Current Liabilities		1,81,980.00		
Fixed Assets	1,00,000.00	12,500.00		
Current Assets	4,42,485.00			
Sales Accounts		24,785.00		
Purchase Accounts	8,100.00			
Direct Expenses	600.00			
Indirect Expenses	150.00			
Profit & Loss A/c		32,070.00		
<b>Grand Total</b>	<b>5,51,335.00</b>	<b>5,51,335.00</b>		

Figure 5.13 Trial Balance From April 1, 2009 to April 7, 2009

**Enter further transactions for National Traders.**

Business Transactions for the months of May and June 2009 are as follows:

National Traders Business Transactions	
Date	Transaction Details
10-5-09	Bank Advice received for bank interest of Rs.500 credited to the deposit account.
11-5-09	Electricity bill (Office costs) for Rs.400 received from Horizon Enterprises. (Note: Use a Journal Voucher)
13-5-09	Sold 1 HP Laserjet 1010 Series for Rs 9,500 to a cash customer, retaining the money as Petty Cash.
19-5-09	Salaries of Rs 2,500. Amount paid through Bank Account.
24-5-09	Sold 1 HCL Pentium IV for Rs. 21,500 to Supreme Computers.
30-5-09	Purchased 5 USB Pen Drives 64MB @ Rs. 1,250 each from Challenger Systems on credit.
01-6-09	Paid freight charges of Rs 200 from petty Cash
01-6-09	Paid Challenger Systems Rs. 11,500 by cheque
09-6-09	Transferred Rs 6,000 from Bank Account to Deposit Account.
15-6-09	Cheque for Rs 15,000 received from Spectrum Computers
22-6-09	Purchased 4 IBM Pentium IVs for Rs. 17,100 each from a new supplier and paid by cheque
22-6-09	Sold 2 IBM Pentium IVs for Rs. 24,785 to a customer who paid by cheque

In the **Purchase/Sales Ledger Masters**, set **Inventory Values are affected** to **No** and proceed with the above transactions. Enable the option to **Yes** in the **Inventory Transactions** section.



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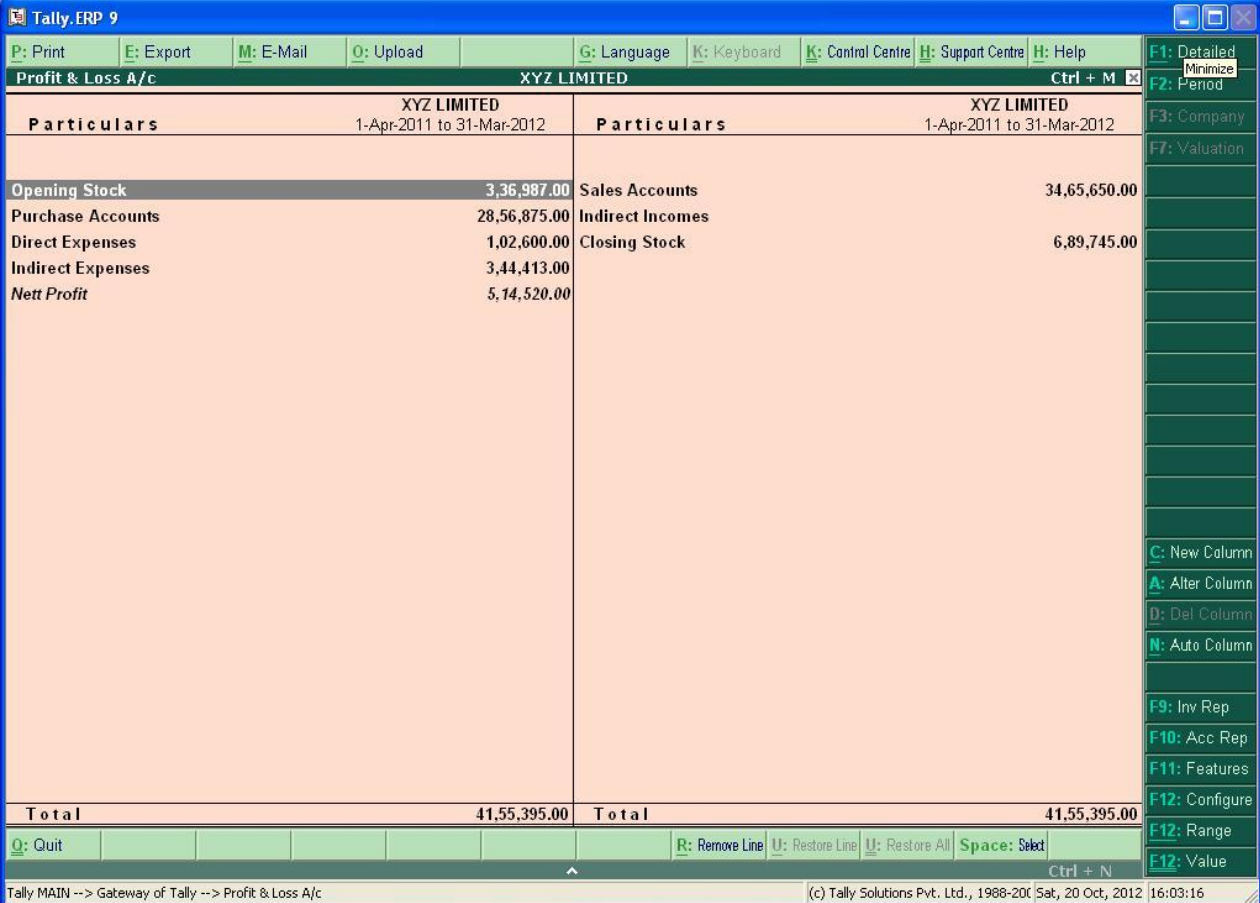
### 5.1.17 Trial Balance for June 2009

Go to the **Gateway of Tally > Display > Trial Balance**

Trial Balance		National Traders		Ctrl + M
Particulars	National Traders			
	1-Apr-2009 to 30-Jun-2009			
	Closing Balance			
	Debit		Credit	
<b>Capital Account</b>			<b>2,50,000.00</b>	
<b>Loans (Liability)</b>			<b>50,000.00</b>	
<b>Current Liabilities</b>			<b>1,88,630.00</b>	
<b>Fixed Assets</b>	<b>1,00,000.00</b>		<b>12,500.00</b>	
<b>Current Assets</b>	<b>4,52,455.00</b>			
<b>Sales Accounts</b>			<b>1,05,355.00</b>	
<b>Purchase Accounts</b>	<b>82,750.00</b>			
<b>Direct Expenses</b>	<b>800.00</b>			
<b>Indirect Incomes</b>			<b>500.00</b>	
<b>Indirect Expenses</b>	<b>3,050.00</b>			
<b>Profit &amp; Loss A/c</b>			<b>32,070.00</b>	
<b>Grand Total</b>		<b>6,39,055.00</b>	<b>6,39,055.00</b>	

Figure 5.14 Trial Balance From April 1, 2009 to June 30, 2009

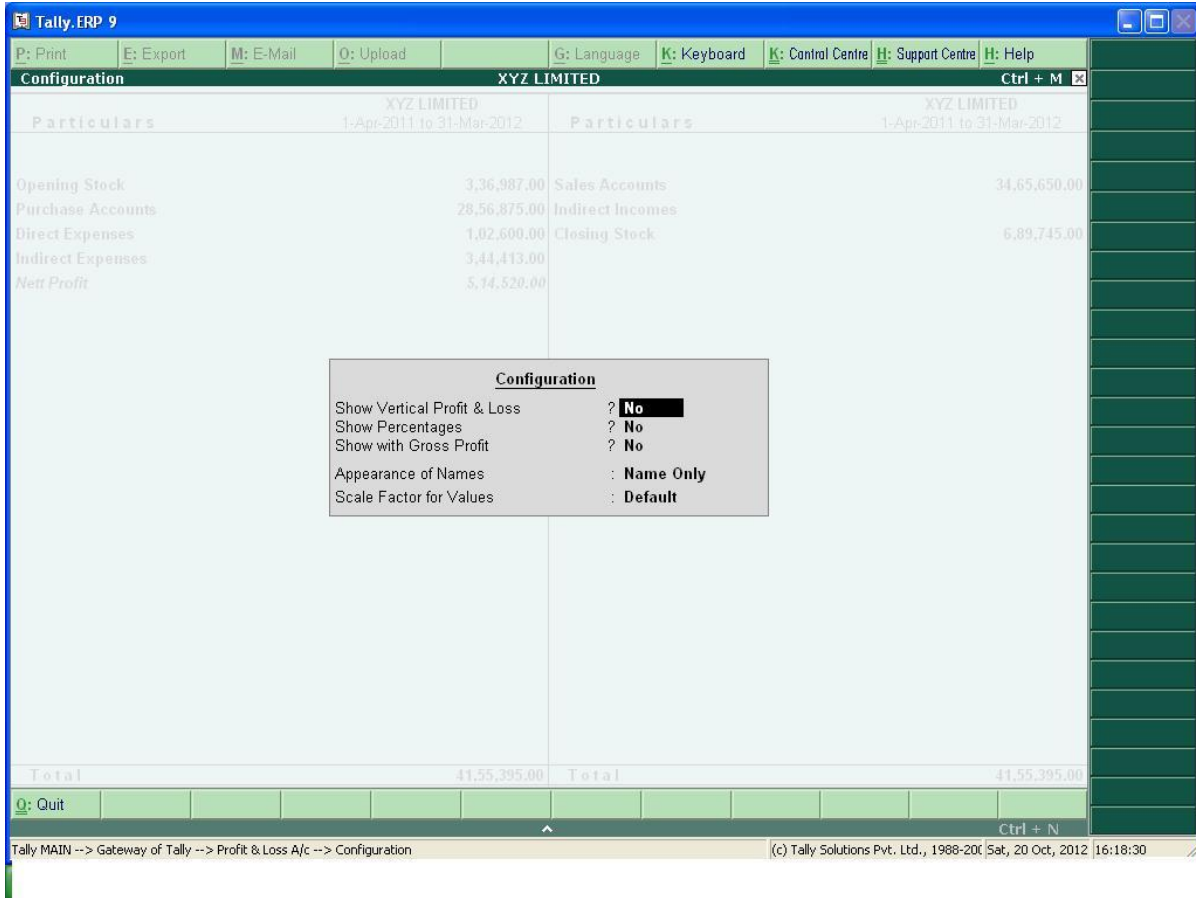
- Open [Tally](#) program.
- Select your Company. In our case, we shall select M/s XYZ Limited.
- Maintain Assignment entry in tally voucher.
- Select 'Display' under gateway of tally.
- Select 'Profit & Loss Account'. After you select 'Profit & Loss Account' then the screen shall appear as under:-



XYZ LIMITED		XYZ LIMITED	
1-Apr-2011 to 31-Mar-2012		1-Apr-2011 to 31-Mar-2012	
Particulars		Particulars	
Opening Stock	3,36,987.00	Sales Accounts	34,65,650.00
Purchase Accounts	28,56,875.00	Indirect Incomes	
Direct Expenses	1,02,600.00	Closing Stock	6,89,745.00
Indirect Expenses	3,44,413.00		
Nett Profit	5,14,520.00		
<b>Total</b>	<b>41,55,395.00</b>	<b>Total</b>	<b>41,55,395.00</b>

**Note:** In above Profit and Loss Account, Trading Account and Profit & Loss Account are not shown separately. To see gross profit and net profit separately, you have to do following job:-

- You can see an icon on gateway of tally i.e. 'Configuration'. Select the same or pres F-12. After you select 'configuration', you will see the following screen:-



**Configuration**

XYZ LIMITED		XYZ LIMITED	
1-Apr-2011 to 31-Mar-2012		1-Apr-2011 to 31-Mar-2012	
Particulars		Particulars	
Opening Stock	3,36,987.00	Sales Accounts	34,65,650.00
Purchase Accounts	28,56,875.00	Indirect Incomes	
Direct Expenses	1,02,600.00	Closing Stock	6,89,745.00
Indirect Expenses	3,44,413.00		
Nett Profit	5,14,520.00		
<b>Total</b>	<b>41,55,395.00</b>	<b>Total</b>	<b>41,55,395.00</b>

**Configuration**

Show Vertical Profit & Loss ? **No**

Show Percentages ? **No**

Show with Gross Profit ? **No**

Appearance of Names : **Name Only**

Scale Factor for Values : **Default**

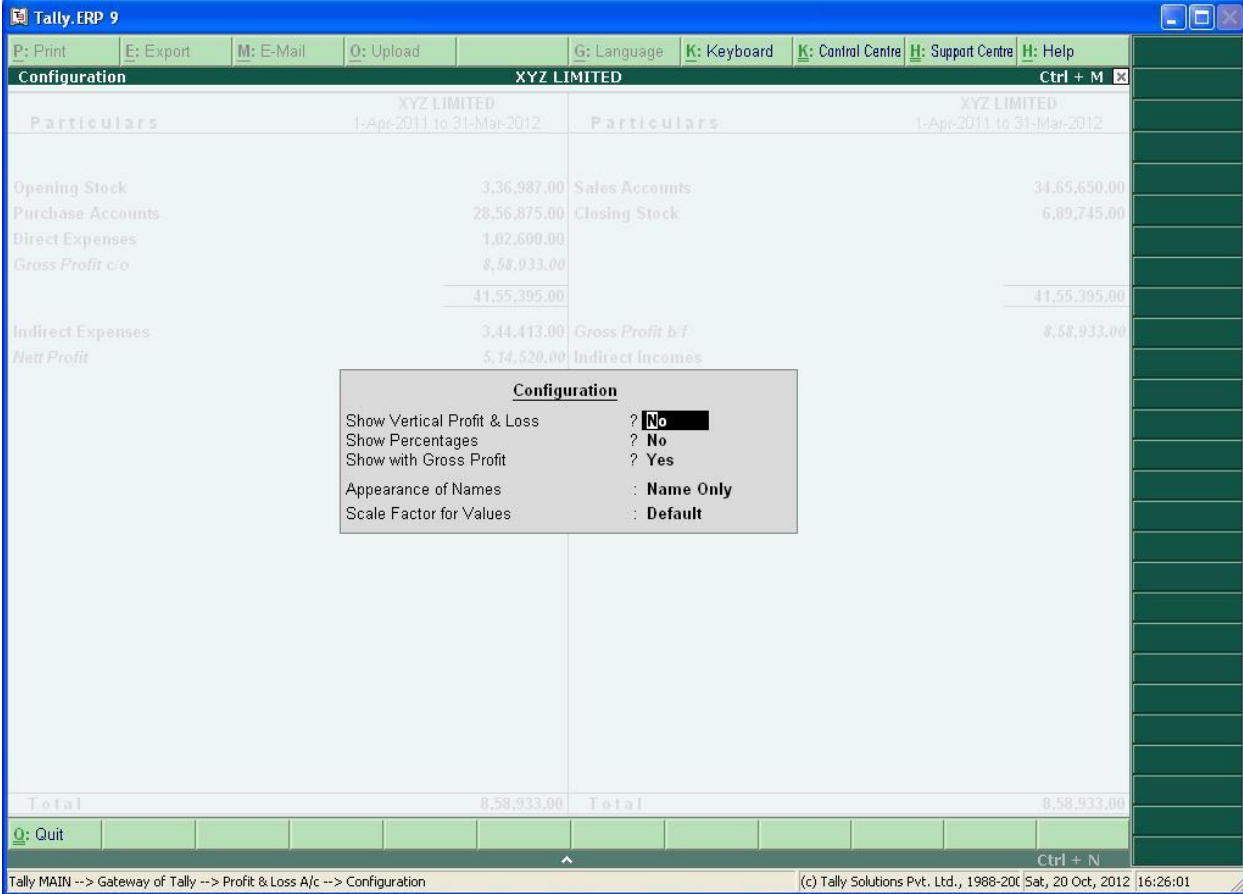
Tally MAIN --> Gateway of Tally --> Profit & Loss A/c --> Configuration (c) Tally Solutions Pvt. Ltd., 1988-20( Sat, 20 Oct, 2012 16:18:30

Now, Select the commands as follow:-

Show Vertical Profit & Loss Account	If you want to see P&L in vertical form then write 'yes'. In our case we want to see only in horizontal form. So you select 'No'. You can see the profit and loss account in vertical form also after selecting 'Yes' under this column.
Show Percentage	Select 'No'.
Show with Gross Profit	Select 'Yes' because we want to see trading account separately.
Appearance of Name	Select 'Names only'

Scale Factor for Values	Select 'Default'
-------------------------	------------------

- Now your screen shall appear as under:-



The screenshot shows the Tally.ERP 9 Configuration screen for XYZ LIMITED. The main window displays a Profit & Loss A/c statement for the period 1-Apr-2011 to 31-Mar-2012. A configuration dialog box is overlaid on the screen, showing the following settings:

Configuration	
Show Vertical Profit & Loss	? No
Show Percentages	? No
Show with Gross Profit	? Yes
Appearance of Names	: Name Only
Scale Factor for Values	: Default

The background Profit & Loss A/c statement shows the following data:

XYZ LIMITED		XYZ LIMITED	
1-Apr-2011 to 31-Mar-2012		1-Apr-2011 to 31-Mar-2012	
Particulars		Particulars	
Opening Stock	3,36,987.00	Sales Accounts	34,65,650.00
Purchase Accounts	28,56,875.00	Closing Stock	6,89,745.00
Direct Expenses	1,02,600.00		
Gross Profit c/o	8,58,933.00		
	41,55,395.00		41,55,395.00
Indirect Expenses	3,44,413.00	Gross Profit b/f	8,58,933.00
Nett Profit	5,14,520.00	Indirect Incomes	
Total	8,58,933.00	Total	8,58,933.00

- After you press enter on last command then format of your profit and loss account will change in to parts i.e. it will show trading account and profit & loss account in two parts. Now, you can see gross profit and net profit separately. This screen will appear as under:-

XYZ LIMITED 1-Apr-2011 to 31-Mar-2012		XYZ LIMITED 1-Apr-2011 to 31-Mar-2012	
Particulars		Particulars	
Opening Stock	3,36,987.00	Sales Accounts	34,65,650.00
Purchase Accounts	28,56,875.00	Closing Stock	6,89,745.00
Direct Expenses	1,02,600.00		
Gross Profit c/o	8,58,933.00		
	<u>41,55,395.00</u>		<u>41,55,395.00</u>
Indirect Expenses	3,44,413.00	Gross Profit b/f	8,58,933.00
Nett Profit	5,14,520.00	Indirect Incomes	
<b>Total</b>	<b>8,58,933.00</b>	<b>Total</b>	<b>8,58,933.00</b>

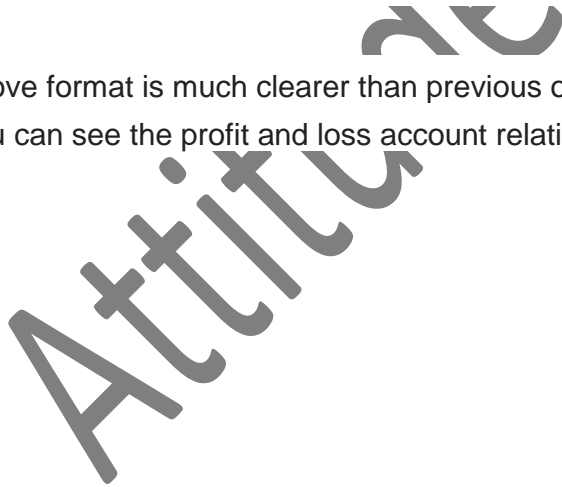
- If you see the Profit & Loss Account in above format, you will find that all the ledger accounts are shown in groups. For example – direct expenses, indirect expenses etc. Now you want to see the profit and loss account in more detailed manner then you just select 'Detailed' on screen. Now, your screen shall appear as under:-

Attitude



XYZ LIMITED		XYZ LIMITED	
1-Apr-2011 to 31-Mar-2012		1-Apr-2011 to 31-Mar-2012	
<b>Opening Stock</b>	<b>3,36,987.00</b>	<b>Sales Accounts</b>	<b>34,65,650.00</b>
STOCK IN HAND	3,36,987.00	LOCAL SALES ACCOUNT	34,65,650.00
<b>Purchase Accounts</b>	<b>28,56,875.00</b>	<b>Closing Stock</b>	<b>6,89,745.00</b>
PURCHASE ACCOUNT	28,56,875.00	STOCK IN HAND	6,89,745.00
<b>Direct Expenses</b>	<b>1,02,600.00</b>		
CARTAGE & FREIGHT EXPENSES	1,02,600.00		
<b>Gross Profit c/o</b>	<b>8,58,933.00</b>		
	41,55,395.00		41,55,395.00
<b>Indirect Expenses</b>	<b>3,44,413.00</b>	<b>Gross Profit b/f</b>	<b>8,58,933.00</b>
ADVERTISEMENT & PUBLICITY EXP.	11,000.00	<b>Indirect Incomes</b>	
CONVEYANCE EXPENSES	22,600.00		
ELECTRICITY EXPENSES	12,478.00		
GENERAL EXPENSES	1,265.00		
PRINTING & STATIONERY EXPENSES A/C	6,500.00		
SALARY EXPENSES ACCOUNT	2,26,000.00		
TELEPHONE EXPENSES ACCOUNT	5,500.00		
TRAVELLING EXPENSES	44,200.00		
VEHICLE MAINTENANCE EXPENSES	14,870.00		
<b>Nett Profit</b>	<b>5,14,520.00</b>		
<b>Total</b>	<b>8,58,933.00</b>	<b>Total</b>	<b>8,58,933.00</b>

- Above format is much clearer than previous one.
- You can see the profit and loss account relating to any period. For this, just Select 'Period'



## Display Trial Balance in Tally.ERP 9

A Trial Balance is a summary of all ledger balances to check whether the figures are correct and balanced. Considering that the journal entries are error-free and posted correctly to the general ledger, the total of all debit balances should equal the total of all the credit balances.

In Tally.ERP 9, the matching of the Trial Balance is a foregone conclusion since all voucher entries are in Debit - Credit format and must balance at the entry point.

To view the Trial Balance

Go to **Gateway of Tally > Display > Trial Balance**

Trial Balance		ABC Company		Ctrl + M
Particulars	ABC Company			
	1-Apr-2008 to 31-Mar-2009			
	Closing Balance			
	Debit	Credit		
Capital Account		24,00,000.00		
Loans (Liability)		12,00,000.00		
Current Liabilities	5,45,257.50	2,38,27,223.75		
Fixed Assets		2,00,000.00		
Current Assets	4,08,56,757.00			
Branch / Divisions			8,600.00	
Sales Accounts			3,90,55,008.75	
Purchase Accounts	2,47,70,497.50			
Direct Expenses	2,62,587.50			
Indirect Expenses	69,475.00			
Profit & Loss A/c			2,26,300.00	
Unadjusted Forex Gain/Loss		12,558.00		
<b>Grand Total</b>		<b>6,67,17,132.50</b>	<b>6,67,17,132.50</b>	

**Note:** As per accounting principles, the Trial Balance does not list Closing Stock.

Tally.ERP 9 shows group wise Trial Balance. Next level detail for a group can be explored by pressing **Shift+Enter**. Details of all groups can also be obtained through configuration, except for groups behaving like sub-ledgers.

Select **F1: Detailed** to break down the grouped information or simply drill down a Group for further detail.

The screen is displayed as shown.

Trial Balance		ABC Company		Ctrl + M	
Particulars	ABC Company				
	1-Apr-2008 to 31-Mar-2009				
	Closing Balance				
	Debit	Credit			
<b>Capital Account</b>		<b>24,00,000.00</b>			
Capital Account		24,00,000.00			
<b>Loans (Liability)</b>		<b>12,00,000.00</b>			
Loan From Bank		12,00,000.00			
<b>Current Liabilities</b>		<b>5,45,257.50</b>	<b>2,38,27,223.75</b>		
Duties & Taxes	1,15,982.50		2,50,569.25		
Sundry Creditors	4,29,275.00		2,35,51,979.50		
CST Deferred Account			3,200.00		
Interest Payable Account			16,275.00		
Tax Deferred A/c			5,200.00		
<b>Fixed Assets</b>		<b>2,00,000.00</b>			
Capital Goods		2,00,000.00			
<b>Current Assets</b>		<b>4,08,56,757.00</b>			
Opening Stock		56,650.00			
Loans & Advances (Asset)		65,000.00			
Sundry Debtors	3,07,23,732.00				
Cash-in-Hand		74,53,050.00			
Bank Accounts		25,52,825.00			
CST Refund Granted Ac		2,000.00			
Entry Tax		3,500.00			
<b>Branch / Divisions</b>			<b>8,600.00</b>		
Branch/ Division			8,600.00		
<b>Sales Accounts</b>			<b>3,90,55,008.75</b>		
Sales Bills to Make	1,12,500.00				
Branch Transfer - Outwards			7,92,000.00		
			<b>51 more ...</b>		
<b>Grand Total</b>		<b>6,67,17,132.50</b>	<b>6,67,17,132.50</b>		

Select **F5: Led-wise** to list all ledgers and their closing balances. The screen is displayed as shown.

Trial Balance		ABC Company		Ctrl + M	
Particulars	ABC Company				
	1-Apr-2008 to 31-Mar-2009				
	Closing Balance				
	Debit	Credit			
<b>Opening Stock</b>		<b>56,650.00</b>			
A/C Repair		7,400.00			
Bank-Current A/c		1,20,000.00			
Bank-Saving A/c		23,59,000.00			
Blue Nile Stationeries		3,57,275.00			
Branch/ Division			8,600.00		
Branch Transfer - Outwards			7,92,000.00		
Bright Industries			13,05,100.00		
Capital Account			24,00,000.00		
Capital Goods		2,00,000.00			
Cash		74,53,050.00			
City Dealer		72,000.00			
Commission			11,520.00		
CST@2%			12,600.00		
CST @2% Lower Rate			1,680.00		
CST @ 3%	15,670.00				
CST@5%			9,420.00		
CST Deferred Account			3,200.00		
Cst New			1,49,401.00		
CST Refund Granted Ac		2,000.00			
Customer A		12,46,130.00			
Customer B		11,48,664.00			
Customer C		1,67,75,363.00			
Discount		2,62,587.50			
Entry Tax		3,500.00			
Entry Tax Payable			1,000.00		
Equipment Sales Corporation			16,75,000.00		
			<b>72 more ...</b>		
<b>Grand Total</b>		<b>7,03,12,632.50</b>	<b>7,03,12,632.50</b>		

Select **New Column** to bring up the closing balances for another date. The screen is displayed as shown.

Trial Balance		ABC Company		Ctrl + M	
Particulars	ABC Company 1-Apr-2008 to 31-Mar -2009		ABC Company 1-Apr-2008 to 31-Aug -2008		
	Closing Balance		Closing Balance		
	Debit	Credit	Debit	Credit	
Opening Stock	56,650.00		56,650.00		
A/C Repair	7,400.00		3,900.00		
Bank-Current A/c	1,20,000.00		1,20,000.00		
Bank-Saving A/c	23,59,000.00		23,59,000.00		
Blue Nile Stationeries	3,57,275.00		3,57,275.00		
Branch/ Division		8,600.00		8,600.00	
Branch Transfer - Outwards		7,92,000.00		7,92,000.00	
Bright Industries		13,05,100.00		13,05,100.00	
Capital Account		24,00,000.00		24,00,000.00	
Capital Goods	2,00,000.00		2,00,000.00		
Cash	74,53,050.00		11,76,800.00		
City Dealer	72,000.00		72,000.00		
Commission		11,520.00		11,520.00	
CST@2%		12,600.00		12,600.00	
CST @2% Lower Rate		1,680.00		1,680.00	
CST @ 3%	15,670.00		15,670.00		
CST@5%		9,420.00		9,420.00	
CST Deferred Account		3,200.00		3,200.00	
Cst New		1,49,401.00		1,49,401.00	
CST Refund Granted Ac	2,000.00		2,000.00		
Customer A	12,46,130.00		12,46,130.00		
Customer B	11,48,664.00		11,48,664.00		
Customer C	1,67,75,363.00		84,45,363.00		
Discount	2,62,587.50		40,450.00		
Entry Tax	3,500.00		3,500.00		
Entry Tax Payable		1,000.00		1,000.00	
Equipment Sales Corporation		16,75,000.00		16,75,000.00	
<b>Grand Total</b>	<b>7,00,12,632.50</b>	<b>7,00,12,632.50</b>	<b>3,83,88,245.00</b>	<b>3,83,88,245.00</b>	<b>72 more ...</b>

## Display Trial Balance in Tally.ERP 9

A Trial Balance is a summary of all ledger balances to check whether the figures are correct and balanced. Considering that the journal entries are error-free and posted correctly to the general ledger, the total of all debit balances should equal the total of all the credit balances.

In Tally.ERP 9, the matching of the Trial Balance is a foregone conclusion since all voucher entries are in Debit - Credit format and must balance at the entry point.

To view the Trial Balance

Go to **Gateway of Tally > Display > Trial Balance**



Trial Balance		ABC Company		Ctrl + M
Particulars	ABC Company			
	1-Apr-2008 to 31-Mar-2009			
	Closing Balance			
	Debit	Credit		
Capital Account		24,00,000.00		
Loans (Liability)			12,00,000.00	
Current Liabilities		5,45,257.50	2,38,27,223.75	
Fixed Assets			2,00,000.00	
Current Assets		4,08,56,757.00		
Branch / Divisions			8,600.00	
Sales Accounts			3,90,55,008.75	
Purchase Accounts		2,47,70,497.50		
Direct Expenses		2,62,587.50		
Indirect Expenses		69,475.00		
Profit & Loss A/c			2,26,300.00	
Unadjusted Forex Gain/Loss		12,558.00		
<b>Grand Total</b>		<b>6,67,17,132.50</b>	<b>6,67,17,132.50</b>	

**Note:** As per accounting principles, the Trial Balance does not list Closing Stock.

Tally.ERP 9 shows group wise Trial Balance. Next level detail for a group can be explored by pressing **Shift+Enter**. Details of all groups can also be obtained through configuration, except for groups behaving like sub-ledgers.

Select **F1: Detailed** to break down the grouped information or simply drill down a Group for further detail.

The screen is displayed as shown.

Attitude

Trial Balance		ABC Company		Ctrl + M	
Particulars	ABC Company				
	1-Apr-2008 to 31-Mar-2009				
	Closing Balance				
	Debit	Credit			
<b>Capital Account</b>		<b>24,00,000.00</b>			
Capital Account		24,00,000.00			
<b>Loans (Liability)</b>		<b>12,00,000.00</b>			
Loan From Bank		12,00,000.00			
<b>Current Liabilities</b>		<b>5,45,257.50</b>	<b>2,38,27,223.75</b>		
Duties & Taxes	1,15,982.50		2,50,569.25		
Sundry Creditors	4,29,275.00		2,35,51,979.50		
CST Deferred Account			3,200.00		
Interest Payable Account			16,275.00		
Tax Deferred A/c			5,200.00		
<b>Fixed Assets</b>		<b>2,00,000.00</b>			
Capital Goods		2,00,000.00			
<b>Current Assets</b>		<b>4,08,56,757.00</b>			
Opening Stock		56,650.00			
Loans & Advances (Asset)		65,000.00			
Sundry Debtors	3,07,23,732.00				
Cash-in-Hand		74,53,050.00			
Bank Accounts		25,52,825.00			
CST Refund Granted Ac		2,000.00			
Entry Tax		3,500.00			
<b>Branch / Divisions</b>			<b>8,600.00</b>		
Branch/ Division			8,600.00		
<b>Sales Accounts</b>			<b>3,90,55,008.75</b>		
Sales Bills to Make	1,12,500.00				
Branch Transfer - Outwards			7,92,000.00		
			<b>51 more ...</b>		
<b>Grand Total</b>		<b>6,67,17,132.50</b>	<b>6,67,17,132.50</b>		

Select **F5: Led-wise** to list all ledgers and their closing balances. The screen is displayed as shown.

Trial Balance		ABC Company		Ctrl + M	
Particulars	ABC Company				
	1-Apr-2008 to 31-Mar-2009				
	Closing Balance				
	Debit	Credit			
<b>Opening Stock</b>		<b>56,650.00</b>			
A/C Repair		7,400.00			
Bank-Current A/c		1,20,000.00			
Bank-Saving A/c		23,59,000.00			
Blue Nile Stationeries		3,57,275.00			
Branch/ Division			8,600.00		
Branch Transfer - Outwards			7,92,000.00		
Bright Industries			13,05,100.00		
Capital Account			24,00,000.00		
Capital Goods		2,00,000.00			
Cash		74,53,050.00			
City Dealer		72,000.00			
Commission			11,520.00		
CST@2%			12,600.00		
CST @2% Lower Rate			1,680.00		
CST @ 3%		15,670.00			
CST@5%			9,420.00		
CST Deferred Account			3,200.00		
Cst New			1,49,401.00		
CST Refund Granted Ac		2,000.00			
Customer A		12,46,130.00			
Customer B		11,48,664.00			
Customer C		1,67,75,363.00			
Discount		2,62,587.50			
Entry Tax		3,500.00			
Entry Tax Payable			1,000.00		
Equipment Sales Corporation			16,75,000.00		
			<b>72 more ...</b>		
<b>Grand Total</b>		<b>7,03,12,632.50</b>	<b>7,03,12,632.50</b>		

Select **New Column** to bring up the closing balances for another date. The screen is displayed as shown.

Trial Balance		ABC Company		Ctrl + M	
Particulars	ABC Company 1-Apr-2008 to 31-Mar -2009		ABC Company 1-Apr-2008 to 31-Aug -2008		
	Closing Balance		Closing Balance		
	Debit	Credit	Debit	Credit	
<b>Opening Stock</b>	<b>56,650.00</b>		<b>56,650.00</b>		
A/C Repair	7,400.00		3,900.00		
Bank-Current A/c	1,20,000.00		1,20,000.00		
Bank-Saving A/c	23,59,000.00		23,59,000.00		
Blue Nile Stationeries	3,57,275.00		3,57,275.00		
Branch/ Division		8,600.00		8,600.00	
Branch Transfer - Outwards		7,92,000.00		7,92,000.00	
Bright Industries		13,05,100.00		13,05,100.00	
Capital Account		24,00,000.00		24,00,000.00	
Capital Goods	2,00,000.00		2,00,000.00		
Cash	74,53,050.00		11,76,800.00		
City Dealer	72,000.00		72,000.00		
Commission		11,520.00		11,520.00	
CST@2%		12,600.00		12,600.00	
CST @2% Lower Rate		1,680.00		1,680.00	
CST @ 3%	15,670.00		15,670.00		
CST@5%		9,420.00		9,420.00	
CST Deferred Account		3,200.00		3,200.00	
Cst New		1,49,401.00		1,49,401.00	
CST Refund Granted Ac	2,000.00		2,000.00		
Customer A	12,46,130.00		12,46,130.00		
Customer B	11,48,664.00		11,48,664.00		
Customer C	1,67,75,363.00		84,45,363.00		
Discount	2,62,587.50		40,450.00		
Entry Tax	3,500.00		3,500.00		
Entry Tax Payable		1,000.00		1,000.00	
Equipment Sales Corporation		16,75,000.00		16,75,000.00	
<b>Grand Total</b>	<b>7,00,12,632.50</b>	<b>7,03,12,632.50</b>	<b>3,83,88,245.00</b>	<b>3,83,88,245.00</b>	<b>72 more ...</b>

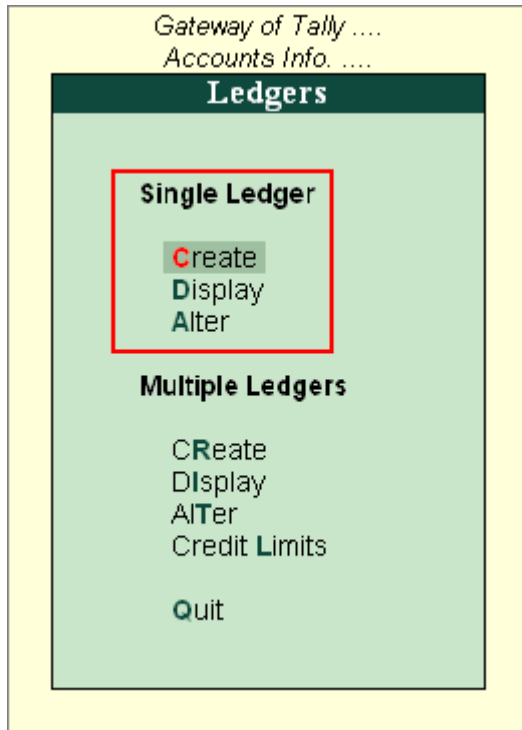
Attitude F

## Creating a Single Ledger

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By default, Tally.ERP 9 contains two Ledger accounts namely, Cash (Under Cash-in- Hand) and Profit and Loss Account (direct Primary Account). You need to create all other accounts heads. There are no restrictions in Ledger creation except that you cannot create another Profit & Loss A/c. Any number of Cash Accounts may be created in any other name for ex: Petty Cash.

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



**Ledgers** can be created in [Normal mode](#) or in [Advance mode](#).

## Creating Ledger in Normal Mode

---

The creation of a Ledger depends on the features you have selected under **F11: Features** of your company and **F12: Configure**. You can create a single ledger account with the default options enabled.

Go to **Gateway of Tally > Accounts Info > Ledgers > Single Ledger > Create**



Ledger Creation		ABC Company
Name : <b>A's Capital Account</b>	<u>Total Op. Bal.</u>	
(alias) :	<b>5,00,000.00 Cr</b>	
		<i>Difference</i>
		<u>5,00,000.00 Cr</u>
Under : <b>Capital Account</b>		
<b>Opening Balance ( on 1-Apr-2008) : 5,00,000.00 Cr</b>		

### Name

Enter the **Name** of the account. You can provide the full name of the account. Tally.ERP 9 fits it all in. Press Enter to move to the next field. Tally.ERP 9 does not allow the entry of duplicate names. The uniqueness check is made here itself.

Note that the punctuation and other non-relevant information are ignored by Tally.ERP 9 in its recognition of a name. Thus, CST, C.S.T. and C. S. T. are all considered as same.

Tally.ERP 9 converts the first letter of all relevant words to upper case, which helps you; speed up data entry.

### Alias

Enter an **alias name** if required. You can access the Ledgers using the original name or the alias name.

## **Under**

All accounts must be classified **under** their appropriate **Groups**. Select the **Group** under which the Ledger is created from the List of Groups. (To create a new Group from this field press [**ALT + C**]). A wrong classification would affect the treatment of the Ledger account in final statements and during voucher entry.

You can, alter a Ledger account to change its group classification at any time. Refer [Importance of Grouping and Accounting Classifications](#): for more details in Grouping

## **Opening Balance**

If yours is an existing company whose books you are entering into Tally.ERP 9, Opening Balance would be applicable in circumstances where the Ledger is an asset or a liability and if it has a balance in the account as on the date of beginning of books in Tally.ERP 9.

Tally.ERP 9 recognizes normal accounting principles of debit balances for Assets and credit balances for Liabilities. It accepts the reverse for obverse balances. Revenue accounts normally do not have balances. Tally.ERP 9, however, permits you to give balances even for such accounts - You may be transferring your books on to Tally.ERP 9 in the middle of the year and may not have closed them in your earlier system. Hence, you may specify whether the balance is Debit or Credit. Simply **D** or **C** would suffice.



## Creating a Purchase Invoice

To create purchase invoice for purchase of taxable goods,

Go to **Gateway of Tally > Accounting Vouchers > F9: Purchases**

1. Select the **Party's A/c Name** from the List of Ledger Accounts.
2. Select the Purchase Ledger grouped under Purchase Accounts with VAT/Tax class - **Purchase From URDs - Taxable Goods (Composition)**.
3. The VAT/Tax class appears as **Purchase From URDs - Taxable Goods (Composition)**.
4. Select the stock items from the **List of Items**.
5. Enter the **Quantity** and **Rate**. The amount is automatically displayed in the Amount field.
6. Set the option - **Is e-Sugam Applicable** to **Yes/No** as per requirement.

Accounting Voucher Creation		ABC Company		Ctrl + M
<b>Purchase</b>	No. 3			12-May-2012
Supplier Invoice No. : P003	Date : 12-May-2012			Saturday
Party's A/c Name : Excel Traders				
Current Balance : 2,66,500.00 Cr				
Purchase Ledger : Purchase From URDs				
VAT/Tax Class : Purchase From URDs - Taxable Goods (Composition)				
Name of Item	Quantity	Rate per	Amount	
Books	50 Nos	250.00 Nos	12,500.00	
J End of List				
Is e-Sugam Applicable ? No				
Show Statutory Details ? No				
Narration:				
50 Nos				<b>Accept ?</b> Yes or No

7. Accept the Purchase invoice.

## Creating a Sales Invoice

To create sales invoice for sale of taxable goods,

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

1. Select the **Party's A/c Name** from the List of Ledger Accounts.
2. Select Sales Ledger grouped under Sales Accounts with VAT/Tax class - **Sales - Composition Tax @ 1%**.
3. The VAT/Tax class appears as **Sales - Composition Tax @ 1%**.
4. Select the stock items from the **List of Items**
5. Enter the **Quantity** and **Rate**. The amount is automatically displayed in the Amount field.
6. Set **Is e-Sugam Applicable** to **Yes/No** as per requirement.

Accounting Voucher Creation ABC Company Ctrl + M

Sales No. 1 14-May-2012 Monday

Ref. : S001

Party's A/c Name : Supreme Traders  
Current Balance :  
Sales Ledger : Sales Composition @ 1%  
VAT/Tax Class : Sales - Composition Tax @ 1%

Name of Item	Quantity	Rate per	Amount
Gold Coins	3 Nos	10,000.00 Nos	30,000.00
End of List			

Is e-Sugam Applicable ? No

Show Statutory Details ? No

Narration: 3 Nos

Accept ?  
Yes or No

7. Accept the Sales invoice.

## reating a Debit Note

To create a Debit Note for Purchase Returns,

Go to **Gateway of Tally > Accounting Vouchers > Ctrl+F9: Debit Note**

1. Enter the reference number in the **Ref.** field.
2. Select the **Party's A/c Name** from the **List of Ledger Accounts**.
3. Select the **Purchase Ledger** and the appropriate **VAT /Tax Class** appears.
4. Select the stock item from the **List of Items** and enter the **Quantity** and **Rate**. The amount is automatically displayed in the **Amount** field.
5. Set **Is e-Sugam Applicable** to **Yes/No** as per requirement.

Accounting Voucher Creation ABC Company Ctrl + M

Debit Note No. 1 11-May-2012 Friday

Ref. : DN001

Party's A/c Name : Excel Traders  
Current Balance : 2,79,000.00 Cr  
Purchase Ledger : Purchase From URDs  
VAT/Tax Class : Purchase From URDs - Taxable Goods (Composition)

Name of Item	Quantity	Rate per	Amount
Books	5 Nos	250.00 Nos	1,250.00
End of List			

Is e-Sugam Applicable ? No

Show Statutory Details ? No

Narration: 5 Nos

Accept ?  
Yes or No

6. Accept the Debit Note.

## Creating a Credit Note

To create a Credit Note for Sales Returns,

Go to **Gateway of Tally > Accounting Vouchers > Ctrl+F8: Credit Note**

1. Enter the reference number in the **Ref.** field.
2. Select the **Party's A/c Name** from the **List of Ledger Accounts**.
3. Select the **Sales Ledger** and the appropriate **VAT /Tax Class** appears.
4. Select the stock item from the **List of Items** and enter the **Quantity** and **Rate**. The amount is automatically displayed in the **Amount** field.
5. Set **Is e-Sugam Applicable** to **Yes/No** as applicable.

Accounting Voucher Creation ABC Company Ctrl + M

Credit Note No. 1 25-May-2012 Friday

Ref.: CN001 Used for: Goods Sold Returned

Party's A/c Name : Supreme Traders  
Current Balance : 30,000.00 Dr  
Sales Ledger : Sales Composition @ 1%  
VAT/Tax Class : Sales - Composition Tax @ 1%

Name of Item	Quantity	Rate per	Amount
Gold Coins	1 Nos	10,000.00 Nos	10,000.00
J End of List			

Is e-Sugam Applicable ? No

Show Statutory Details ? No

Narration: 1 Nos

Accept ?  
Yes or No

6. Accept the credit note.

## Creating a Payment Entry with Narration for each Entry

If you want the **narration details** for every ledger you debit or credit (Single narration), you can configure Tally.ERP's Narration details accordingly.

To activate the option **Narration for each entry**,

Go to **Gateway of Tally > Accounts Information > Voucher Types > Alter**

1. Select the required Voucher Type.
2. Enable the option **Narrations for each Entry** and accept the details.
3. Return to **Accounting Vouchers** in **Gateway of Tally** and select the voucher type and pass the entry.

Voucher Type Alteration		ABC Company	Ctrl + M
Name	: Payment		
(alias)	:		
General		Printing	Name of Class
Type of Voucher	: Payment	Print after saving Voucher	? No
Abbr.	: Pymt		
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	? <b>Yes</b>		

**Narration for each entry option** is available for all Accounting Voucher Types. Given below is an example of a Payment transaction with narrations for each entry enabled:



Accounting Voucher Creation		ABC Company	Ctrl + M
Payment No. 1		1-Apr-2008 Tuesday	
Particulars	Debit	Credit	
By <b>Conveyance</b> Cur Bal: 500.00 Dr Narration : Conveyance Expenses paid to Employee A.	500.00		
By <b>Postage</b> Cur Bal: 500.00 Dr Narration : Courier charges for 1st April 2008	500.00		
To <b>Cash - Location B</b> Cur Bal: 24,000.00 Dr Narration : Cash paid from Location B Account		1,000.00	
Narration: Cash paid towards Conveyance and Postage Expenses.		1,000.00	1,000.00

Accept ?
Yes or No

The above entry consists of both common narration and narrations for each entry. In case of multiple debit/credit entries, you can give single line narration separately for every ledger account selected.

### Special Keys for Voucher Narration Field

- **ALT+R:** Recalls the Last narration saved for the first ledger in the voucher, irrespective of the voucher type.
- **CTRL+R:** Recalls the Last narration saved for a specific voucher type, irrespective of the ledger.

## Creating a Journal Entry

Journal entries are usually used for finalization of accounts.

To pass a **Journal Voucher**,

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

- Click on **F7: Journal** on the Button Bar or press **F7**.

For example, there may be entries made for interest accrued or interest due. If you have to receive Interest from a party, the same can be entered using Journal Voucher.

1. Debit the **Party**
2. Credit the **Interest Receivable Account**

The Journal entry is displayed as shown:

Accounting Voucher Creation		ABC Company		Ctrl + M
Journal No. 1				1-Apr-2008 Tuesday
Particulars		Debit	Credit	
By Debtor A		1,000.00		
Cur Bal: 1,000.00 Dr				
New Ref 1	1,000.00 Dr			
To Interest Receivable			1,000.00	
Cur Bal: 1,000.00 Cr				
Narration: Interest receivable from Debtor A.				1,000.00      1,000.00
				Accept? Yes or No

### Special Keys for Voucher Narration Field:

- **ALT+R:** Recalls the Last narration saved for the first ledger in the voucher, irrespective of the voucher type.
- **CTRL+R:** Recalls the Last narration saved for a specific voucher type, irrespective of the ledger.

## Allowing Cash Accounts in Journals



Journals are adjustment entries, which do not involve Cash account and Bank account. However in exceptional cases where the user would like to account Journal entries involving Cash/Bank Account, Tally.ERP 9 has the flexibility of passing such entries by enabling the option under F12 configuration.

To enable Cash Accounts in Journal voucher,

- Set **Allow Cash Accounts in Journals** to **Yes** in **F12: Configure (Voucher Entry Configuration)**.

<u>Voucher Entry Configuration</u>			
<u>Accounts</u>		<u>Inventory</u>	
Skip Date field in Create Mode (faster entry!)	? <b>Yes</b>	Use Ref. Number in Stock Journal	? <b>No</b>
Use Single Entry mode for Pymt/Rcpt/Contra	? <b>Yes</b>	Warn on Negative Stock Balance	? <b>Yes</b>
Use Payment/Receipt as Contra	? <b>No</b>	Honor Expiry Dates usage for Batches	? <b>Yes</b>
Use Cr/Dr instead of To/By during entry	? <b>Yes</b>	Show Balances as on Voucher Date	? <b>No</b>
Warn on Negative Cash Balance	? <b>Yes</b>	Show Godown-wise Details	? <b>Yes</b>
Pre-Allocate Bills for Payment/Receipt	? <b>No</b>	Show Batch-wise Details	? <b>Yes</b>
Allow Cash Accounts in Journals	? <b>Yes</b>		
Allow Expenses/Fixed Assets in Purchase Vouchers	? <b>No</b>		
Allow Income Accounts in Sales Vouchers	? <b>No</b>		
Show Inventory Details	? <b>Yes</b>		
Show Cost Centre Details	? <b>Yes</b>		
Show Table of Bill Details for Selection	? <b>Yes</b>		
Show Bill-wise Details	? <b>Yes</b>		
Expand into multiple lines	? <b>Yes</b>		
Show Ledger Current Balances	? <b>Yes</b>		
Show Balances as on Voucher Date	? <b>No</b>		
Show Forex Gain/Loss as on Voucher Date	? <b>No</b>		

To pass a Journal voucher with Cash/Bank Ledger,

1. Go to **Gateway of Tally > Accounting Vouchers > Select F7: Journal**
2. Press the **spacebar** at the **Debit** or **Credit** field.

The **Journal Voucher Screen** with Cash/Bank Ledger selection will appear as shown :

Accounting Voucher Creation		ABC Company	Ctrl + M
<b>Journal</b> No. 1		List of Ledger Accounts	
<b>Particulars</b>		Advertising	
By <b>Local Bank</b>		Cash - Location A	
Cur Bal: 50,000.00 Dr		Cash - Location B	
Narration:		Computer	
		Conveyance	
		Courier Charges	
		Customer A	
		Debtor A	
		Debtor B	
		Debtor C	
		Interest Receivable	
		Labour Charges	
		LMN & Company	
		<b>Local Bank</b>	
		Local Duty	
		Local Purchase	
		Local Sales	
		Postage	
		PQR Debtors	
		Professional Income	
		Professional Services	
		Profit & Loss A/c	
		Purchase	
		Sales	
		Staff Welfare	
		Stationery	
		Supplier A	
		XYZ Couriers	

**Note:** All **Cash accounts** and **Bank accounts** are displayed in the List of Ledger Accounts. Accordingly the journal entry has to be made.

### Special Keys for Voucher Narration Field

- **ALT+R:** Recalls the Last narration saved for the first ledger in the voucher, irrespective of the voucher type.
- **CTRL+R:** Recalls the Last narration saved for a specific voucher type, irrespective of the ledger.

## Debit Note Entry

**Debit Note** is a document issued to a party stating that you are debiting their Account in your Books of Accounts for the stated reason or vice versa. It is commonly used in case of Purchase Returns, Escalation/De-escalation in price, any other expenses incurred by you on behalf of the party etc.

Debit Note can be entered in voucher or Invoice mode.

You need to enable the feature in **F11: Accounting or Inventory features**.

- To use it in **Voucher mode** you need to enable the feature in **F11 :Accounting Features - Use Debit / Credit Notes**.
- To make the entry in **Invoice mode** enable the option **F11: Accounting Features - Use invoice mode for Debit Notes**.

To go to **Debit Note Entry** Screen,

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

- Click on **Ctrl+F9: Debit Note** on the Button Bar or press **Ctrl+F9**.

You can toggle between voucher and Invoice mode by clicking **Ctrl+V**.

Pass an entry for the goods purchased returned to Supplier A:

Accounting Voucher Creation ABC Company Ctrl + M

**Debit Note** No. 1 5-Apr-2008  
Ref. Saturday

Party's A/c Name : Supplier A  
Current Balance :

Name of Item	Quantity	Rate per	Amount
Item A	50 nos	10.00 nos	500.00
J End of List			

Narration:  
Good Purchased returned to Supplier A

50 nos

Accept?  
Yes or No

**Special Keys for Voucher Narration Field:**

- **ALT+R:** Recalls the Last narration saved for the first ledger in the voucher, irrespective of the voucher type.
- **CTRL+R:** Recalls the Last narration saved for a specific voucher type, irrespective of the ledger.

## Credit Note Entry



**Credit Note** is a document issued to a party stating that you are crediting their Account in your Books of Accounts for the stated reason or vice versa. It is commonly used in case of Sales Returns, Escalation/De-escalation in price etc.

A Credit Note can be entered in voucher or Invoice mode.

You need to enable the feature in **F11: Accounting or Inventory features**.

- To use it in **Voucher mode** you need to enable the feature in **F11 :Accounting Features - Use Debit / Credit Notes**.
- To make the entry in **Invoice mode** enable the option **F11: Accounting Features - Use invoice mode for Debit Notes**.

To go to **Credit Note Entry** Screen:

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

1. Click on **Ctrl+F8: Credit Note** on the Button Bar or press **Ctrl+F8**.

You can toggle between voucher and Invoice mode by clicking **Ctrl+V**.

Pass an entry for goods sold returned from Customer A:

Accounting Voucher Creation		ABC Company		Ctrl + M
<b>Credit Note</b>	No. 1			10-Apr-2008 Thursday
Ref:				
Party's A/c Name :	Customer A			
Current Balance :	9,800.00 Dr			
Name of Item	Quantity	Rate per	Amount	
Item A	25 nos	25.00 nos	625.00	
↓ End of List				
Narration: Goods sold to Customer A returned.				25 nos
				Accept ? Yes or No

**Special Keys for Voucher Narration Field:**

- **ALT+R:** Recalls the Last narration saved for the first ledger in the voucher, irrespective of the voucher type.
- **CTRL+R:** Recalls the Last narration saved for a specific voucher type, irrespective of the ledger.



# Creating Inventory Masters in Tally.ERP 9

## Lesson Objectives

On completion of this lesson, you will be able to understand

- The basic functions of the Tally.ERP 9 Inventory System
- Creating and maintaining Inventory Masters
- Creating and maintaining stock details
- Creating stock items and entering opening balances

Inventory accounting includes recording of stock details like the purchase of stock, the sale of stock, stock movement between storage locations or godowns and providing information on stock availability. Tally.ERP 9 makes it possible to integrate the inventory and accounting systems so that the financial statements reflect the closing stock value from the Inventory system.

The inventory system operates in much the same way as the accounting system.

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

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

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

Go to the **Gateway of Tally > Inventory Info.**

The Inventory info. menu is displayed as shown:

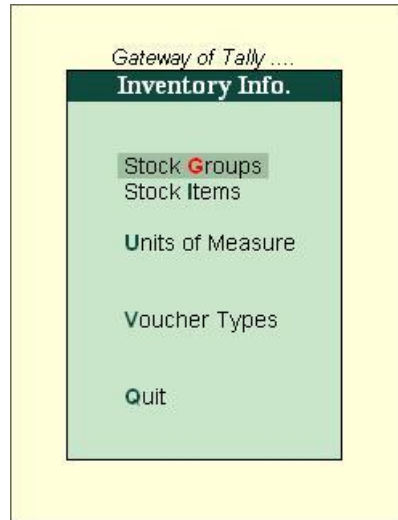


Figure 4.1 Inventory Info. Menu

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

Let us take the example of **Indus Enterprises** that sells **Televisions** and **Music Systems**. Given below is the structure of items being sold.

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

Group B – Music Systems	
B1 – Sony	B1a – Sony Tape-Recorder
	B1b – Sony CD Player
B2 – Videocon	B2a – Videocon Tape-Recorder
	B2b – Videocon CD Player

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

Indus Enterprises has **two Godowns**, the **Bangalore Godown** and the **Mumbai Godown**. The grouping structure in Tally.ERP 9 is as follows:

### Stock Group

1. **Televisions** (main stock group)
  - Sony TV – stock group under Televisions
  - Philips TV – stock group under Televisions
  - Videocon TV – stock group under Televisions
2. **Music Systems** (main stock group)
  - Sony Music Systems – Stock Group under Music Systems
  - Videocon Music Systems – Stock Group under Music Systems

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

Experiment Creation of **Inventory Masters in Indus Enterprises**.

## 4.1 Stock Groups

Stock Groups are provided to help in the classification of stock items. Classification is done based on some common behaviour. Grouping stock items makes it easy to identify and report them in the statements. For example, items of a particular brand can be grouped together so that you can get the inventory details of all the items of that brand.

### 4.1.1 Creating Stock Group

#### i. Create the Stock Group – Television under Primary.

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

Ensure that the screen appears as shown below:

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

Figure 4.2 Stock Group Creation — Television

Press **Y** or **Enter** to accept the screen.

Similarly, create **Music Systems** under **Primary**.

**ii. Create Sony TV under Televisions.**

The screen is displayed as shown below:

The screenshot shows a window titled "Stock Group Creation" with a light orange background. It contains the following text: "Name : Sony TV", "Under : Television", and "Can Quantities of items be ADDED ? Yes". The "Yes" is highlighted in a black box.

Figure 4.3 Stock Group Creation — Sony TV

Press **Y** or **Enter** to accept the screen.

**Practice Exercise**

Create the following **Stock Groups** in the similar manner

Name	Under	Can Quantities of items be ADDED
Philips TV	Televisions	Yes
Videocon TV	Televisions	Yes
Sony Music Systems	Music Systems	Yes
Videocon Music Systems	Music Systems	Yes

**4.2 Stock Categories**

This is a feature, which offers a parallel classification of stock items. Like Stock Groups, Stock categories are also classified based on some similar behaviour. The advantage of using Tally.ERP 9 lies in categorising Stock items together, (based on functionality) across different stock groups. This enables you to obtain reports for alternatives or substitutes of a stock item.

Set **Yes** to **Maintain Stock Categories** in **F11: Features (F2: Inventory Features)** to get an additional option **Stock Categories** under **Inventory Info**.

### 4.2.1 Creating Stock Category

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

**Create. i. Create Stock Category 29 inches TV Under Primary**

Stock Category Creation	
Name : 29 inches TV	Accept ? Yes or No
Under : <input type="checkbox"/> Primary	

Figure 4.4 Stock Category Creation — 29 inches TV

Press **Y** or **Enter** to accept the screen.

Similarly , create Stock Category **25 inches TV** under **Primary**.

## 4.3 Godowns / Locations

A place where stock items are stored is referred to as Godowns. You can specify where the stock items are kept. For example: A warehouse, shelf or rack etc, and obtain stock reports for each Godown and account for the movement of stock between locations/Godowns.

Set **Yes** to **Maintain Multiple Godowns** in **F11: Features (F2: Inventory Features)** to get additional option like **Stock Categories** under **Inventory Info**.

### 4.3.1 Creating a Godown

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

**Create. i. Create a Godown – Bangalore under Primary.**

Ensure that the screen is displayed as shown below:

Godown Creation	
Name : Bangalore	Accept ? Yes or No
Under : <input type="checkbox"/> Primary	
Allow Storage of materials	

Figure 4.5 Godown Creation — Bangalore

Press **Y** or **Enter** to accept the screen.



*Godowns have a main location, by default because of which the options **Display** and **Alter** are functional even before you create a godown.*

Similarly create the godown – **Mumbai** under **Primary**.

## 4.4 Units of Measure

Stock Items are mainly purchased and sold on the basis of quantity. The quantity inturn is measured by units. In such cases, it is necessary to create the Unit of Measure. The Units of Measure can either be simple or compound. Examples of simple units are: nos., metres, kilograms, pieces etc. Examples for compound units are: a box of 10 pieces etc. Create the Units of Measure before creating the Stock Items.

### 4.4.1 Creating Units of Measure

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

**Create**. The **Unit Creation** Screen appears as shown below:

A screenshot of the 'Unit Creation' screen in Tally.ERP 9. The screen has a green title bar with the text 'Unit Creation'. Below the title bar, there are several fields: 'Type' with the value 'Simple', 'Symbol' with a blacked-out value, 'Federal Name' which is empty, and 'Number of Decimal Places' with the value '0'. A large, semi-transparent watermark 'Attitude Academy' is overlaid diagonally across the entire screenshot.

Figure 4.6 Units of Measure Creation screen

#### Type

Tally.ERP 9 has the option to create simple units as well as compound units. Examples: box, nos, pcs, etc. A Compound Unit is a combination of two simple units of measure. Example: A **box of 10 pcs** is a compound unit of measure.

#### Symbol

It is the abbreviated form by which a stock item is identified. For example, the abbreviation pcs indicates – pieces.

### Formal Name

This represents the complete or formal name of a symbol used while creating a unit. Different companies use different symbols to represent the same units. Formal names help you to match the symbols with their respective units. For example, the symbol for numbers (formal name) can be nos or num.

### Number of Decimal Places

A unit can be expressed as fractions. For example, a 3.15 Kg refers to 3Kg and 150 grams. The number of digits expressed in grams after the decimal places are three. Likewise, fractions up to four decimal places can be expressed in the same manner. For expressing numbers, without a decimal place, specify 0 in this option.

Let us create the unit **Nos**.

1. **Type: Simple**
2. **Symbol: Nos**
3. **Formal Name: Numbers**
4. **Number of Decimal Places: 0**

The **Unit Creation** screen is displayed as shown below:

Unit Creation	
Type	: Simple
Symbol	: Nos
Formal Name	: Numbers
Number of Decimal Places	: 0
Accept ?	
Yes or No	

Figure 4.7 Units of Measure Creation — Nos

5. Press **Y** or **Enter** to accept the screen.

## 4.5 Stock Items

Stock items are goods that you manufacture or trade (sell and purchase). It is the primary inventory entity. Stock Items in the Inventory transactions are similar to ledgers being used in accounting transactions. Therefore, Stock Items are important in an inventory just as ledgers are important in accounting.

### 4.5.1 Creating a Stock Item

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

The Stock Item Creation Screen appears as shown below:

Stock Item Creation		Indus Enterprises		
Name : <input type="text"/>				
Under	: <input type="checkbox"/> Primary	<u>Tax Information</u> Tariff Classification : <input type="checkbox"/> Not Applicable Rate of Duty (eg 5) :		
Category	: <input type="checkbox"/> Not Applicable			
Units	: <input type="checkbox"/> Not Applicable			
Opening Balance		Quantity	Rate per	Value

Figure 4.8 Stock Item Creation screen

Enter the following details:

**Name:** The name of the stock item.

**Under:** The stock group under which you want to classify the stock item.

**Category:** The stock category you want to classify the stock item for parallel classification. **Units:** The unit of measure for the stock item being created.

**Rate of Duty:** Enter the rate of duty charged on the item.

**Opening Balance:** The opening balance of a stock item, refers to the stock available with us. Godowns that have already been created, must have the opening balance quantity and the location specified.



**i. Create a Stock Item Sony 29 inches TV, under the Group Sony TV.**

Ensure that the details appear as shown below:

Stock Item Creation		Indus Enterprises	
Name : Sony 29 inches TV			
Under Category	: Sony TV : 29 inches TV	<u>Tax Information</u> Tariff Classification : Nos Rate of Duty (eg 5) : 0 <b>Not applicable</b>	
Units	: Nos		
Quantity	Rate per	V	Accept ?
Quantity Balance			Yes or No

Figure 4.9 Stock Item Creation — Sony 29 inches TV

Press **Y** or **Enter** to accept the screen.

**Practice Exercise**

Similarly, create the following Stock Items under **Televisions**

Name	Under	Category	Units
Sony 25 inches TV	Sony TV	25 inches TV	Nos
Philips 29 inches TV	Philips TV	29 inches TV	Nos
Philips 25 inches TV	Philips TV	25 inches TV	Nos
Videocon 29 inches TV	Videocon TV	29 inches TV	Nos
Videocon 25 inches TV	Videocon TV	25 inches TV	Nos

Similarly, create the following Stock Items under **Music Systems**.

Name	Under	Category	Units
Sony Tape - Recorder	Sony Music Systems	Not Applicable	Nos
Sony CD - Player	Sony Music Systems	Not Applicable	Nos
Videocon Tape - Recorder	Videocon Music Systems	Not Applicable	Nos
Videocon CD - Player	Videocon Music Systems	Not Applicable	Nos

### 4.6 Creating Inventory Masters for National Traders

Before you start to create the inventory data for National Traders, there are some important functions of housekeeping that are to be taken care of.

Make sure your screen displays the main menu of the **Gateway of Tally** and ensure that only National Traders is loaded.

Set Tally.ERP 9's *Current Date* to **April 1, 2009** – select **F2: Date** at the **Gateway of Tally**.

You also need to check whether the following features in Tally.ERP 9 are enabled for this module

i. In the **F11: Features (F2: Inventory Features)** set **Yes**

to: Maintain Stock Categories

Maintain Multiple Godowns

ii. In the **F12: Configure > Accts/Inventory Info.** set **Yes** to:

Allow ALIASES along with Names

Allow Language ALIASES along with Names

Allow ADVANCED entries in Masters (Accounts)

Use ADDRESSES for Ledger Accounts

Use CONTACT DETAILS for Ledger Accounts

Allow ADVANCED entries in Masters (Inventory)

Allow Std. Rates for Stock Items

Let us now use Tally.ERP 9 to set up the basic inventory details for **National Traders** that sells computers, Printers and Peripherals. Create the stock groups and sub-groups as shown:

Stock Group	Under
Computers	Primary
Printers	Primary
Peripherals	Primary
Accessories	Peripherals
Components	Peripherals

### 4.6.1 Create Stock Groups

You will now set up the stock groups using both the single and multiple create options.

#### i. Creating single stock groups

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

**Create.** Create a **Stock Group - Computers**

1. **Name: Computers**
2. **Aliases: Skip the field**
3. **Under: Primary**
4. **Can quantities of items be ADDED?: Yes**

Figure 4.10 Stock Group Creation — Systems



*The field **Can quantities of items be added?** in the stock group creation screen pertains to information on measuring the units of the Stock Items that have been categorised under the Stock Group. The Stock Items categorised under the group should have similar units for them to be added up. You cannot add quantities in Kgs to quantities in Pcs.*

5. Press **Y** or **Enter** to accept the screen.

Similarly, create the following **Stock Groups**

Name	Under	Can Quantities of items be ADDED
Peripherals	Primary	Yes
Printers	Primary	No

#### ii. Creating Multiple Stock Groups

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

**Create Accessories and Components under Peripherals.**

Ensure that the **Multi Stock Group Creation** screen is displayed as shown below:

Multi Stock Group Creation			
Under Group : Peripherals		National Traders	
S.No.	Name of Stock Group	Under	Items are Addable (Y/N)
1.	Accessories	Peripherals	Yes
2.	Components	Peripherals	Yes

Accept ?  
 Yes or No

Figure 4.11 Multiple Sock Group Creation

Press **Y** or **Enter** to accept the screen.

**4.6.2 Displaying and Altering Stock Groups**

Once created, stock groups can be displayed and altered in both the single and multiple mode. You can delete a stock group by using the option **Alter** under the **Single Stock Group** by pressing **Alt+D**. However, you cannot delete a stock group with sub-groups or stock items. The lower levels must be deleted first.

**4.6.3 Creating Single Stock Categories**

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

Name	Under
National	Primary

#### 4.6.4 Creating Multiple Stock Categories

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

Under Category	Name of Category
Primary	HCL
Primary	IBM
Primary	HP
Primary	Samsung

#### 4.6.5 Displaying and Altering Stock Categories

Once created, stock categories can be displayed and altered in single and multiple mode. You can delete a stock category via **Single Stock Category > Alter** by pressing **Alt+D**. However, you cannot delete a stock category with sub-categories. The lower levels must be deleted first.

#### 4.6.6 Creating Units of Measure

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

Type	Symbol	Formal Name	Number of Decimal Places
Simple	Nos	Number Of	0
Simple	Box	Boxes	0

#### 4.6.7 Creating Compound Units of Measure

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

1. **Type:** **Compound** (press Backspace)
2. **First Unit:** Select **Box**
3. **Conversion:** Type **100**
4. **Second Unit:** Select **Nos**

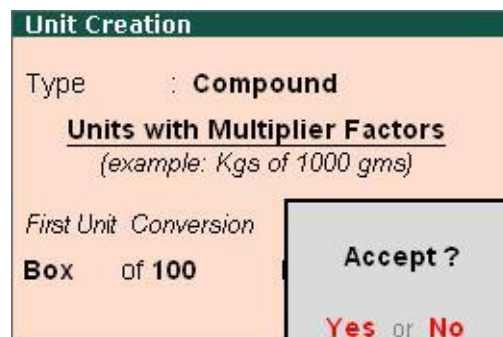


Figure 4.12 Compound Units of Measure Creation

Once you have entered all the stock items, return to the main **Gateway of Tally** menu and select the **Stock Summary**. This should show a grand total of **2,86,150**, the break-up of which is, **Computers - Rs. 1,55,900, Peripherals - Rs. 32,350, Printers - 97,900 = Rs. 2,86,150**. Ensure that the Stock Summary appears as shown :

Stock Summary		National Traders		Ctrl + M
Particulars	National Traders For 1-Apr-2009			
	Quantity	Close	Balance	Value
<b>Computers</b>	<b>9</b>	<b>17,322.22</b>	<b>1,55,900.00</b>	
HCL PIV	5 Nos	17,500.00	87,500.00	
IBM PIV	4 Nos	17,100.00	68,400.00	
<b>Peripherals</b>			<b>32,350.00</b>	
Accessories			2,600.00	
CD ROM Disks 100s	5 Box	450.00	2,250.00	
On-Site	5 Box	450.00	2,250.00	
Warehouse				
Dust Covers	10 Nos	35.00	350.00	
On-Site	8 Nos	35.00	280.00	
Warehouse	2 Nos	35.00	70.00	
Components	55 Nos	540.91	29,750.00	
USB Pen Drives 64MB	10 Nos	1,250.00	12,500.00	
On-Site	10 Nos	1,250.00	12,500.00	
Wireless KeyBoard	25 Nos	490.00	12,250.00	
On-Site	15 Nos	490.00	7,350.00	
Warehouse	10 Nos	490.00	4,900.00	
Wireless Mouse	20 Nos	250.00	5,000.00	
On-Site	10 Nos	250.00	2,500.00	
Warehouse	10 Nos	250.00	2,500.00	
<b>Printers</b>			<b>97,900.00</b>	
HP LaserJet Serie	7 Nos	8,200.00	57,400.00	
On-Site	7 Nos	8,200.00	57,400.00	
Epson Stylus Colorjet 1500	5 Nos	8,100.00	40,500.00	
On-Site	5 Nos	8,100.00	40,500.00	
<b>Grand Total</b>	<b>9 Nos</b>		<b>2,86,150.00</b>	

Figure 4.16 Stock Summary from April 1, 2009 to May 1, 2009

### Points to Remember

Inventory accounting includes recording stock details like the purchase of stock, the sale of stock, stock movement between storage locations or godowns and providing information on stock availability.

Stock Groups are provided for the purpose of classification of stock items.

Stock Items refers to goods that you manufacture or trade.

Godowns/Location are places where stock items are stored.

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## Creating a Purchase Entry in Tally.ERP 9

When a company buys goods on credit or cash, **Purchase voucher** is used to record all the Purchase transactions of the company.

To pass a **Purchase Voucher**:

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

- Click on **F9:Purchase** on the Button Bar or press **F9**.

For example, if you are purchasing goods from Supplier A for a value of Rs. 10000/-

a) Debit **Purchase Account**

b) Credit **Party Account**

Accounting Voucher Creation		ABC Company	Ctrl + M
<b>Purchase</b> No. 1		1-Apr-2008	
Ref.: Pur:01/2008-2009		Tuesday	
Particulars	Debit	Credit	
To <b>Supplier A</b>		10,000.00	
<i>Cur Bal: 10,000.00 Cr</i>			
New Ref: Pur:01/2008-2009 30 Days	10,000.00 Cr		
(1-May-2008)			
By <b>Local Purchase</b>	10,000.00		
<i>Cur Bal: 10,000.00 Dr</i>			
Narration:		10,000.00	10,000.00
Purchase from Supplier A			
		Accept ?	
		Yes or No	

To pass a Purchase entry in the Invoice mode, you need to enable the option **Allow Invoicing** option in **F11:Features (F1: Accounting or F2:Inventory Features)**.

**Invoice mode** is of two types, namely

- An **Account Invoice**
- An **Item Invoice**

**Account Invoice:** You will be directly selecting/debiting the Ledger account in case you are passing an Account Invoice. This is useful especially when a Service Bill is entered and does not include Inventory.



Pass a purchase Invoice for Service availed from XYZ Couriers.

Accounting Voucher Creation		ABC Company	Ctrl + M
<b>Purchase</b>	No. 1		1-Apr-2008 Tuesday
Ref.:			
Party's A/c Name : XYZ Couriers			
Current Balance :			
Particulars	Rate	per	Amount
Courier Charges			12,000.00
Narration: Courier charges for the month of April 2008.			
			<b>Accept ?</b> Yes or No

**Item Invoice:** You will be first selecting the Inventory and then allocating the same to the relevant Ledger account. This is useful to record all the Inventory movements in books of account.

Pass a Purchase Invoice against purchase of Item A - 100 Nos. @ Rs. 10/= per quantity from LMN & Company.

Attitude

Accounting Voucher Creation		ABC Company	Ctrl + M
<b>Purchase</b>	No. 1		1-Apr-2008 Tuesday
Ref:			
Party's A/c Name : LMN & Company			
Current Balance : 1,00,000.00 Cr			
Name of Item	Quantity	Rate per	Amount
Item A	100 nos	10.00 nos	1,000.00
J End of List			
Narration: Purchase of Item A from LMN & Company.			100 nos
			<b>Accept ?</b> Yes or No

## Configuring a Invoice

Before creating the Purchase Invoice, you can set your Invoice Configurations from F12 configure:

Go to **Gateway of Tally > Accounting Vouchers > F9: Purchases (As Invoice)**

- Select **F12 Configure**.

Attitude

### Purchase Invoice Configuration

Accept Supplementary Details (Address Details, Despatch Details etc.)	? <b>Yes</b>
Allow Separate Buyer and Consignee Names	? <b>No</b>
Use Common Ledger A/c for Item Allocation	? <b>Yes</b>
Allow Expenses/Fixed Assets for Accounting Allocations	? <b>No</b>
Use Defaults for Bill Allocations	? <b>Yes</b>
Use Additional Description(s) for Item Name	? <b>No</b>
Use Additional Description(s) for Ledger Name	? <b>No</b>
Consolidate Stock Items with same rates	? <b>No</b>
Show Compound Unit of Item based on Rate	? <b>No</b>
Show Full Details of Compound Unit	? <b>No</b>
Confirm each Cheque before Print	? <b>Yes</b>
Use Default for Bank Allocations	? <b>No</b>
Use Auto Cheque Numbering	? <b>Yes</b>
Allow Selection of Cheque Range	? <b>Yes</b>
Show Remarks in Bank Allocation Details	? <b>No</b>

### Importers' Options

Specify Import Shipping details	? <b>No</b>
Specify Marks & Nos./Container No.	? <b>No</b>
Specify No. and Kind of Packages	? <b>No</b>

### Other Options

Show turnover achieved with Customer	? <b>No</b>
Allow modification of ALL fields during entry	? <b>No</b>
Warn on Negative Stock Balance	? <b>Yes</b>
Calculate Tax on current Sub-Total (else calculations are on Inventory Total only)	? <b>No</b>

- Set the options, as required.

### **Purchase Invoice Configuration**

1. **Accept Supplementary Details:** Set this option to **Yes** to specify the Despatch Details. If this option is set to No, Print Default Name and Address of Party will be enabled for configuring. Here it captures the default name and address present in the ledger.
2. **Allow separate Buyer and Consignee names:** Customers who are into consignment business and would like to have the Consignee details on the Invoice, have to set this option to **Yes**.
3. **Use Common Ledger A/c for Item Allocation:** If you would like to allocate all the Items to a single Purchase Ledger in the Invoice, you need to set this option to **Yes** for faster data entry.
4. **Allow Expenses/Fixed Assets for Accounting Allocation:** If you want to use Expense or Fixed Assets ledgers while recording a Purchase entry, set this option to **Yes**.
5. **Use Defaults for Bill Allocations:** Setting this option to **Yes** will allocate the Bill Numbers automatically as defined in voucher type master in ascending order.
6. **Use Additional Description(s) for Item Name:** If you would like to specify any additional description for item during entry, this option has to be enabled.

7. **Use Additional Description(s) for Ledger Name:** If you would like to specify any additional description for ledger during entry, this option has to be enabled.
8. **Consolidate Stock Items with same rates:** If you would like to consolidate the stock items having same rates in Invoice, set this option to **Yes**.
9. **Show Compound Unit of Item based on Rate:** By enabling this option, you will be allowed to show the compound unit of item based on the unit provided in the **Rate Per column**. For more details, click [here](#).
10. **Show Full Details of Compound Unit:** Enabling this option will display full details of compound unit in the Quantity field. For more details, click [here](#).
11. **Confirm each Cheque before Print:** When you set this option to Yes, a conformation screen will appear for every cheque used for the transaction before it is printed.
12. **Use Defaults for Bank Allocation:** Setting this option to Yes, the Bank Allocations will have default allocations in which, the Transaction type is Cheque, Voucher date as Instrument Date. the Cheque Range and Cheque Number will be Blank if it is not defined.
13. **Use Auto Cheque Numbering:** To fetch cheque numbers automatically to the Bank Allocation, set this option to Yes. The first Cheque Range defined for the Bank ledger will be taken as default.
14. **Allow Selection of Cheque Ranges:** Setting this option to Yes, allows you to select any cheque range defined for a bank.
15. **Show Remarks in Bank Allocation Details:** A new field - Remarks, will appear in the Bank Allocation screen where you can enter your remarks, when this option is set to Yes.
16. **Importer's Options:** This is useful for import transactions.
17. **Show turnover achieved with Customer:** This option will help to view the turnover details during entry.
18. **Allow modification of ALL fields during entry:** Default order/delivery note entries appearing in the Invoice can be changed during Invoice entry. Set this option to **Yes** to permit modification of all fields.
19. **Warn on Negative Stock Balance:** Tally.ERP 9 will display a warning message Negative Stock with quantity details. You can then check which item is having negative stock balance.
20. **Honor Expiry Dates usage for Batches:** You can restrict or allow the usage of Expired stocks for selection during entry by configuring this option.
21. **Show batches with Zero Quantity:** On setting this to **Yes** the batches with zero quantity will be available for selection during entry.
22. **Calculate Tax on current Sub-Total:** This option should be enabled if the tax needs to be calculated after considering the additional Expenses.

For more details on Purchase Voucher mode configurations refer [Voucher Entry Configuration](#)

### **Special Keys on the Button Bar:**

When you are passing an **Item Invoice** in Invoice mode, the following options will be available in the Button Bar.

**Alt+I – Acct Invoice** – You can toggle between Item Invoice and Account Invoice, by clicking on this option on the Button Bar or pressing **Alt+I** or vice-versa.

**Ctrl+V – As Voucher** – You can toggle between Invoice mode and Voucher mode, by clicking on this option on the Button Bar or pressing **Ctrl+V** or vice-versa.

### **Special Keys for Voucher Narration Field**

- **ALT+R:** Recalls the Last narration saved for the first ledger in the voucher, irrespective of the voucher type.
- **CTRL+R:** Recalls the Last narration saved for a specific voucher type, irrespective of the ledger.

## Creating a Sales Entry in Tally.ERP 9

When a company sells goods on credit or cash, **Sales voucher** is used to record all the Sales transactions of the company.

To pass a **Sales Voucher**:

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

- Click on **F8:Sales** on the Button Bar or press **F8**.

For example, if you are selling goods to Debtor A for a value of Rs. 10000/-

- a) Debit **Customer's Account**
- b) Credit **Sales Account**

The screenshot shows the 'Accounting Voucher Creation' window for 'ABC Company'. The window title is 'Accounting Voucher Creation' and 'ABC Company'. The date is '1-Apr-2008 Tuesday'. The voucher type is 'Sales' (No. 1) and the reference is 'Ref.: 0001'. The window contains a table with columns 'Particulars', 'Debit', and 'Credit'. The table shows a debit entry for 'Debtor A' and a credit entry for 'Local Sales'. The total debit and credit amounts are 10,000.00. A narration 'Sale to Debtor A.' is entered at the bottom. A dialog box 'Accept?' with 'Yes' and 'No' options is visible in the bottom right corner.

Particulars	Debit	Credit
By Debtor A Cur Bal: 10,000.00 Dr New Ref 0001	10,000.00	
To Local Sales Cur Bal: 10,000.00 Cr		10,000.00
	10,000.00	10,000.00

Narration:  
Sale to Debtor A.

Accept?  
Yes or No

## Creating a Sales Invoice in Tally.ERP 9

When a sales transaction is made, a document detailing the transaction (item name, tax, etc) has to be given to the buyer or debtor as proof of purchase by him. This document is called **Invoice** or **Bill** or **Cash Memo**. Tally.ERP 9 provides the option of creating Invoices.

Invoice mode is of two types. It may be:

- An Account Invoice
- An Item Invoice

## Account Invoice

---

**Sales Account Invoice** is generally used by professionals such as doctors and consultants who require to issue an invoice for certain services provided such as consultancy charges, professional fees, etc.

Trading and manufacturing organizations also use the Account Invoice for invoicing service charges.

On the Sales entry screen, click on **Acct Invoice** button, which is displayed on the Button Bar on the right-hand side of the screen to display the Sales Account Invoice screen as shown.

Pass a **Sales Account Invoice** for Service provided to Debtor B:

The screenshot shows the 'Accounting Voucher Creation' window for 'ABC Company'. The window title is 'Accounting Voucher Creation' and the company name is 'ABC Company'. The window contains the following information:

- Sales** No. 1
- Ref: 001
- Date: 1-Apr-2008 Tuesday
- Party's A/c Name: Debtor B
- Current Balance:

Particulars	Rate per	Amount
Professional Services		10,000.00

Narration:  
Professional Services for the month of April 2008.

Accept?  
Yes or No

Tally.ERP's Account Invoice mode displays the list of ledger accounts, which can be invoiced as required. This is unlike Item Invoice where Tally.ERP 9 displays the list of stock items.

## Item Invoice

---

Invoicing is generally used for sale of stock where the details of the items sold are listed. Selecting the Item Invoice allows you to select the stock items that need to be invoiced. Trading and manufacturing organizations commonly use this format.

On the Sales invoice screen, click on the button **Item Invoice**, which is displayed on the Button Bar on the right side of the screen and the Sales Item Invoice appears as shown below:

Pass a **Sales Invoice** against sale of Item A – 50 Nos. @ Rs. 15/= per quantity to Debtor C:

Accounting Voucher Creation		ABC Company		Ctrl + M
<b>Sales</b> No. 1		1-Apr-2008 Tuesday		
Ref: 001				
Party's A/c Name : Debtor C				
Current Balance :				
Name of Item	Quantity	Rate per	Amount	
Item A	50 nos	15.00 nos	750.00	
J End of List				
Narration: Sale of Item C to Debtor C		50 nos		<input type="button" value="Accept?"/> Yes or No

Tally.ERP's Item Invoice mode displays the list of stock items, which can be invoiced as required.

### Special Keys for Voucher Narration Field

- **ALT+R:** Recalls the Last narration saved for the first ledger in the voucher, irrespective of the voucher type.
- **CTRL+R:** Recalls the Last narration saved for a specific voucher type, irrespective of the ledger.

# Concept of Debit & Credit Note

The need for debit note and credit note arises most of the time when there is a **Return of Goods**.

Usually when there is a return of goods, the person does not directly give the cash for the returned goods.

He issues **Credit Note** if he is a seller.

And the buyer issues a **Debit Note** for the same transaction to the seller from whom he has received credit note.

## Debit Note

As I issued a **Credit Note**, at the same time Amit will issue **Debit Note to me** for the same transaction.

Amit has returned goods worth ₹5,000 to me and he will issue a debit note for that amount.

Therefore Amit will show debit balance (**Debit = Assets**) of me in his books.

This is because Amit has already paid for the goods, but has returned some of them.

On the other hand, I will show credit balance (**Credit = Liabilities**) of Amit in my books.

The reason for credit balance is because I have received the goods in return as well as money for that goods from Amit.

So, now I am liable to pay the money or goods to Amit.

**This is the real crux behind debit and credit note.**

## Debit and Credit Notes in Tally

For using debit and credit notes in Tally, you would have enable them.

To enable the option for debit and credit notes in Tally, follow the steps below.

- From **Gateway of Tally**, press **F11 – Shortcut for Company Features**
- Now select, **Accounting Features**.
- Under **Invoicing**, set the option **Use debit/credit notes** to **YES**.
- Also **set YES for:**
  - Use invoice mode for credit notes



- Use invoice mode for debit notes

Company: <b>TallySchool</b>			
<b>Accounting Features</b>			
<b>General</b>		<b>Invoicing</b>	
Maintain accounts only	? No	Allow invoicing	? Yes
Integrate accounts and inventory	? Yes	Record purchases in invoice format	? Yes
Income & Expense A/c instead of Profit & Loss A/c	? No	Use debit/credit notes	? <b>Yes</b>
Allow multi-currency	? No	Use invoice mode for credit notes	? Yes
		Use invoice mode for debit notes	? Yes
<b>Outstandings Management</b>		<b>Budgets and Scenario Management</b>	
Maintain bill-wise details	? Yes	Maintain budgets and controls	? No
(for non-trading A/cs also)	? No	Use reversing journals and optional vouchers	? No
Activate interest calculation	? No		
(use advanced parameters)	? No		
<b>Cost/Profit Centres Management</b>		<b>Banking Features</b>	
Maintain payroll	? No	Enable cheque printing	? Yes
Maintain cost centres	? No	(Use banking configuration in bank ledger master for cheque printing configuration)	
Use cost centre for job costing	? No	Alter banking features	? No
More than ONE Payroll / Cost Category	? No	Set/alter post-dated transaction features	? No
Use pre-defined cost centre allocations in transactions	? No		
Show opening balance for revenue items in reports	? No		
		<b>Other Features</b>	
		Allow zero valued entries	? No
		Maintain multiple mailing details for company & ledgers	? No
		Set/alter company mailing details	? No
		Enable company logo	? No

F1: Accounts

F2: Inventory

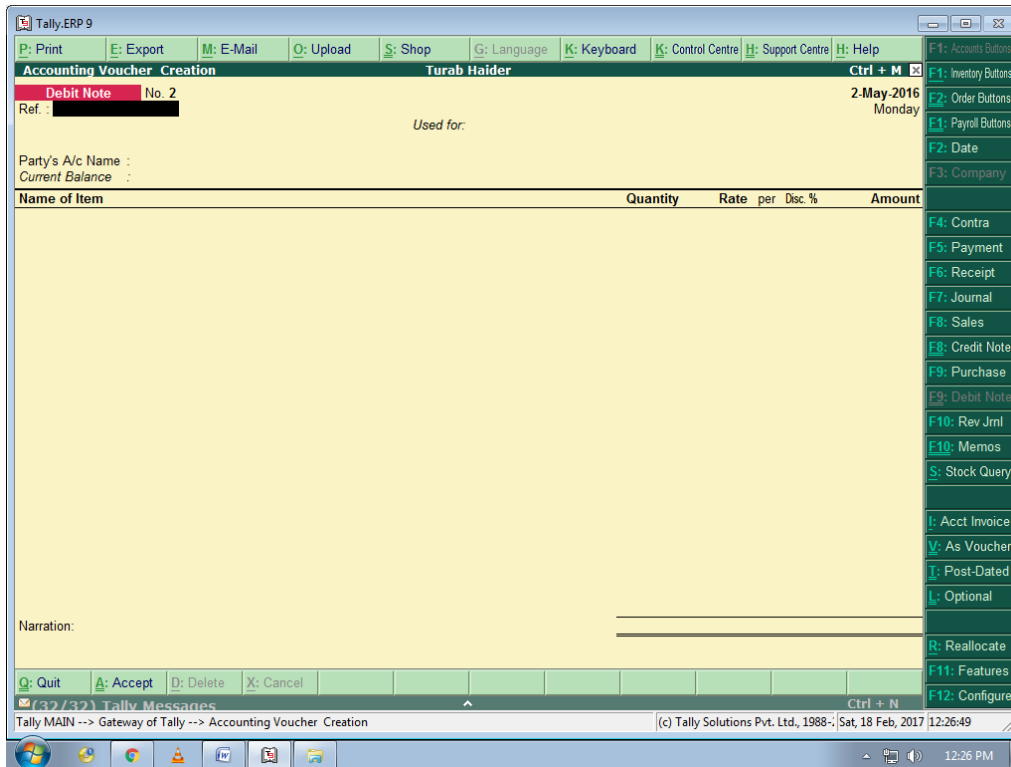
F3: Statutory

F6: Add-Ons

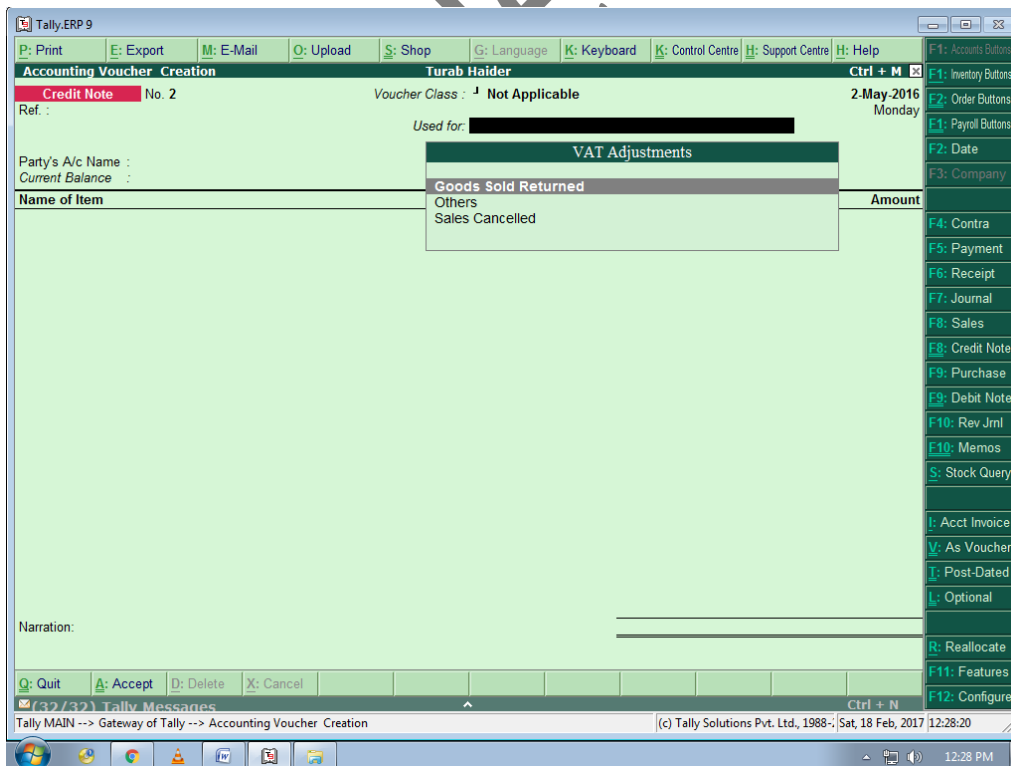
### **Enabling Debit and Credit Notes in Tally**

ATTENTION

## Ctrl+F9 For Debit Note



## Ctrl+F8 For Credit Note



## Physical Stock Voucher

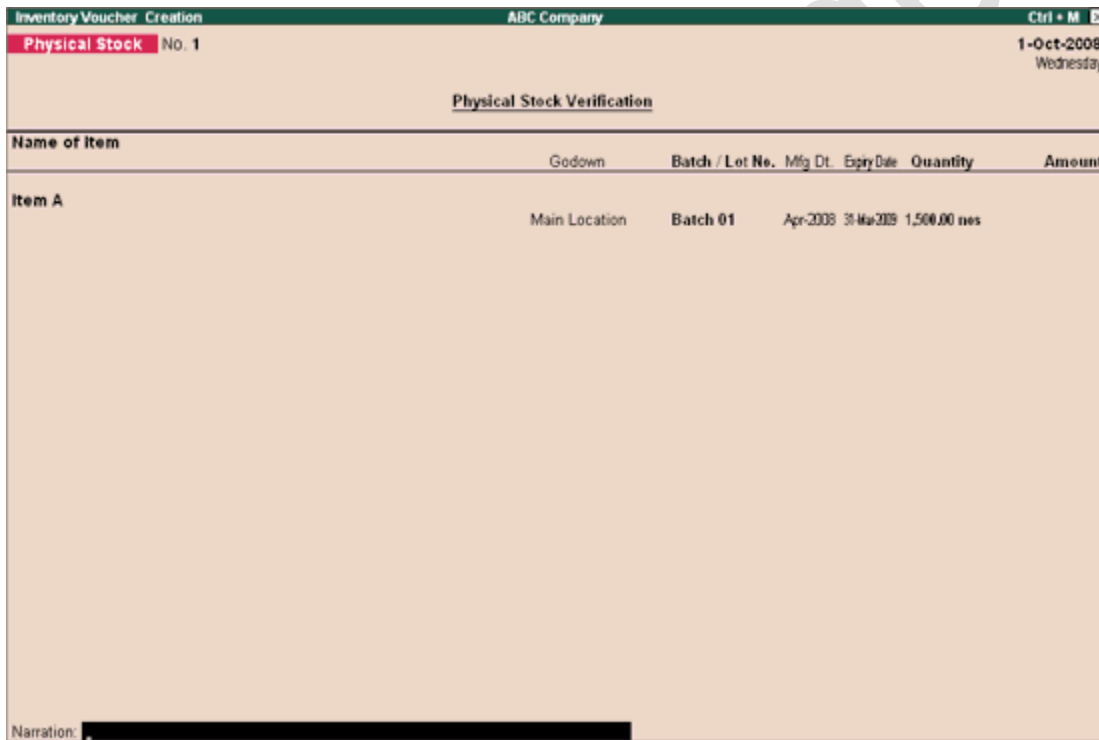
**Physical Stock Voucher** is used for recording the actual stock which is verified or counted. It could happen that the Book Stocks and the Physical Stock do not match. It is not unusual that the company finds a discrepancy between actual stock and computer stock figure.

Physical vouchers will be useful for recording purposes only if you have configured inventory vouchers to ignore physical stock differences. If you have configured the vouchers so that physical stock difference is not ignored, then all transactions subsequent to the physical stock voucher will use the balance as mentioned in that voucher

To view the **Physical Stock Voucher**,

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

1. Select the button **F10: Phys Stk** from Button Bar or press **Alt+F10**.



Name of Item	Godown	Batch / Lot No.	Mfg Dt.	Expiry Date	Quantity	Amount
Item A	Main Location	Batch 01	Apr-2008	31-Mar-2009	1,500.00 nos	

Narration: \_\_\_\_\_

[Img-32]

### Date

Enter the stock taking date.

### Name of Item

Select the name of the item from the **List of items**, for which physical stocks need to be recorded.

## Godowns

Select the Godown (Godown will appear only if, **Maintain multiple Godowns** is activated in **F11:Features :F2:Inventory Features**), in which the Physical Stock taking was conducted.

## Batch / Lot No

Select the **Batch number** (**Batch details** will appear only if, **Batch wise details** are activated in the **Stock Item Master** screen) for which the Physical Stock quantity is to be recorded.

## Quantity

Enter the **Physical Stock quantity**

**Note: Physical Stock quantity** will be displayed as Actual Stock in the Stock Summary from the date of entry of the Physical Stock.

## 'Optional & Non-Accounting Vouchers' in Tally.ERP 9

The **Non Accounting/Unconventional** Vouchers are the special vouchers that are used to record provisional or non-accounting transactions. Unconventional vouchers are mainly used to exclude unnecessary entries or provisional entries from the books of accounts and make them available for what if (future reports, projections, forecasts etc.) reports required at any given time.

### More :

Predefined Non Accounting Vouchers in Tally.ERP 9

Memorandum Voucher

Optional Vouchers

Reversing Journals

Post Dated Vouchers

Using Optional Vouchers in Scenario Management

## 'Predefined Non Accounting Vouchers' in Tally.ERP 9

tally.ERP 9 comprises of the following predefined Non-Accounting Vouchers, to suit different business requirements for recording various transactions. Tally.ERP 9 also allows you to create user-defined Vouchers (Voucher Types) as per your requirements.

The pre-defined Non Accounting Vouchers are:

- Memorandum Voucher
- Reversing Journal

Along with the above mentioned voucher types, there are two options available namely Post Dated and Optional for other voucher types.

## 'Memorandum Voucher' in Tally.ERP 9

This is a non-accounting voucher and the entries made using memo voucher will not affect your accounts. In other words, Tally.ERP 9 does not post these entries to ledgers, but stores them in a separate Memorandum Register. You can alter and convert a Memo Voucher into a regular voucher when you decide to bring the entry into your books.

Some of the uses of Memorandum Vouchers are:

### **Making suspense payments**

Consider that a company gives its employees cash to buy office supplies, the exact nature and cost of which are unknown. For this transaction you can enter a voucher for the petty cash advance, a voucher to record the actual expenditure details when they are known, and another voucher to record the return of surplus cash.

However, a simpler way of doing it is to enter a Memo voucher when the cash is advanced, and then turn it into a Payment voucher for the actual amount spent, when the details are known.

*Consider the following Example:*

The Company pays its employee Rs. 1000 as petty cash advance for Office Expenses.

The following entry has to be passed.

To use Memorandum voucher, Enable the following option from **F11: Accounting Features**

- **Use Reversing Journals & Optional Vouchers**

Go to **Gateway of Tally > Accounting Vouchers >** Select **Ctrl+F10: Memos** from the Button Bar or click **Ctrl+F10**.

1. Debit **Office Supplies Account**
2. Credit **Cash Account**

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Accounting Voucher Creation		ABC Company	Ctrl + M
Memorandum No. 1		1-Apr-2009 Wednesday	
Particulars	Debit	Credit	
Dr Office Supplies Account <i>Cur Bal: 9,000.00 Dr</i>	9,000.00		
Cr Cash <i>Cur Bal: 2,41,000.00 Dr</i>		9,000.00	
Narration:		9,000.00	9,000.00

### Vouchers not verified at the time of entry

If there is no clarity with the details of a voucher you are entering, you can enter it as a Memo voucher and amend it later when the details are available.

### Items given for approval

Generally completed sales are entered into books. In case items are given on approval, use a Memo voucher to track and convert it into a proper Sales voucher. You can cancel/delete the memo voucher if the sale is not made.

### Memorandum Voucher Register

To view all the memorandum vouchers:

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

**Note:** You can also view memorandum vouchers from the Day Book.

You can alter and convert a Memo voucher into a regular voucher when you decide to consider the entry into your books. Use Scenarios to see the effect of Memo entries on reports and statements.

## Optional Vouchers ' in Tally.ERP 9

Unlike a Memo voucher, this is not a separate voucher type. You can mark an existing voucher (for example, a payment voucher or a receipt voucher) as Optional. Press **CTRL + L** or click on Optional from the Button Bar. This button toggles between Regular and Optional. By marking a voucher Optional, the voucher does not get posted anywhere but remains in the Optional Voucher Register.

You can make a voucher type Optional to regular, if you need to create a new voucher type or alter an existing voucher type.

Go to **Gateway of Tally > Accounts Info > Voucher Types> select a Voucher Type> Set Make Optional as default to Yes.**

After enabling this option, any vouchers entered using this particular voucher type will be optional.

### Enabling Optional Vouchers

Go to **Gateway of Tally**

1. Select **F11:F1: Accounting Features**
2. Set **Use Rev. Journals & Optional Vouchers?** to **Yes.**
3. **Accept** the screen to save.

### Use of Optional Vouchers

- If you do not want a transaction that is incomplete to affect the accounts, you can mark this as an Optional Voucher. Once the transaction is complete, modify the voucher and post it as a Regular Voucher. For example, Proforma sales invoice. In fact, an optional sales invoice is printed as a Proforma Invoice.
- Optional Vouchers allow you to see the impact of transactions without actually posting them.
- Optional Vouchers can be used to forecast future sales. For example, create a New Voucher Type - Sales Forecast. Record future sales projections using this voucher type.

Consider an example: it is the 30th of June and you would like to view the Balance Sheet as of today, but June salaries are not due for payment until the first week of July. The Balance Sheet will not be projecting the correct figures. To overcome this, you can enter an Optional Voucher dated 30th June.

1. Debit **Salaries Account**
2. Credit **Provisions (Current Liabilities) Account**

Accounting Voucher Creation		ABC Company	Ctrl + M	
Journal No. 1		30-Jun-2009 Tuesday		
Optional				
Particulars		Debit	Credit	
Dr	<b>Salaries</b>	1,00,000.00		
	<i>Cur Bal: 1,00,000.00 Dr</i>			
Cr	<b>Provisions</b>		1,00,000.00	
	<i>Cur Bal: 1,00,000.00 Cr</i>			
Narration:			1,00,000.00	1,00,000.00

When you view the Balance Sheet, generate a report with the Optional Voucher included. The Optional Voucher should be already defined as a Scenario (Refer the section on Scenario Management for more details). The voucher affects the report temporarily. Once you quit the report, Tally.ERP 9 does not retain the Scenario details. The next time you view the balance sheet, it will not include the effect of the Optional Voucher unless you include it.

**Note:** Use **Scenarios** to see the effect of Optional voucher entries on reports and statements.

### Optional Vouchers Register

You can view all optional vouchers in the Optional Vouchers Register

Go to **Gateway of Tally > Display > Exception Reports > Optional Vouchers.**

**Note:** You can view Optional Vouchers from the **Day Book** as well.



## Reversing Journals ' in Tally.ERP 9

**Reversing Journals** are special journals that are automatically reversed after a specified date. They exist only till that date and are effective only when they are included in reports. These are used in interim reporting in the course of the financial year where accruals are to be reported. These accruals are usually short term and are cleared in the subsequent period. However, to get a proper perspective, decision makers require the reports with full impact of all aspects and transactions.

To activate **Reversing Journals**,

Go to **Gateway of Tally**

1. Select **F11: F1: Accounting Feature**
2. Set **Use Reversing Journals & Optional Vouchers?** to **Yes**.
3. **Accept** the screen to save.

You may use reversion journal for accounting for or providing for depreciation. Since, depreciation is usually provided during at the end of the year, using the Reversing journal you may include them for monthly reporting or a specific period to give more accurate status or position.

*Let us take an example:*

On 30th June you want to view the Balance Sheet but June month's rent is not been paid. You may create a Scenario (refer Scenario Management for more information) and pass a Reversing Journal entry to view the reports which will be effective up to the applicable date. When you view the Balance Sheet, Tally.ERP 9 displays the report with the reversing journals included. The voucher affects the report only for that day, 30th June.

### **Applicable up to**

The reversing Journal is available for inclusion in a scenario report till this date. The Reversing Journal can be created as of a particular date and made Applicable up to a different date.

### **Reversing Journal Register**

All vouchers are maintained in a Reversing Journal Register. These are not posted to any books of accounts and cannot be included in regular reports. They can only be seen using a scenario.

Go to **Gateway of Tally> Display> Exception Reports> Reversing Journals**

## Post Dated Vouchers ' in Tally.ERP 9

While entering vouchers, you can mark them as **post dated**, as a result these vouchers are not updated in the ledgers till the date specified in the voucher. This is useful for entering transactions that take place on a regular basis. For example, if you issue post dated Cheques towards payment of installments, you can set up the payments in advance, and Tally.ERP 9 will only update them in the ledgers on the due date.

Mark vouchers Post Dated by using **CTRL + T** or click on the button **Post dated** from the Button Bar. This button toggles between Current and Post Dated.

### Post-dated Vouchers Register

All Post-dated vouchers are maintained in Post-dated voucher Register.

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

### Difference in the treatment of Post-dated Vouchers and other Unconventional Vouchers

The major difference between post dated vouchers and other Unconventional vouchers is that post dated Vouchers affect regular books of accounts on the date of the voucher. Post-dated vouchers are not available for selection in Scenarios.

## Purchase Order

### Inventory Vouchers

Tally.ERP 9 inventory vouchers perform the same function in the inventory system as accounting vouchers do. They are the means by which you enter transactions relating to the Inventory. The vouchers record transactions relating to the issue and receipt of stock, the transfer of stock between godowns, and physical stock adjustments. The following inventory vouchers are available in Tally.ERP 9:

**Purchase Order (Alt+F4)**

**Receipt Note (Alt+F9)**

**Rejections out (Alt+F6)**

**Purchase (F9)**

**Payment (F5)**

### Purchase Order

A Purchase order entry has to be made in the books of the company to assist them in checking whether the goods have been received or not. The Purchase Order number can be used as a reference. For example, the company wishes to place an order with the supplier for some goods.

Purchase Order	
<b>Description</b>	Records placing an order for stock items to suppliers.
<b>Details recorded</b>	Supplier's Ledger account, Name and address, Order details, name of stock item, <b>Due on</b> , Godown, Quantity, Rate, Amount, Narration.

### Receipt Note

Goods that are received from the supplier are recorded in a Receipt Note (Goods Receipt Note – GRN) voucher.

Receipt Note	
<b>Description</b>	Records receipt of new stock from suppliers
<b>Details recorded</b>	Reference, ledger account, (If supplementary details are set to yes in F12: Receipt Note Configuration) then, Order details, Supplier's name and address, name of stock item, Tracking details, Order details, Godown, Quantity, Rate (optional), Amount (optional), narration.

### Rejections Out

A Rejection Out entry is passed to record the rejected goods. This is a pure inventory voucher. For example: We have purchased some goods and have rejected a part of it.

Rejections Out (Purchase Returns)	
<b>Description</b>	Records rejected stock details returned to suppliers.
<b>Details recorded</b>	Ledger Account, Suppliers name and address, stock item, Tracking <b>details</b> , Order details, Godown, Quantity, Rate, Amount, and Narration.

## Purchase voucher

For example: the company receives new stock from a supplier.

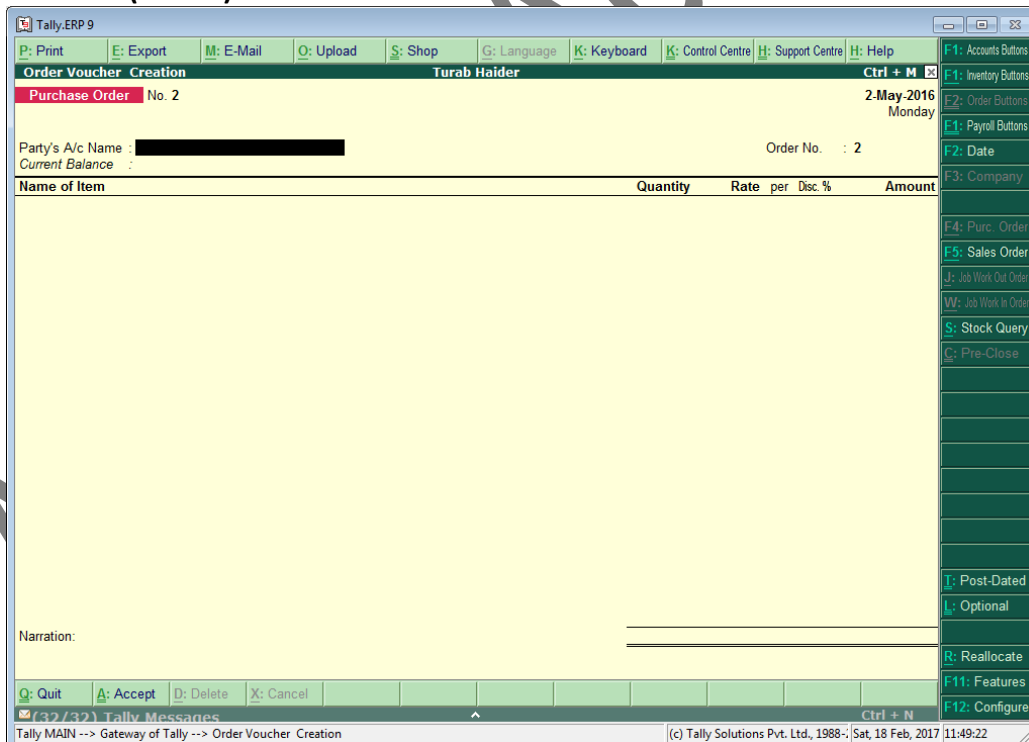
Purchase Voucher	
<b>Description</b>	Records receipt of new stock with invoice from suppliers.
<b>Details recorded</b>	Reference, ledger account, supplier's name and address, name of stock item, godown, quantity, rate, amount, purchase ledger, other ledgers (if required), narration.

## Payment

A payment entry has to be made in the books of the company to assist them in checking whether the goods have been received or dues is clear or not. The Purchase number can be used as a reference. For example, the company wishes to place an order with the supplier for some goods.

Payment	
<b>Description</b>	Clear the Dues to suppliers.
<b>Details recorded</b>	dues is clear to the party

## Purchase Order (Alt+F4)



## Receipt Note (Alt+F9)

Tally.ERP 9

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

**Inventory Voucher Creation** Turab Haider **Ctrl + M**

**Receipt Note** No. 2 2-May-2016  
Monday

Party's A/c Name :  
Current Balance :

Name of Item	Quantity	Rate	per	Disc. %	Amount
Narration:					

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

(32/32) Tally Messages Ctrl + N

Tally MAIN --> Gateway of Tally --> Inventory Voucher Creation (c) Tally Solutions Pvt. Ltd., 1988- Sat, 18 Feb, 2017 11:49:49

**Right Panel (F1-F12):**  
 F1: Accounts Buttons  
 F1: Inventory Buttons  
 F2: Order Buttons  
 F1: Payroll Buttons  
 F2: Date  
 F3: Company  
 F6: Rej In  
 F6: Rej Out  
 F7: Indent  
 F7: Stk Jml  
 F8: Dely Note  
 F9: Rcpt Note  
 F10: Phys Stk  
 J: Material Out  
 W: Material In  
 S: Stock Query  
 I: Post-Dated  
 L: Optional  
 R: Reallocate  
 F11: Features  
 F12: Configure

## Rejections out (Alt+F6)

Tally.ERP 9

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

**Inventory Voucher Creation** Turab Haider **Ctrl + M**

**Rejections Out** No. 2 2-May-2016  
Monday

Ledger Account	Supplier's Name and Address

Name of Item	Quantity	Rate	per	Disc. %	Amount
Narration:					

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

(32/32) Tally Messages Ctrl + N

Tally MAIN --> Gateway of Tally --> Inventory Voucher Creation (c) Tally Solutions Pvt. Ltd., 1988- Sat, 18 Feb, 2017 11:50:26

**Right Panel (F1-F12):**  
 F1: Accounts Buttons  
 F1: Inventory Buttons  
 F2: Order Buttons  
 F1: Payroll Buttons  
 F2: Date  
 F3: Company  
 F6: Rej In  
 F6: Rej Out  
 F7: Indent  
 F7: Stk Jml  
 F8: Dely Note  
 F9: Rcpt Note  
 F10: Phys Stk  
 J: Material Out  
 W: Material In  
 S: Stock Query  
 I: Post-Dated  
 L: Optional  
 F11: Features  
 F12: Configure

## Purchase (F9)

The screenshot shows the 'Accounting Voucher Creation' window in Tally ERP 9. The voucher type is 'Purchase' (No. 16) dated '2 May 2016 Monday'. The user is 'Turab Haider'. The window includes a menu bar with options like Print, Export, E-Mail, Upload, Shop, Language, Keyboard, Control Centre, Support Centre, and Help. A toolbar on the right lists functions from F1 to F12. The main area is a table for items with columns for Name of Item, Quantity, Rate, per, Disc. %, and Amount. A 'Narration' field is at the bottom. The status bar shows 'Tally MAIN --> Gateway of Tally --> Accounting Voucher Creation' and the date 'Sat, 18 Feb, 2017 11:50:52'.

## Payment (F5)

The screenshot shows the 'Accounting Voucher Creation' window in Tally ERP 9 for a 'Payment' (No. 24). The voucher type is 'Payment' (No. 24) dated '2 May 2016 Monday'. The user is 'Turab Haider'. The window includes a menu bar and a toolbar on the right. The main area is a table for 'List of Ledger Accounts' with columns for Particulars and Amount. A 'Narration' field is at the bottom. The status bar shows 'Tally MAIN --> Gateway of Tally --> Accounting Voucher Creation' and the date 'Sat, 18 Feb, 2017 11:55:14'.

## Stock Summary

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

Stock Summary		National Traders		Ctrl + M
Particulars	National Traders			
	1-Apr-2009 to 30-Apr-2009			
	Closing Balance			
	Quantity	Rate	Value	
Computers	8 Nos	17,350.00	1,38,800.00	
Peripherals			31,450.00	
Printers			1,14,200.00	
<b>Grand Total</b>	<b>8 Nos</b>		<b>2,84,450.00</b>	

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## Sale Order:

### Inventory Vouchers

Tally.ERP 9 inventory vouchers perform the same function in the inventory system as accounting vouchers do. They are the means by which you enter transactions relating to the Inventory. The vouchers record transactions relating to the issue and receipt of stock, the transfer of stock between godowns, and physical stock adjustments. The following inventory vouchers are available in Tally.ERP 9 :

**Sales Order (Alt+F5)**

**Delivery Note (Alt+F8)**

**Rejections in (Ctrl+ F6)**

**Sale Voucher (F8)**

**Receipt Voucher (F6)**

### Sales Order

A Sales Order entry has to be made to record this. The Sales Order number can be used as a reference. For example, a customer places an order with the company for purchasing some goods.

Sales Order	
<b>Description</b>	Records order details for stock items received from customers.
<b>Details recorded</b>	Customer's Ledger account, Name and address, Order details, name of stock item, <b>Due on</b> , Godown, Quantity, Rate, Amount, Narration.

### Delivery Note

Goods that are being delivered to a customer are recorded in a Delivery Note voucher.

Delivery Note	
<b>Description</b>	Records delivery of new stock to customers
<b>Details recorded</b>	Reference, ledger account, supplier's (if supplementary details are set to yes in F12: Delivery Note Configuration) then, name and address, Order & dispatch details, name of stock item, Tracking details, Order details, Godown, Quantity, Rate(optional), Amount(optional), narration.

### Rejections In

A Rejection In entry is passed to record the rejected goods. The Rejections In entry is a pure inventory voucher. For example a customer has rejected goods that was sold earlier.

Rejections In (Sales Returns)	
<b>Description</b>	Records rejected stock details received from customers
<b>Details recorded</b>	Ledger account, Customer's name and address, stock item, tracking details, order details, Godown, Quantity, Rate, Amount, Narration.



### Sales voucher

For example: the company delivers goods from its stock to a customer.

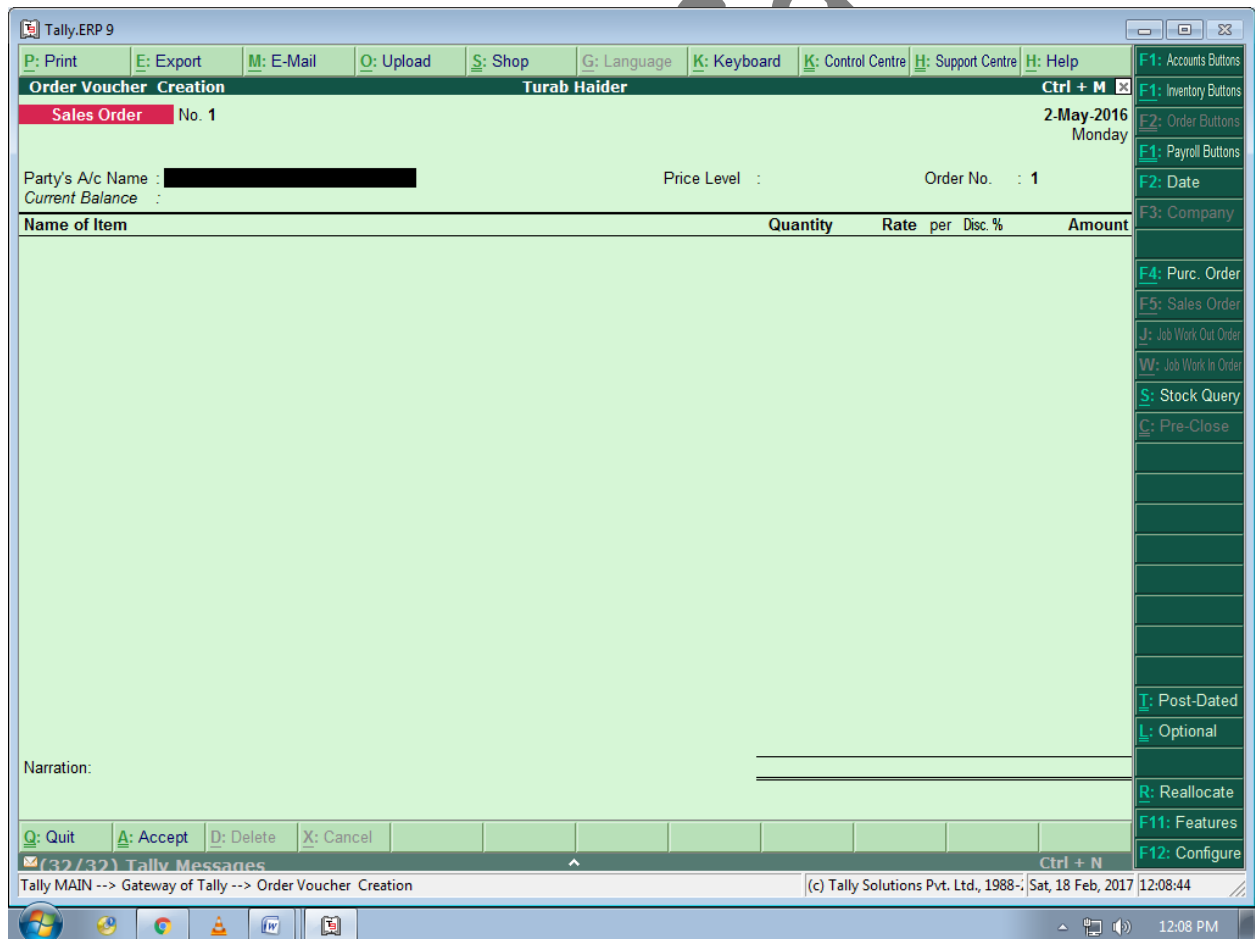
Sales Voucher	
<b>Description</b>	Records the delivery of goods and invoice to customers.
<b>Details recorded</b>	Reference, ledger account, customer's name and address, name of stock item, godown, quantity, rate, amount, sales ledger, sales tax ledger (if required), narration.

### Receipt voucher

For example: the company Received all dues from customer.

Sales Voucher	
<b>Description</b>	Company Received all dues from customer.
<b>Details recorded</b>	Company Received all dues from customer.

### Sales Order (Alt+F5)



## Delivery Note (Alt+F8)

Tally.ERP 9

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

**Inventory Voucher Creation** Turab Haider **Ctrl + M**

**Delivery Note** No. 1 **2-May-2016**  
Monday

Party's A/c Name : Price Level :  
Current Balance :

Name of Item	Quantity	Rate	per	Disc. %	Amount
Narration:					

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

(32/32) Tally Messages **Ctrl + N**

Tally MAIN --> Gateway of Tally --> Inventory Voucher Creation (c) Tally Solutions Pvt. Ltd., 1988-; Sat, 18 Feb, 2017 12:09:03

## Rejections in (Ctrl+ F6)

Tally.ERP 9

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

**Inventory Voucher Creation** Turab Haider **Ctrl + M**

**Rejections In** No. 1 **2-May-2016**  
Monday

Ledger Account	Customer's Name and Address
Narration:	

Name of Item	Quantity	Rate	per	Disc. %	Amount
--------------	----------	------	-----	---------	--------

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

(32/32) Tally Messages **Ctrl + N**

Tally MAIN --> Gateway of Tally --> Inventory Voucher Creation (c) Tally Solutions Pvt. Ltd., 1988-; Sat, 18 Feb, 2017 12:09:27

## Sale Voucher (F8)

Tally.ERP 9

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

Accounting Voucher Creation Turab Haider Ctrl + M

Sales No. 15 2-May-2016 Monday

Ref. [Redacted]

Party's A/c Name : Price Level :

Current Balance :

Name of Item	Quantity	Rate	per	Disc. %	Amount
Narration:					

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

(32/32) Tally Messages Ctrl + N

Tally MAIN --> Gateway of Tally --> Accounting Voucher Creation (c) Tally Solutions Pvt. Ltd., 1988-; Sat, 18 Feb, 2017 12:10:13

F1: Accounts Buttons  
F1: Inventory Buttons  
F2: Order Buttons  
F1: Payroll Buttons  
F2: Date  
F3: Company  
F4: Contra  
F5: Payment  
F6: Receipt  
F7: Journal  
F8: Sales  
F8: Credit Note  
F9: Purchase  
F9: Debit Note  
F10: Rev Jml  
F10: Memos  
S: Stock Query  
I: Acct Invoice  
V: As Voucher  
T: Post-Dated  
L: Optional  
R: Reallocate  
F11: Features  
F12: Configure

## Receipt Voucher (F6)

Tally.ERP 9

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

Accounting Voucher Creation Turab Haider Ctrl + M

Receipt No. 9

List of Ledger Accounts

Particulars	Cr
Narration:	

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

(32/32) Tally Messages Ctrl + N

Tally MAIN --> Gateway of Tally --> Accounting Voucher Creation (c) Tally Solutions Pvt. Ltd., 1988-; Sat, 18 Feb, 2017 12:11:01

F1: Accounts Buttons  
F1: Inventory Buttons  
F2: Order Buttons  
F1: Payroll Buttons  
F2: Date  
F3: Company  
F4: Contra  
F5: Payment  
F6: Receipt  
F7: Journal  
F8: Sales  
F8: Credit Note  
F9: Purchase  
F9: Debit Note  
F10: Rev Jml  
F10: Memos  
T: Post-Dated  
L: Optional  
F11: Features  
F12: Configure

## Stock Summary

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

Stock Summary		National Traders		Ctrl + M	
Particulars	National Traders			1-Apr-2009 to 30-Jun-2009	
	Closing Balance				
	Quantity	Rate	Value		
Computers	6 Nos	17,300.00	1,03,800.00		
Peripherals			41,950.00		
Printers			89,600.00		
Grand Total	6 Nos		2,35,350.00		

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# Creating Inventory Masters in Tally.ERP 9

## Lesson Objectives

On completion of this lesson, you will be able to understand

- The basic functions of the Tally.ERP 9 Inventory System
- Creating and maintaining Inventory Masters
- Creating and maintaining stock details
- Creating stock items and entering opening balances

Inventory accounting includes recording of stock details like the purchase of stock, the sale of stock, stock movement between storage locations or godowns and providing information on stock availability. Tally.ERP 9 makes it possible to integrate the inventory and accounting systems so that the financial statements reflect the closing stock value from the Inventory system.

The inventory system operates in much the same way as the accounting system.

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

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

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

Go to the **Gateway of Tally > Inventory Info.**

The Inventory info. menu is displayed as shown:

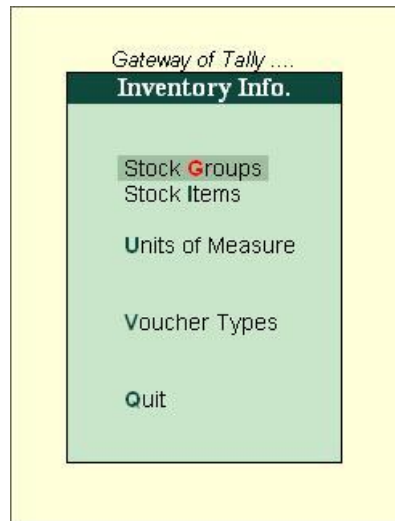


Figure 4.1 Inventory Info. Menu

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

Let us take the example of **Indus Enterprises** that sells **Televisions** and **Music Systems**. Given below is the structure of items being sold.

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

Group B – Music Systems	
B1 – Sony	B1a – Sony Tape-Recorder
	B1b – Sony CD Player
B2 – Videocon	B2a – Videocon Tape-Recorder
	B2b – Videocon CD Player

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

---

Indus Enterprises has **two Godowns**, the **Bangalore Godown** and the **Mumbai Godown**. The grouping structure in Tally.ERP 9 is as follows:

### Stock Group

1. **Televisions** (main stock group)
  - Sony TV – stock group under Televisions
  - Philips TV – stock group under Televisions
  - Videocon TV – stock group under Televisions
2. **Music Systems** (main stock group)
  - Sony Music Systems – Stock Group under Music Systems
  - Videocon Music Systems – Stock Group under Music Systems

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

Experiment Creation of **Inventory Masters** in **Indus Enterprises**.

## 4.1 Stock Groups

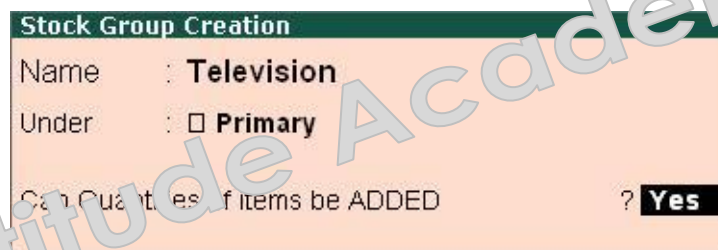
Stock Groups are provided to help in the classification of stock items. Classification is done based on some common behaviour. Grouping stock items makes it easy to identify and report them in the statements. For example, items of a particular brand can be grouped together so that you can get the inventory details of all the items of that brand.

### 4.1.1 Creating Stock Group

#### i. Create the Stock Group – Television under Primary.

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

Ensure that the screen appears as shown below:



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

Figure 4.2 Stock Group Creation — Television

Press **Y** or **Enter** to accept the screen.

Similarly, create **Music Systems** under **Primary**.

**ii. Create Sony TV under Televisions.**

The screen is displayed as shown below:

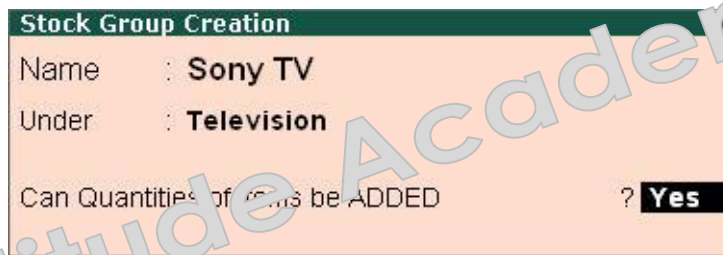


Figure 4.3 Stock Group Creation — Sony TV

Press **Y** or **Enter** to accept the screen.

**Practice Exercise**

Create the following **Stock Groups** in the similar manner

Name	Under	Can Quantities of items be ADDED
Philips TV	Televisions	Yes
Videocon TV	Televisions	Yes
Sony Music Systems	Music Systems	Yes
Videocon Music Systems	Music Systems	Yes

**4.2 Stock Categories**

This is a feature, which offers a parallel classification of stock items. Like Stock Groups, Stock categories are also classified based on some similar behaviour. The advantage of using Tally.ERP 9 lies in categorising Stock items together, (based on functionality) across different stock groups. This enables you to obtain reports for alternatives or substitutes of a stock item.

Set **Yes** to **Maintain Stock Categories** in **F11: Features (F2: Inventory Features)** to get an additional option **Stock Categories** under **Inventory Info**.

---



### 4.2.1 Creating Stock Category

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

**Create. i. Create Stock Category 29 inches TV Under Primary**

Stock Category Creation	
Name	: 29 inches TV
Under	: <input type="checkbox"/> Primary
Accept ?	
Yes or No	

Figure 4.4 Stock Category Creation — 29 inches TV

Press **Y** or **Enter** to accept the screen.

Similarly , create Stock Category **25 inches TV** under **Primary**

### 4.3 Godowns / Locations

A place where stock items are stored is referred to as Godowns. You can specify where the stock items are kept. For example: A warehouse, shelf or rack etc, and obtain stock reports for each Godown and account for the movement of stock between locations/Godowns.

Set **Yes** to **Maintain Multiple Godowns** in **F11: Features (F2: Inventory Features)** to get additional option like **Stock Categories** under **Inventory Info.**

#### 4.3.1 Creating a Godown

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

**Create. i. Create a Godown – Bangalore under Primary.**

Ensure that the screen is displayed as shown below:

Godown Creation	
Name	: Bangalore
Under	: <input type="checkbox"/> Primary
Accept ?	
Allow Storage of materials	Yes or No

Figure 4.5 Godown Creation — Bangalore

Press **Y** or **Enter** to accept the screen.



*Godowns have a main location, by default because of which the options **Display** and **Alter** are functional even before you create a godown.*

Similarly create the godown – **Mumbai** under **Primary**.

## 4.4 Units of Measure

Stock Items are mainly purchased and sold on the basis of quantity. The quantity inturn is measured by units. In such cases, it is necessary to create the Unit of Measure. The Units of Measure can either be simple or compound. Examples of simple units are: nos., metres, kilograms, pieces etc. Examples for compound units are: a box of 10 pieces etc. Create the Units of Measure before creating the Stock Items.

### 4.4.1 Creating Units of Measure

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

**Create**. The **Unit Creation** Screen appears as shown below:

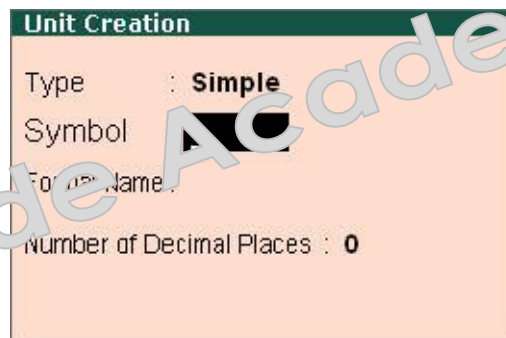
A screenshot of the 'Unit Creation' screen in Tally.ERP 9. The screen has a green header with the text 'Unit Creation'. Below the header, there are several fields: 'Type' with a value of 'Simple', 'Symbol' with a value of 'A', 'For use Name' (partially obscured), and 'Number of Decimal Places' with a value of '0'. A large, semi-transparent watermark 'Attitude Academy' is overlaid on the screen.

Figure 4.6 Units of Measure Creation screen

#### Type

Tally.ERP 9 has the option to create simple units as well as compound units. Examples: box, nos, pcs, etc. A Compound Unit is a combination of two simple units of measure. Example: A **box of 10 pcs** is a compound unit of measure.

#### Symbol

It is the abbreviated form by which a stock item is identified. For example, the abbreviation pcs indicates – pieces.

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## Formal Name

This represents the complete or formal name of a symbol used while creating a unit. Different companies use different symbols to represent the same units. Formal names help you to match the symbols with their respective units. For example, the symbol for numbers (formal name) can be nos or num.

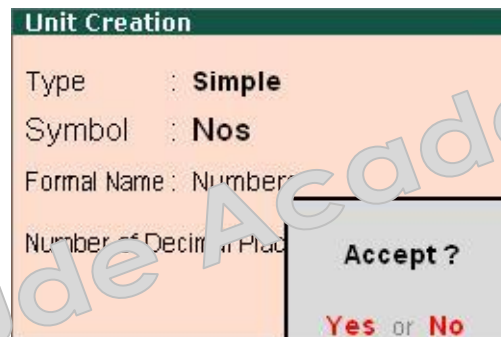
## Number of Decimal Places

A unit can be expressed as fractions. For example, a 3.15 Kg refers to 3Kg and 150 grams. The number of digits expressed in grams after the decimal places are three. Likewise, fractions up to four decimal places can be expressed in the same manner. For expressing numbers, without a decimal place, specify 0 in this option.

Let us create the unit **Nos**.

1. **Type: Simple**
2. **Symbol: Nos**
3. **Formal Name: Numbers**
4. **Number of Decimal Places: 0**

The **Unit Creation** screen is displayed as shown below:



The screenshot shows a 'Unit Creation' window with the following fields: Type: Simple, Symbol: Nos, Formal Name: Numbers, and Number of Decimal Places: 0. An 'Accept?' dialog box is overlaid on the bottom right, with 'Yes' and 'No' options.

Figure 4.7 Units of Measure Creation — Nos

5. Press **Y** or **Enter** to accept the screen.

## 4.5 Stock Items

Stock items are goods that you manufacture or trade (sell and purchase). It is the primary inventory entity. Stock Items in the Inventory transactions are similar to ledgers being used in accounting transactions. Therefore, Stock Items are important in an inventory just as ledgers are important in accounting.

### 4.5.1 Creating a Stock Item

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

---

The Stock Item Creation Screen appears as shown below:

Stock Item Creation		Indus Enterprises		
Name : <input type="text"/>				
Under	: <input type="checkbox"/> Primary	<u>Tax Information</u> Tariff Classification : <input type="checkbox"/> Not Applicable Rate of Duty (eg 5) :		
Category	: <input type="checkbox"/> Not Applicable			
Units	: <input type="checkbox"/> Not Applicable			
Opening balance :		Quantity	Rate per	Value

Figure 4.8 Stock Item Creation screen

Enter the following details:

**Name:** The name of the stock item.

**Under:** The stock group under which you want to classify the stock item.

**Category:** The stock category you want to classify the stock item for parallel classification. **Units:** The unit of measure for the stock item being created.

**Rate of Duty:** Enter the rate of duty charged on the item.

**Opening Balance:** The opening balance of a stock item, refers to the stock available with us. Godowns that have already been created, must have the opening balance quantity and the location specified.

**i. Create a Stock Item Sony 29 inches TV, under the Group Sony TV.**

Ensure that the details appear as shown below:

Stock Item Creation		Indus Enterprises	
Name : <b>Sony 29 inches TV</b>			
Under	: <b>Sony TV</b>	<u>Tax Information</u> Tariff Classification : <input type="checkbox"/> <b>Not Applicable</b> Rate of Duty (eg 5) : <b>0</b>	
Category	: <b>29 inches TV</b>		
Units	: <b>Nos</b>		
Opening Balance :		Quantity	Rate per
			Accept ?
			<b>Yes or No</b>

Figure 4.9 Stock Item Creation — Sony 29 inches TV

Press **Y** or **Enter** to accept the screen.

**Practice Exercise**

Similarly, create the following Stock Items under **Televisions**

Name	Under	Category	Units
Sony 25 inches TV	Sony TV	25 inches TV	Nos
Philips 29 inches TV	Philips TV	29 inches TV	Nos
Philips 25 inches TV	Philips TV	25 inches TV	Nos
Videocon 29 inches TV	Videocon TV	29 inches TV	Nos
Videocon 25 inches TV	Videocon TV	25 inches TV	Nos

Similarly, create the following Stock Items under **Music Systems**.

Name	Under	Category	Units
Sony Tape - Recorder	Sony Music Systems	Not Applicable	Nos
Sony CD - Player	Sony Music Systems	Not Applicable	Nos
Videocon Tape - Recorder	Videocon Music Systems	Not Applicable	Nos
Videocon CD - Player	Videocon Music Systems	Not Applicable	Nos

## 4.6 Creating Inventory Masters for National Traders

Before you start to create the inventory data for National Traders, there are some important functions of housekeeping that are to be taken care of.

Make sure your screen displays the main menu of the **Gateway of Tally** and ensure that only National Traders is loaded.

Set Tally.ERP 9's *Current Date* to **April 1, 2009** – select **F2: Date** at the **Gateway of Tally**.

You also need to check whether the following features in Tally.ERP 9 are enabled for this module

- i. In the **F11: Features (F2: Inventory Features)** set **Yes** to:
  - Maintain Stock Categories
  - Maintain Multiple Godowns
- ii. In the **F12: Configure > Accts/Inventory Info.** set **Yes** to:
  - Allow ALIASES along with Names
  - Allow Language ALIASES along with Names
  - Allow ADVANCED entries in Masters (Accounts)
  - Use ADDRESSES for Ledger Accounts
  - Use CONTACT DETAILS for Ledger Accounts
  - Allow ADVANCED entries in Masters (Inventory)
  - Allow Std. Rates for Stock Items

Let us now use Tally.ERP 9 to set up the basic inventory details for **National Traders** that sells computers, Printers and Peripherals. Create the stock groups and sub-groups as shown:

Stock Group	Under
Computers	Primary
Printers	Primary
Peripherals	Primary
Accessories	Peripherals
Components	Peripherals

---

### 4.6.1 Create Stock Groups

You will now set up the stock groups using both the single and multiple create options.

#### i. Creating single stock groups

Go to the **Gateway of Tally > Inventory Info. > Stock Groups > Create**. Create a **Stock Group - Computers**

1. **Name: Computers**
2. **Aliases: Skip the field**
3. **Under: Primary**
4. **Can quantities of items be ADDED?: Yes**

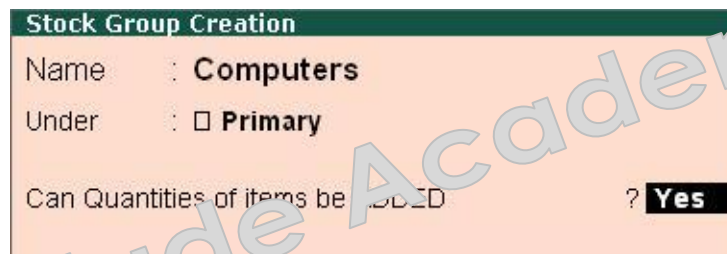


Figure 4.10 Stock Group Creation — Systems



*The field **Can quantities of items be added?** in the stock group creation screen pertains to information on measuring the units of the Stock Items that have been categorised under the Stock Group. The Stock Items categorised under the group should have similar units for them to be added up. You cannot add quantities in Kgs to quantities in Pcs.*

5. Press **Y** or **Enter** to accept the screen.

Similarly, create the following **Stock Groups**

Name	Under	Can Quantities of items be ADDED
Peripherals	Primary	Yes
Printers	Primary	No

#### ii. Creating Multiple Stock Groups

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

---

**Create Accessories and Components under Peripherals.**

Ensure that the **Multi Stock Group Creation** screen is displayed as shown below:

Multi Stock Group Creation			
Under Group : Peripherals		National Traders	
S.No.	Name of Stock Group	Under	Items are Addable (Y/N)
1.	Accessories	Peripherals	Yes
2.	Components	Peripherals	Yes

Accept ?  
 Yes or No

Figure 4.11 Multiple Sock Group Creation

Press **Y** or **Enter** to accept the screen.

**4.6.2 Displaying and Altering Stock Groups**

Once created, stock groups can be displayed and altered in both the single and multiple mode. You can delete a stock group by using the option **Alter** under the **Single Stock Group** by pressing **Alt+D**. However, you cannot delete a stock group with sub-groups or stock items. The lower levels must be deleted first.

**4.6.3 Creating Single Stock Categories**

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

Name	Under
National	Primary



#### 4.6.4 Creating Multiple Stock Categories

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

Under Category	Name of Category
Primary	HCL
Primary	IBM
Primary	HP
Primary	Samsung

#### 4.6.5 Displaying and Altering Stock Categories

Once created, stock categories can be displayed and altered in single and multiple mode. You can delete a stock category via **Single Stock Category > Alter** by pressing **Alt+D**. However, you cannot delete a stock category with sub-categories. The lower levels must be deleted first.

#### 4.6.6 Creating Units of Measure

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

Type	Symbol	Formal Name	Number of Decimal Places
Simple	Nos	Number Of	0
Simple	Box	Boxes	0

#### 4.6.7 Creating Compound Units of Measure

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

1. **Type:** **Compound** (press Backspace)
2. **First Unit:** Select **Box**
3. **Conversion:** Type **100**
4. **Second Unit:** Select **Nos**

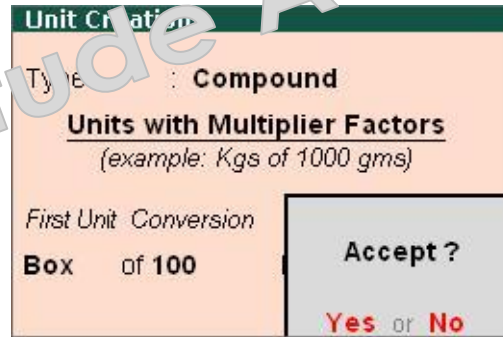


Figure 4.12  
Compound Units of Measure Creation

Creating Inventory Masters in Tally.ERP 9

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5. Press **Y** or **Enter** to accept the screen.

#### 4.6.8 Displaying and Altering Units of Measure

Once created, the units of measure can be displayed and altered. You can delete a unit of measure in the alteration screen by pressing **Alt+D**. However, you cannot delete a unit of measure that is part of a compound measure. The compound measure must be deleted first.

#### 4.6.9 Creating Godowns

Ensure that **Maintain Multiple Godowns** is set to **Yes** in the **F11: Features (F2: Inventory Features)**.

The concept of **Godowns** is essentially to store the inventory and can be used as a location, warehouse, department, sub-contractor locations etc. Tally.ERP 9 permits any number of godowns that can be grouped and sub-grouped to match the structure you need.

To Create a Godown, go to the **Gateway of Tally > Inventory Info. > Godowns > Create**.

1. **Name:** **Warehouse**
2. **alias:** **Skip the field**
3. **Under:** **Primary**
4. **Allow Storage of materials:** **Yes**

Similarly, create **On-Site** as **Godown** under **Primary**.

1. **Name: On - Site**
2. **alias: Skip the field**
3. **Under: Primary**
4. **Allow Storage of materials: Yes**

#### 4.6.10 Displaying and Altering Stock Godowns

Once created stock Godowns can be displayed and altered in single and multiple mode. Go to the **Gateway of Tally > Inventory Info. > Godowns > Alter**.

You can delete a stock Godown via **Single Godown > Alter** by pressing **Alt+D**. However, you cannot delete a stock Godown with sub-godowns. The lower levels must be deleted first.

## Stock transfers to Godowns in TallyERP 9

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
Stock Journal No. 2		Voucher Class : Godown Transfer		1-May-2008 Thursday
<b>Transfer of Materials (Inter- Godown )</b>				
Destination Godown : Defective Goods Stores				
Name of Item	Godown	Quantity	Rate	Amount
CDROM Disks 10s	Stores	1-0 Box	266.00/Box	266.00
			1-0 Box	266.00
Narration: Defective 1 BOX of CDROM 10s replaced with Free 1 box CDROM Disks 10s				

Figure 5.6 Transfer of Materials using Voucher Class

## Multiple Warehouses / Locations in TallyERP 9

Warehouse/Godown is a place where stocks/materials are stored. It could be either locations or in 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 flexibility 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.

**Example.**, if you enter a purchase transaction, you will have to specify the Godown where the goods 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.

Enable **Multiple Godowns**,

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

create a **Godown**,

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

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

view **Godown Summary Report**,

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	12,72,966.75	
Timber - OTFL	100 MT	275.00	27,500.00	
<b>Stores</b>	792 Nos	62.68	49,845.98	
Accessories	735 Nos	20.51	15,072.78	
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

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

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**

y.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				
MFL	20 Lbs	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	6,964.89	12,72,965.75										
<b>Grand Total</b>			<b>13,08,465.75</b>				<b>792 Nos</b>		<b>49,645.98</b>				

Figure 5.5 Comparative Godown Summary

## Create a New Security Level - in Tally.ERP 9

### Security Controls

---

Security control is an essential part of any organisation, without which an employee may be performing a number of non-essential tasks, for example: a data entry operator could create Masters, view the Trial Balance, Final Accounts, Ratio Analysis or delete essential information etc.,

Security controls need to be defined based on the work profile of an employee. Typically, in an organisation the administrator has all the access rights to the system, whereas the employees are given access rights based on their work profile demonstrating segregation of duties.

### Types of Security Levels

---

By default Tally.ERP 9 has two levels of Security namely Owner and Data Entry.

**Owner** - The owner has full access rights which will enable him to work with all the features of Tally.ERP 9, except for Tally Audit and Company Alteration which are reserved for the Administrator. Based on pre-defined security levels the Administrator can create other security levels and assign or restrict access based on the requirement.

**Data Entry** - Data Entry has restricted access but the administrator can assign or restrict the access based on the requirement.

## Create a New Security Level

Creating a new security level is a two step process which involves the creation of an Administrator Login and then creation of the users.

### Enabling Security Control for a Company (Administrator Login)

---

To create security levels you should login as the administrator. The administrator login has to be created in the Company Creation or by altering the Company Masters.

Go to **Gateway of Tally > Click F3 : Cmp Info. > Alter**

1. Select the required company from the List of Companies
2. In the Company Alteration screen set **Use Security Control** to **Yes**
3. Enter the administrator's name in **Name of Administrator** field
4. Enter the password. Tally.ERP 9 displays the strength of the password entered depending on the combination - Alphabets, Numbers & Special Characters.
5. Repeat the password for the purpose of confirmation.



Company Alteration		Ctrl + M	
<b>Name</b> : ABC Company			
<b>Mailing &amp; Contact Details</b>		<b>Company Details</b>	
Mailing Name	: ABC Company	Currency Symbol	: ₹
Address	: 9/1, Mahalaxi Chambers M.G.Road Bangalore	Maintain	: Accounts with Inventory
		Financial Year from	: 1-4-2012
		Books beginning from	: 1-4-2012
<b>Statutory compliance for</b>		<b>Security Control</b>	
State	: India	Use Security Control	? Yes
State Code	: Karnataka	(Enable Security to avail Tally.NET Features)	
PIN Code	: 560001	Name of Administrator	: Admin
Telephone No.	: +91-080-66275299	Password	: *****
Mobile No.	: +919755145887	Repeat Password	: *****
E-Mail	:		(Password Strength is Good)
<b>Auto Backup Details</b>		Use Tally Audit Features	? No
Enable Auto Backup	: No	Disallow opening in Educational mode	? No
<b>Base Currency Information</b>			
Base Currency Symbol	: ₹	Show Amounts in Millions	? No
Formal Name	: INR	Put a SPACE between Amount and Symbol	? Yes
Number of Decimal Places	: 2	Decimal Places for Printing Amounts in W	
Is Symbol SUFFIXED to Amounts	? No		
Symbol for Decimal Portion	: paise		

**Note:** To ensure user privacy and higher confidentiality, the password is encrypted.

5. Accept to save the enhancements made

**Note:** The steps shown above are through the Company Masters Alteration whereas the user can create the administrator login and password while creating the company. In case you are altering the company masters then close and re-load the company for the security control menu to be enable

## Disable Security Control

Security Control of a company can be disabled at any point of time.

To disable the Security Control,

- **Load** the **Company** for which **Security Control** to be **disabled**
- Press **Alt+ F3** keys or click on **F3: Cmp Info** button from **Gateway of Tally** to navigate **Company Info** menu
- In **Company Info** menu, select the option **Alter** and press **Enter** to view **Company Alteration** screen
- In **Company Alteration** screen, tab down to **Use Security Control** field and set it to **No**

Company Alteration		Ctrl + M	
<b>Name : ABC Company</b>			
<u>Mailing &amp; Contact Details</u>		<u>Company Details</u>	
Mailing Name	: ABC Company	Currency Symbol	: ₹
Address	: 9/1, Mahalaxi Chambers M.G Road Bangalore	Maintain	: Accounts with Inventory
		Financial Year from	: 1-4-2012
		Books beginning from	: 1-4-2012
		<u>Security Control</u>	
Statutory compliance for	: India	Use Security Control	? No
State	: Karnataka	<i>(Enable Security to avail Tally.NET Features)</i>	
PIN Code	: 560001	Name of Administrator	: Admin
Telephone No.	: +91-080-66275299	Password	: *****
Mobile No.	: +919755145887	Repeat Password	: *****
E-Mail	:	<i>(Password Strength is Good)</i>	
<u>Auto Backup Details</u>		Use Tally Audit Features	? No
Enable Auto Backup	: No	Disallow opening in Educational mode	? No
<u>Base Currency Information</u>			
Base Currency Symbol	: ₹	Show Amounts in Millions	? No
Formal Name	: INR	Put a SPACE between Amount and Symbol	? Yes
Number of Decimal Places	: 2	Decimal Places for Printing Amounts in Words	: 2
Is Symbol SUFFIXED to Amounts	? No		
Symbol for Decimal Portion	: paise		

- On Setting this option to **No**, Tally.ERP 9 will prompt you to enter the **Current/Existing Password**

Company Alteration		Ctrl + M	
<b>Name : ABC Company</b>			
<u>Mailing &amp; Contact Details</u>		<u>Company Details</u>	
Mailing Name	: ABC Company	Currency Symbol	: ₹
Address	: 9/1, Mahalaxi Chambers M.G Road Bangalore	Maintain	: Accounts with Inventory
		Financial Year from	: 1-4-2012
		Books beginning from	: 1-4-2012
		<u>Security Control</u>	
Statutory compliance for	: India	Use Security Control	? No
State	: Karnataka	<i>(Enable Security to avail Tally.NET Features)</i>	
PIN Code	: 560001	Current/Existing Password	*****
Telephone No.	: +91-080-66275299		
Mobile No.	: +919755145887		
E-Mail	:		
<u>Auto Backup Details</u>			
Enable Auto Backup	: No		
<u>Base Currency Information</u>			
Base Currency Symbol	: ₹	Show Amounts in Millions	? No
Formal Name	: INR	Put a SPACE between Amount and Symbol	? Yes
Number of Decimal Places	: 2	Decimal Places for Printing Amounts in Words	: 2
Is Symbol SUFFIXED to Amounts	? No		
Symbol for Decimal Portion	: paise		

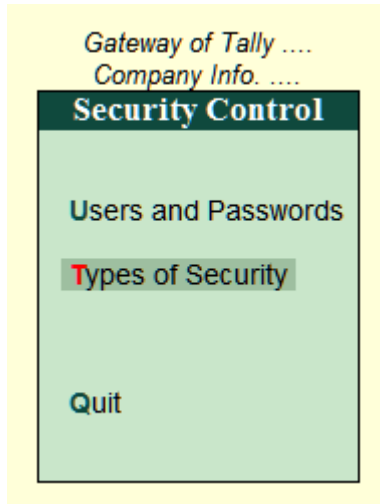
On specifying the **Existing Password** and **saving** the Company Alteration, Tally.ERP 9 will prompt to reload the Company and on confirmation company will be loaded without requesting for **User Name** and **Password**.

### Create Security Levels

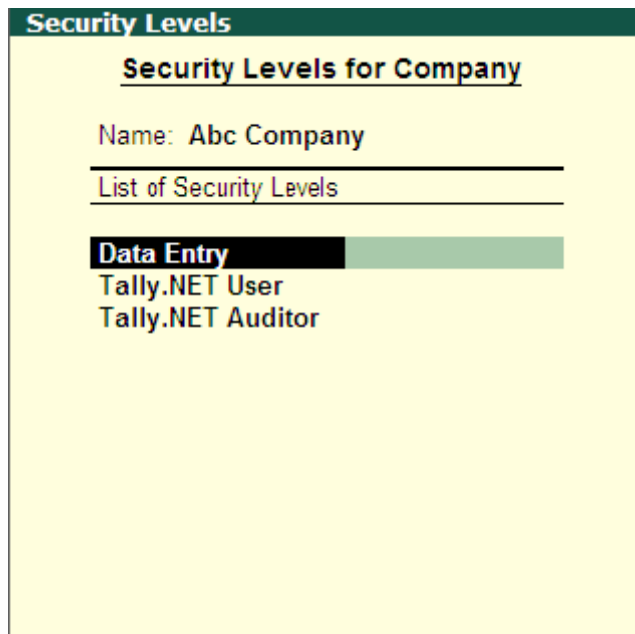
To create a new security level you have to login as an administrator.

Go to **Gateway of Tally > F3: Company Info > Security Control**

1. Select Types of Security



2. The Security Levels screen displays the List of Security Levels. You can create a new security level for which you have to enter the required security level.



3. Press Enter to open the Security Levels screen

## Assigning Security Level - in Tally.ERP 9

- The Name of the Security Level is the one you have entered in the previous screen
- Use Basic Facilities of – the administrator can select the required facility from the Security List. In case there already exists user defined security levels, they will be displayed in the Security List. The new level created will be displayed when the user creates another security level
- Days Allowed for Back Dated Vouchers – By default this field is set to 0, enter the required number of days. Alteration or Insertion of backdated vouchers can be done within the number of days mentioned from the Date of Last Entry of vouchers
- Cut-off date for Backdated vouchers – the user can specify the required date. Tally.ERP 9 does not allow you to record a transaction prior to the date mentioned. This can be used in addition to Days Allowed for Backdated Voucher. This input will be useful in situations where you have completed the audit and do not require any changes in the data
- Set Rules for Print Before Save - set this option to Yes in order to restrict a security level from printing the required voucher type before saving the voucher or restrict a security level from printing all the available voucher types before saving the vouchers

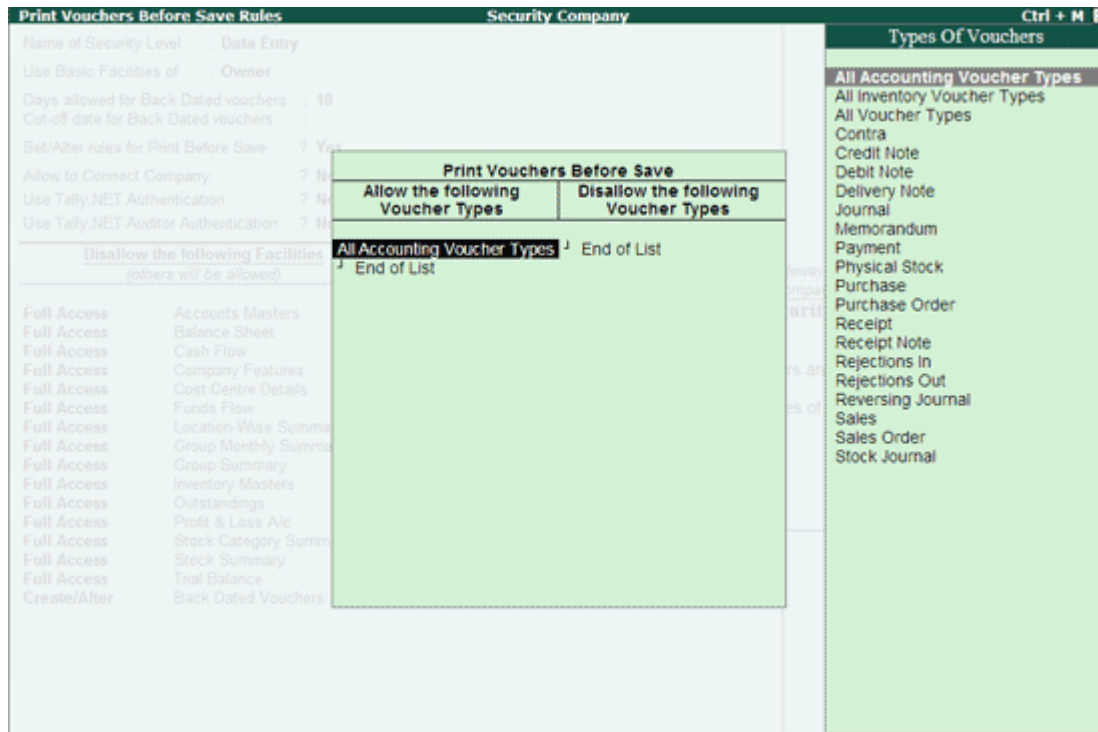
Security Levels		Abc Company
Name of Security Level	:	Data Entry
Use Basic Facilities of	:	Owner
Days allowed for Back Dated vouchers	:	0
Cut-off date for Back Dated vouchers	:	
Set/Alter rules for Print Before Save	?	<b>Yes</b>
<i>(also applicable for Export/E-Mail/Upload)</i>		
Allow to Connect Company	?	No
Use Tally.NET Authentication	?	No
Use Tally.NET Auditor Authentication	?	No
<u>Disallow the following Facilities</u>		<u>Allow the following Facilities</u>
<i>(others will be allowed)</i>		<i>(to re-enable disallowed facilities)</i>
Full Access		Accounts Masters
Full Access		Balance Sheet
Full Access		Cash Flow
Full Access		Company Features
Full Access		Cost Centre Details
Full Access		Funds Flow
Full Access		Location-Wise Summary
Full Access		Group Monthly Summary
Full Access		Group Summary
Full Access		Inventory Masters
Full Access		Outstandings
Full Access		Profit & Loss A/c
Full Access		Stock Category Summary
Full Access		Stock Summary
Full Access		Trial Balance
Create/Alter		Back Dated Vouchers

By default **Set Rules for Print Before Save** is set to **No** which allows the user to print all the available voucher types.

The **Print Vouchers Before Save Rules** screen appears

In **Allow the following Voucher Types**

- From the Types of Vouchers displayed select the required voucher type that is allowed for printing before save



In **Disallow the following Voucher Types**

- From the Types of Vouchers displayed select the required voucher type that need to be disallowed for printing before save

Print Vouchers Before Save	
Allow the following Voucher Types	Disallow the following Voucher Types
All Voucher Types	Tax Invoice Payment ↓ End of List

- Allow to Connect Company – by default it is set to No. Set this to Yes if you need to connect the respective company to the Tally.NET Server
- Use Tally.NET Authentication – by default it is set to No. Set this to Yes if you need to work from a remote location
- User Tally.NET Auditor Authentication – by default this option is set to No. Set it to Yes if you want to scrutinise the data of the client from a remote location
- Permissions for Security Levels – The columns Disallow the following Facilities or Allow the following Facilities are further divided into two columns each
- Disallow the Following Facilities - To disallow access to different options, select the required type of access from the Type of Access and then select the report for which the access rights are restricted from the List of Reports. You can set the access rights for different options. E.g., Select Full Access for the Balance Sheet, you will not have access to the Balance Sheet for this Security Level
- Allow the following Facilities – Conversely when you select Full Access to the Balance Sheet, there will be full access to the Balance Sheet for this security level

Security Levels		ABC Company
Name of Security Level	:	Data Entry
Use Basic Facilities of	:	Owner
Days allowed for Back Dated vouchers	:	0
Cut-off date for Back Dated vouchers	:	
Set/Alter rules for Print Before Save	?	No
<i>(also applicable for Export/E-Mail/Upload)</i>		
Allow to Connect Company	?	No
Use Tally.NET Authentication	?	No
Use Tally.NET Auditor Authentication	?	No
<b>Disallow the following Facilities</b> <i>(others will be allowed)</i>		<b>Allow the following Facilities</b> <i>(to re-enable)</i>
Full Access	Accounts Masters	
Full Access	Balance Sheet	
Full Access	Cash Flow	
Full Access	Company Features	
Full Access	Cost Centre Details	
Full Access	Funds Flow	
Full Access	Location-Wise Summary	
Full Access	Group Monthly Summary	
Full Access	Group Summary	
Full Access	Inventory Masters	
Full Access	Outstandings	
Full Access	Profit & Loss A/c	
Full Access	Stock Category Summary	
Full Access	Stock Summary	
Full Access	Trial Balance	
Create/Alter	Back Dated Vouchers	

**Type of Access**

End of List

Alter

Create

Create/Alter

Display

Display/Print

Full Access

Print

- Press Enter to return to Security Levels for Company screen. You can create the next security level following similar steps or press Enter to save and return to Security Control Menu.

## Creating Users and Passwords - in Tally.ERP 9

You can create users, assign security levels, restrict/allow remote access and local TDLs for the users created.

To create the user and assign a password execute the following steps:

Go to **Gateway of Tally > F3: Company Info > Security Control**

1. Select Users and Passwords
2. The List of Users for Company screen is displayed as shown

**List of Users for Company**

Name: ABC Company

Security Level	Security List	Password (if any)	Allow Remote Access	Allow Local TDL	Allow SMS Access
	End of List				
	Data Entry				
	Owner				
	Tally.NET Auditor				
	Tally.NET User				

3. Select the required Security Level from the Security List
4. Enter the user's name in the Name of User field.
5. Enter the password in Password (if any) field.
6. By default Allow Remote Access and Allow Local TDL is set to No and skipped for users not classified under Tally.NET User and Tally.NET Auditor

**List of Users for Company**

Name: ABC Company

Security Level	Name of User	Password (if any)	Allow Remote Access	Allow Local TDL	Allow SMS Access
Data Entry	Ganesh	*****	No	No	No

Accept ?

Yes or No

7. Accept to create the user

### **Altering/Displaying Users and Passwords and Types of Security**

You have to use the same menu to alter or delete User and Password and the Types of Security. To delete an user, go to the List of Users for Company screen delete the user and save. It is recommended to delete the User before deleting the security level.



## Voucher Type Security - in Tally.ERP 9

Tally.ERP 9 Release 4.5 provides the enhanced capability to set a much deeper level security on individual Voucher Types for different users.

Voucher Type Security will help the business owner specify both individual Voucher Type (Contra, Payment, etc.) restriction and activity level (Sales Department, Procurement Department etc) restriction for different users.

The types of functions or activities for which the control can be set include being able to **Create, Alter, Print**, or have **Full Access** to any particular type of Voucher in Tally.ERP 9.

### Benefits of Voucher Type Security

With Tally.ERP 9's Voucher Type Security feature, the administrator can

- Create a department and role based segregation of access for different users.  
**Example:** Access based on Sales, Purchase, Accounts and Payroll etc. for employees in those areas of work.
- Provide or deny access to what level of activity can be performed on a Voucher by different users  
**Example:** User A & User B can Create and Alter a Payment Voucher, but User C can only view the same.
- Provide access to an entire group of Vouchers like Accounting Vouchers, or Inventory Vouchers as a whole.

### Setting up Voucher Type Security for users

**Example:** ABC Company has a user **Arun**, who records **Sales** and **Receipt** transactions. Access to Create and Alter Sales and Receipt Vouchers has to be provided to him.

In **Security Levels** screen, **Voucher Types** and **Group of Vouchers** (Accounting Vouchers, Inventory Vouchers, Order Vouchers and Payroll Vouchers) have been included in **List of Reports** to set the Voucher Type Security.

Security Levels		ABC Company	
Name of Security Level	: Data Entry	List of Reports	
Use Basic Facilities of	: Data Entry	↑ ... 1 more	
Days allowed for Back Dated vouchers	: 0	Accounting Vouchers	
Cut-off date for Back Dated vouchers	:	Accounts Masters	
Set/Alter rules for Print Before Save	? No	Annexure to Audit Report CARO	
(also applicable for Export/E-Mail/Upload)		Attendance	
Allow to Connect Company	? No	Attendance Vouchers	
Use Tally.NET Authentication	? No	Auditing and Assurance Standards	
<b>Disallow the following Facilities</b>		Audit Journals	
(others will be allowed)		Audit Listings	
<b>Full Access</b>		Audit Programme	
Full Access	Balance Sheet	AuditWorkingPaper	
Full Access	Cash Flow	Back Dated Vouchers	
Full Access	Company Features	Balance Sheet	
Full Access	Cost Centre Details	Bank Books	
Full Access	Funds Flow	Bank Reconciliation	
Full Access	Location-Wise Summary	Batch Godown Summary	
Full Access	Group Monthly Summary	Batch Summary	
Full Access	Group Summary	Cash Flow	
Full Access	Inventory Masters	Cheque Printing	
Full Access	Outstandings	Cheque Register	
Full Access	Profit & Loss A/c	Client/Server Rule	
Full Access	Stock Category Summary	CommodityWisePurchase	
Full Access	Stock Summary	CommodityWiseSales	
Full Access	Trial Balance	Company Features	
Create/Alter	Back Dated Vouchers	ConnectCompany	
Full Access	Accounting Standards	Contra	
Full Access	Annexure to Audit Report CARO	Cost Centre Details	
Full Access	Audit Journals	Credit Note	
Full Access	Audit Programme	CST Purchase Register	
Full Access	AuditWorkingPaper	CST Reports	
		CST Sales Register	
		Day Book	
		Dealer Excise Reports	
		Debit Note	
		Delivery Note	
		↑ ... 95 more ... ↓	
		8 more ... ↓	

[Img-12]

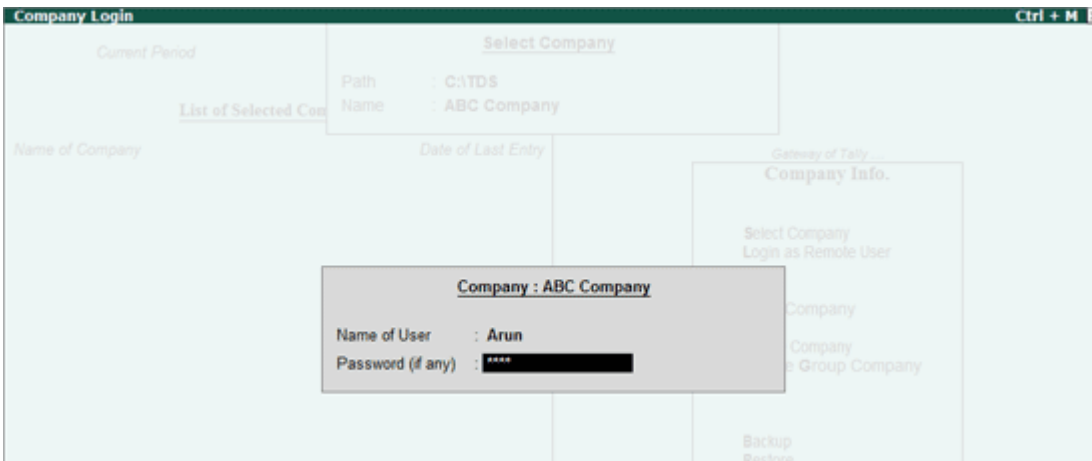
Note: The **aliases** provided for **Voucher Types** will **not** be displayed in the **List of Reports** while defining Voucher Type Security.

To provide access to Create/Alter Sales and Receipt Voucher Types, configure the Security Level as shown:

Security Levels		ABC Company	
Name of Security Level	: Data Entry		
Use Basic Facilities of	: Data Entry		
Days allowed for Back Dated vouchers	: 0		
Cut-off date for Back Dated vouchers	:		
Set/Alter rules for Print Before Save	? No		
<i>(also applicable for Export/E-Mail/Upload)</i>			
Allow to Connect Company	? Yes		
Use Tally.NET Authentication	? No		
<b>Disallow the following Facilities</b>		<b>Allow the following Facilities</b>	
<i>(others will be allowed)</i>		<i>(to re-enable disallowed facilities)</i>	
Full Access	Accounting Vouchers	Create/Alter	Receipt
Full Access	Inventory Vouchers	Create/Alter	Sales
Full Access	Order Vouchers		
Full Access	Payroll Vouchers		

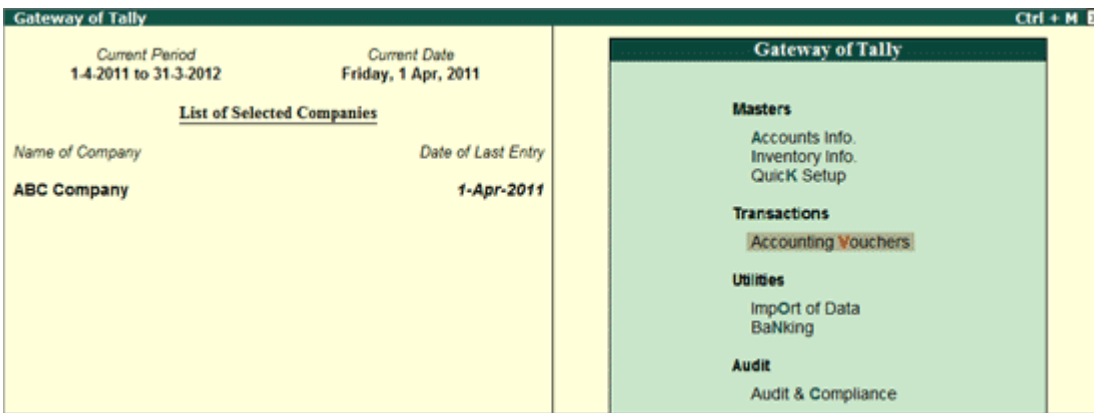
[Img-13]

When the login details of **Arun** are used to access the Company,



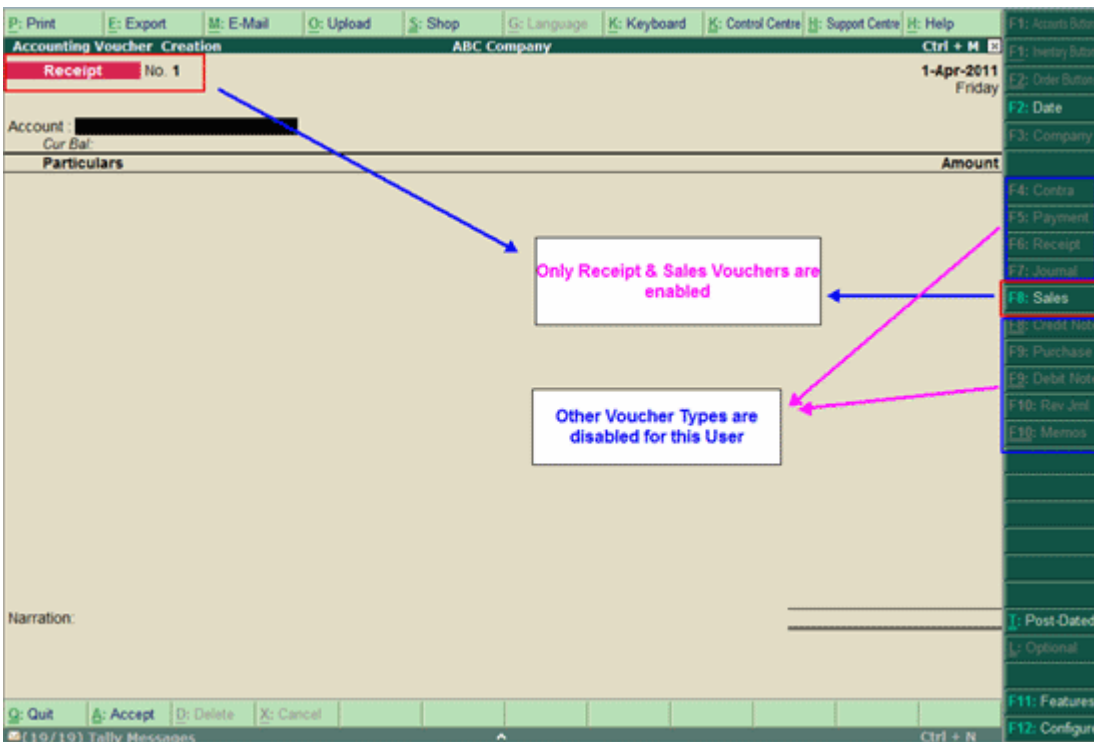
[Img-14]

In **Gateway of Tally**, only Accounting Vouchers option is displayed.



[Img-15]

On navigating from this option, only **Receipt** and **Sales Vouchers** are enabled for recording transactions.



[Img-16]

If the user **Arun** navigates to **Day Book**, Tally.ERP 9 will display all the Vouchers recorded during the period specified, but will not allow the user to Alter/Print the Vouchers which are restricted. If the user selects any Voucher other than Receipt or Sales Vouchers, Tally.ERP 9 will display the error **No Access Allowed!**.

Day Book		ABC Company		Ctrl + M	
Day Book				1-Apr-2009 to 1-Apr-2011	
Date	Particulars	Vch Type	Vch No.	Debit Amount Inwards Qty	Credit Amount Outwards Qty
5-4-2009	Advertisement Expenses	Journal	1	5,00,000.00	
8-4-2009	Advertisement Expenses	Journal	2	1,12,360.00	
10-4-2009	Pheonix Agencies	Purchase	1		1,50,000.00
14-4-2009	Pheonix Agencies	Journal	3	4,250.00	
14-4-2009	Pheonix Agencies	Purchase	2		1,25,000.00
20-4-2009	Pheonix Agencies	Purchase	3		30,000.00
22-4-2009	Pheonix Agencies	Journal	4	2,100.00	
24-4-2009	Pheonix Agencies	Payment	1	10,000.00	
25-4-2009	Advertisement Expenses	Journal	5	20,000.00	
30-4-2009	Commission Charges	Journal	6	80,000.00	
5-5-2009	TDS – Commission Or Brokerage	Payment	2	6,000.00	
5-5-2009	Rent Expenses	Journal	7	10,00,000.00	
6-5-2009	TDS – Contractors	Payment	3	10,550.00	
15-5-2009	Commission Charges	Journal	8	2,00,000.00	
20-5-2009	Mark IT Solutions	Debit Note	1	1,80,000.00	
25-5-2009	Royalty Expenses	Journal	9	15,00,000.00	
26-5-2009	Advertisement Expenses	Journal	10	25,00,000.00	
7-6-2009	TDS – Contractors	Payment	4	25,000.00	
7-6-2009	TDS – Payments to Non-Residents	Payment	5	1,50,000.00	
1-7-2009	Pheonix Agencies	Payment	6	24,86,717.00	
1-7-2009	Smart Agencies	Receipt	1		
1-7-2009	Pheonix Agencies	Journal	11		
1-7-2009	Pheonix Agencies	Credit Note	1		
1-8-2009	Smart Agencies	Payment	7		
1-8-2009	Smart Agencies	Journal	12		
1-8-2009	Smart Agencies	Credit Note	2		
2-8-2009	AK Enterprises	Purchase	4		
5-8-2009	Packing Expenses	Journal	13		
6-8-2009	Canara Bank	Purchase	5		
10-8-2009	Capital Work In Progress (Machine)	Journal	14		

No Access Allowed!

(press any key)

[Img-17]

### Security for pre-defined groups of Vouchers

Tally.ERP 9 provides four pre-defined groups of Vouchers in order to facilitate users to quickly configure Voucher level security.

The Voucher Types in Tally.ERP 9 are grouped under the following categories:

#### 1. Accounting Vouchers

The following Voucher Types are grouped under Accounting Vouchers:

- Contra
- Payment
- Receipt
- Journal
- Sales
- Credit Note
- Purchase
- Debit Note

- Reversing Journal
- Memorandum

## **2. Inventory Vouchers**

The following Voucher Types are grouped under Inventory Vouchers:

- Rejections In
- Rejections Out
- Stock Journal
- Delivery Note
- Receipt Note
- Physical Stock
- Material In
- Material Out

## **3. Order Vouchers**

The following Voucher Types are grouped under Order Vouchers:

- Sales Order
- Purchase Order
- Job Work Out Order
- Job Work In Order

## **4. Payroll Vouchers**

The following Voucher Types are grouped under Payroll Vouchers:

- Payroll
- Attendance

### Points to remember:

- If users are **Allowed/Disallowed** access to any of the groups listed above, the **Voucher Types** listed under the respective group will also carry the same access configuration.
- Disallowing access to Voucher Types will not affect the user's access to **Create** Voucher Types. To restrict a user from Creating Voucher Types, access to Masters has to be Disallowed.

Therefore, according to the example above, as Arun has been Disallowed access to Payment Voucher, he cannot **record transactions** using Payment Vouchers, but he can still **Create** a Voucher under Payment Voucher Type. To restrict Arun's access for Creating Vouchers under Payment Voucher Type, access to Accounting Masters has to be Disallowed.

### Voucher Type Security Add-ons and Voucher Type Security feature in Tally.ERP 9

If an Add-on for providing Voucher Type Security is already in use,

- Access configurations defined using Tally.ERP 9 and the Add-on will be combined.  
**Example:** If, for User A, Full Access to Payment Voucher is Disallowed in Tally.ERP 9, and in the Add-on Full Access to Receipt Voucher is Disallowed, User A will not be able to access both Payment and Receipt Vouchers.
- Tally.ERP 9's Voucher Type Security configuration will override the Add-on's configuration.  
**Example:** If for User A, Full Access to the group **Accounting Vouchers** is **Disallowed** in Tally.ERP 9, and in the Add-on Full Access to **Payment Voucher** is **Allowed**, User A will not be able to access Payment Voucher.

## Password Policy - in Tally.ERP 9

Keeping financial data safe is of utmost importance to preserve its purity, avoid unauthorized changes and to keep customers' financial information safe.

A good password policy will enhance data security and allow only authorized users to view financial data. In Tally.ERP 9, the Administrator can set a password policy in place; which users will have to adhere to, while creating and managing passwords for their company.

### Features of Password Policy

#### Password Strength

**Password Strength** is the level of complexity which is attributed to your password, which will keep it safe from unauthorized attempts to retrieve or guess it. The components that decide the strength of a password are its length, complexity and unpredictability.

Using strong passwords lowers overall risk of security breach, but strong passwords do not replace the need for other effective security controls.

**Password Strength** is one of the password policies that comprise of two elements:

- **Minimum Password Length** is the least number of characters that a password for a user, should contain.
- **Password Combinations** helps users to strengthen their passwords and makes it difficult for unauthorized users to figure out these passwords.

### Password Expiry

**Password Expiry** is a mechanism which requires users to change their passwords regularly. This is done because, over time users tend to give out their passwords, write it down, or otherwise compromise the secrecy of their passwords. Passwords leaked over time pose a security risk, which is mitigated by Password Expiry.

Password Expiry mechanism expects users to change their passwords at regular time intervals. This time interval is defined by the Administrator.

For example: If Administrator configures the Password Expiry as 90 days, users have to change their passwords every 90 days.

**Password Expiry** has another feature:

- **Notifying users when password expires**

Users will be notified before their passwords get expired, when they log-in to the company.

For example: If Administrator configures the Notification to be sent before password expiry as 5 days. Users will be notified from the 85th day about the password expiry till they change the password.

### Password History

It's possible to maintain a user's password history and prevent the user from re-using their old passwords. The Administrator can specify how many previous passwords that should be stored in the **Password History**.

This would help in maintaining the secrecy of the Company data.

### Policy Overriding

Some users can be excluded from following the Password Policy as they might be higher up in grade than the Administrator, like Supervisor, Manager, etc. For these users the Administrator can remove the Password Policy.

### Allow user to change Password

The Administrator can allow a user to change his/her own password at any point in time as per the Password Policy described.

## Configuring Password Policy - in Tally.ERP 9

**Password Policy** is implemented in Tally.ERP 9 from Release 3.6. Based on this, there are two types of users:

- Existing/Old Tally users (i.e., Tally users before Release 3.6 )
- New Users Of Tally (Fresh Users from Release 3.6 )

For both users, Password Policy will be applicable, only if they activate it.

To do so,



Go to **Gateway of Tally > Company Info > Security Control > Password Policy**



The **Password Policy for Company** screen will appear as shown:

<u><b>Password Policy for Company</b></u>	
Name: <b>ABC Company</b>	
Activate Password Policy	: <b>No</b>
<u>Password Strength</u>	
Minimum Password Length	: 8
Specify ADVANCED Password Strength	: No
<u>Password Expiry</u>	
Password Expires after	: 90 Day(s)
<i>(Set '0' to disable Password Expiry)</i>	
Notify users before password expires	? No
Restrict the use of old passwords	? No
<u>Other Options</u>	
Change password on first login	? No
Allow users to change password	? No

Set **Yes** to the option – **Activate Password Policy**.

**Note:** Administrator can also disable the same after some interval. Policy will retain the same values once it is re-enabled.

To configure the various features of Password Policy, click on the links below:

**1. Password Strength**

**2. Password Expiry**

**3. Password History**

**4. Policy Overriding**

**5. Changing password on first login**

**6. Allow Users to Change Password**

**7. Other Features**

**1. Password Strength**

To configure Password Policy for a Security Control enabled Company:

Go to **Gateway of Tally > Company Info > Security Control > Password Policy**

The Password Policy for Company screen will appear as shown:

**Password Policy for Company**Name: **ABC Company**Activate Password Policy : **Yes****Password Strength**Minimum Password Length : **8**Specify ADVANCED Password Strength : **No****Password Expiry**Password Expires after : **90** Day(s)*(Set '0' to disable Password Expiry)*Notify users before password expires ? **No**Restrict the use of old passwords ? **No****Other Options**Change password on first login ? **No**Allow users to change password ? **No**

In **Minimum Password Length** field, the Administrator can specify the minimum number of characters that a password should contain. By default, 8 will be the Minimum Password Length (This value is derived from the PCI-DSS standards).

Administrator can still change this value as per the requirement.

By setting Specify ADVANCED Password Strength to Yes, the Administrator can configure User's Password Strength by instructing them to use Alphabets, Numerals, and Special Characters in the passwords.

### Password Policy for Company

Name: **ABC Company**

Activate Password Policy : **Yes**

#### Password Strength

Minimum Password Length : **8**

Specify **ADVANCED** Password Strength : **Yes**

Minimum No. of Alphabets : **4**

Minimum No. of Numerals : **2**

Minimum No. of Special Characters : **2\_**

#### Password Expiry

Password Expires after : **90** Day(s)

(Set '0' to disable Password Expiry)

Notify users before password expires ? **No**

Restrict the use of old passwords ? **No**

#### Other Options

Change password on first login ? **No**

Allow users to change password ? **No**

The Administrator can specify the Minimum number of the Alphabets, Numerical, and Special Characters that the password should comprise.

This will help user to form a strong password.

**Note:** If the Password Length is 0 the option, **Specify ADVANCED Password Strength** will be skipped.

## 2. Password Expiry

In the **Password Expiry** section of the Password Policy:

### Password Policy for Company

Name: **ABC Company**

---

Activate Password Policy : **Yes**

#### Password Strength

Minimum Password Length : **8**

Specify ADVANCED Password Strength : **Yes**

Minimum No. of Alphabets : **4**

Minimum No. of Numerals : **2**

Minimum No. of Special Characters : **2**

#### Password Expiry

Password Expires after : **90** Day(s)

(Set '0' to disable Password Expiry)

Notify users before password expires ? **Yes**

Notify before : **1** Day(s)

Restrict the use of old passwords ? **No**

#### Other Options

Change password on first login ? **No**

Allow users to change password ? **No**

Password expiry period can be mentioned in the **Password Expires after** field, in days. By default, the value will be 90 days, which is derived from the PCI-DSS.

Administrator can configure the Notification period for the Password expiry. By default the period will be 1 day.

**Note:** Administrator cannot set **Notify before** value as 0 days.

### **3. Password History**

**Password History** maintained in Tally.ERP 9 is used to restrict the usage of previous passwords. Administrator can configure the No. of old Passwords to be restricted after enabling the option - **Restrict the use of old Passwords**

### Password Policy for Company

Name: **ABC Company**

Activate Password Policy : **Yes**

#### Password Strength

Minimum Password Length : **8**

Specify ADVANCED Password Strength : **Yes**

Minimum No. of Alphabets : **4**

Minimum No. of Numerals : **2**

Minimum No. of Special Characters : **2**

#### Password Expiry

Password Expires after : **90** Day(s)

(Set '0' to disable Password Expiry)

Notify users before password expires ? **Yes**

Notify before : **1** Day(s)

Restrict the use of old passwords ? **Yes**

No. of old passwords to be restricted : **1**

#### Other Options

Change password on first login ? **No**

Allow users to change password ? **No**

**Note:** Administrator cannot set the value as 0 in **No. of old passwords to be restricted**.

## 4. Policy Overriding

Administrator can override Password Policy for particular users as per the requirement.

To override Password Policy for a user:

Go to **Gateway of Tally > Company Info > Security Control > User and Passwords**

List of Users for Company						
Name: ABC Company						
Security Level	Name of User	Password (if any)	Allow Remote Access	Allow Local TDL	Allow SMS Access	
Data Entry	User		No	No	No	

In the **F12: Configuration**, enable **Show Apply Password Policy** as shown:

Configuration	
Show User Status	? Yes
Show Apply Password Policy	? <b>Yes</b>

Apply Password policy column will be appear in the List of Users for Company screen.

By default it will be enabled for all users.

List of Users for Company							
Name: ABC Company							
Security Level	Name of User	Password (if any)	User Status	Apply Password Policy	Allow Remote Access	Allow Local TDL	Allow SMS Access
Data Entry	User		Active	Yes	No	No	No

Administrator can disable this option for some users as per his requirements.

## 5. Change password on first login

If the password policy followed in the organisation requires users to change their passwords upon first login, enable the option Change password on first login:

So when a user, say **User A**, logs into the company for the first time, the **Change Password** screen appears as shown, with the message **Password policy requires you to change password on first login**:

- **Current/Existing Password**: Enter the existing password in this field
- **New Password**: Enter the password you wish to use in this field
- **Repeat New Password**: Enter the password that was entered in **New Password** field
- The strength of the new password will be indicated below the **Repeat New Password** field.

## 6. Allow user to change Password

As a part of Password policy, Administrator can also allow his users to change their own passwords.

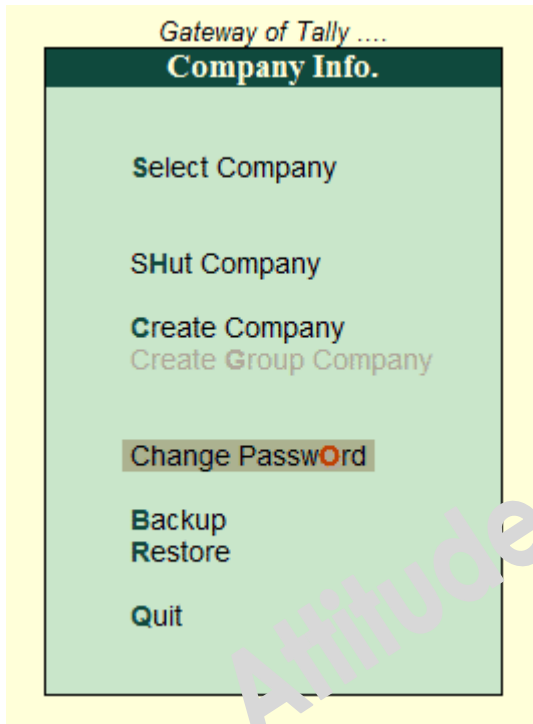
He can enable this option in the Password Policy screen as shown:

<u>Password Policy for Company</u>	
Name: <b>ABC Company</b>	
Activate Password Policy	: <b>Yes</b>
<u>Password Strength</u>	
Minimum Password Length	: <b>8</b>
Specify ADVANCED Password Strength	: <b>Yes</b>
Minimum No. of Alphabets	: <b>4</b>
Minimum No. of Numerals	: <b>2</b>
Minimum No. of Special Characters	: <b>2</b>
<u>Password Expiry</u>	
Password Expires after	: <b>90</b> Day(s)
<i>(Set '0' to disable Password Expiry)</i>	
Notify users before password expires	? <b>Yes</b>
Notify before	: <b>1</b> Day(s)
Restrict the use of old passwords	? <b>Yes</b>
No. of old passwords to be restricted	: <b>1</b>
<u>Other Options</u>	
Change password on first login	? <b>No</b>
Allow users to change password	? <b>Yes</b>

If this option is enabled, user can change their password in:

Gateway of Tally > Company Info.





Upon clicking Change Password, the Change Password screen is displayed:

- **Current/Existing Password:** Enter the existing password in this field
- **New Password:** Enter the password you wish to use in this field
- **Repeat New Password:** Enter the password that was entered in **New Password** field
- The strength of the new password will be indicated below the **Repeat New Password** field.

## 7. Other Features

### User Status

Apart from configuring Password Policy, Administrator can also make a user Active or Inactive. Only active users are allowed to log in to the company while Inactive users are not allowed to load the company.

To set the status for a user:

Go to Gateway of Tally > Company Info > Security Control > User and passwords > F12: Configure

And enable Show User Status.

<u>Configuration</u>	
Show User Status	? Yes
Show Apply Password Policy	? Yes

User Status column will appear in the List of Users for Company screen.

By default, all users will be **Active**.



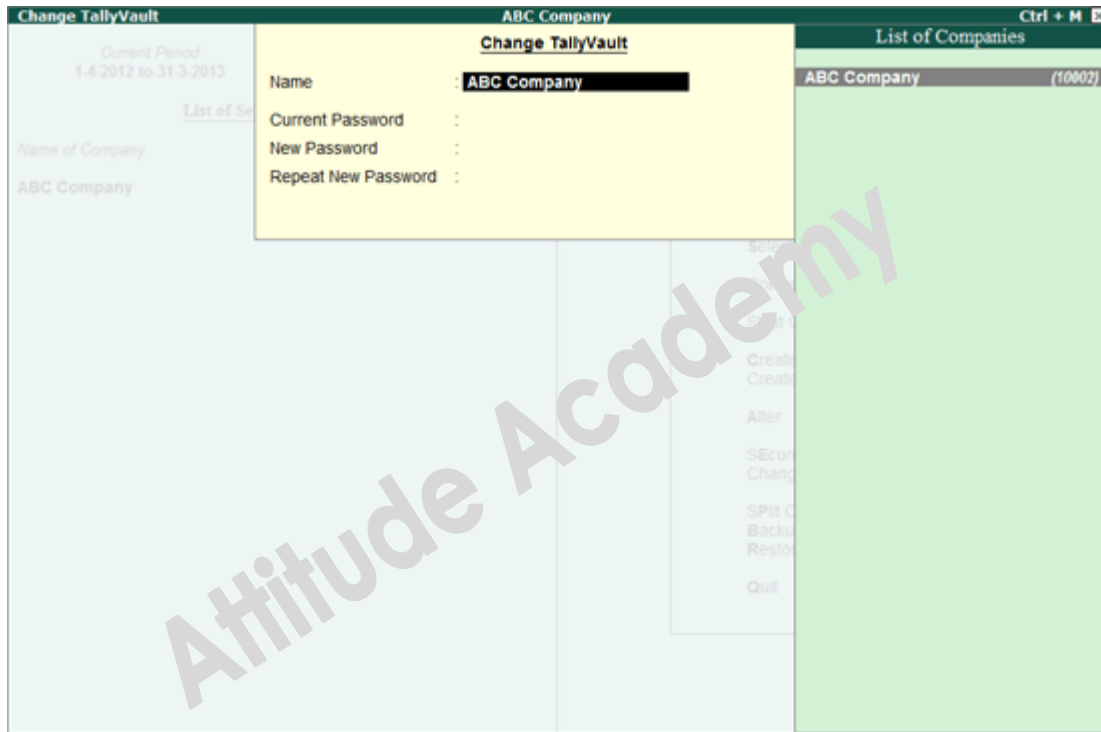
List of Users for Company						
Name: ABC Company						
Security Level	Name of User	Password (if any)	User Status	Apply Password	Allow Remote TDL	Allow Local SMS Access
Data Entry	User		Active	Active	No	No

Administrator can make a user **Inactive**, after which the user will be restricted to log in to the company.

## Enabling TallyVault - in Tally.ERP 9

The user can enter the TallyVault password while creating the company or execute the following steps to provide the TallyVault password for existing companies.

1. Load the Company that has to be secured using TallyVault.
2. Go to **Gateway of Tally press F3 : Company Info > Change TallyVault**



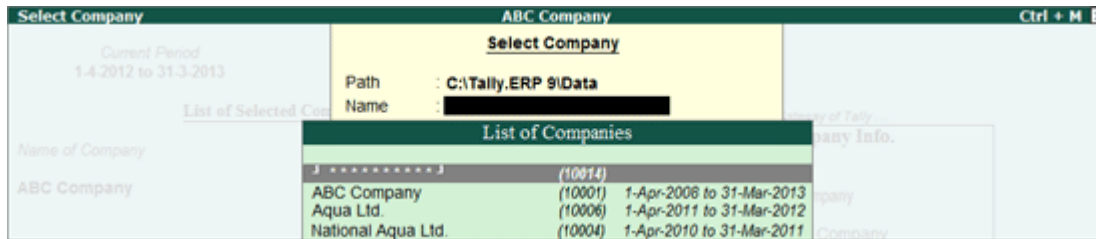
3. In the **Change TallyVault** screen select the required company from the List of Companies.
4. Enter the Password in the New Password field. Tally.ERP 9 displays the strength of the password entered depending on the combination - Alphabets, Numbers and Special Characters.

**Note:** To understand the conditions that determine a Password's strength, click **Password Strength Indicator**.

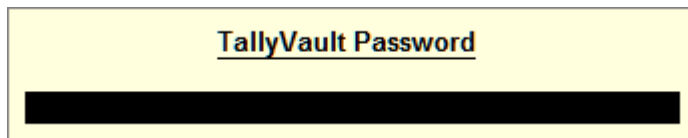
3. Re-enter the password to confirm in the Repeat New Password field.
4. Accept to Change the TallyVault password.
5. Tally.ERP 9 displays a message Created New Company followed by the new Company Number, press any key to return to Company Info menu.

Once the company data is encrypted the Name of the Company and Financial Year will not be visible in the Select Company screen.

8. In the Company Info, press Select
9. The Select Company screen with the encrypted company is displayed as shown.



10. Select the encrypted company, Tally.ERP 9 will prompt the user to provide the TallyVault password.



11. Provide the required password and the company data is available for use in a readable format.

The above procedure will ensure that the data/information is available only to authorised users.

To enable TallyVault while creating a new company, you must provide the TallyVault password and repeat the password, the new company created will be secured using TallyVault.

## Altering TallyVault for a Company - in Tally.ERP 9

To alter the TallyVault for an existing company execute the following steps:

Go to **Gateway of Tally > Press F3: Company Info > Change TallyVault**

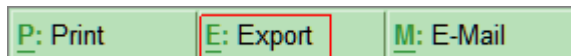
Repeat the entire process as described in Enabling TallyVault in Existing Company. The Change TallyVault screen has an additional field Current Password; enter the present password in the Current Password field. Enter the new password in the New Password field and repeat the same password in the Repeat New Password field.

1. Accept to Change the TallyVault password.
2. Tally.ERP 9 prompts the user with a message Created New Company

## Export Of Data - in Tally.ERP 9

The Export option in Tally.ERP 9 allows the user to export reports or data. The exported reports or data can be viewed or published using any one of the standard formats available. You can also import the same data into another company using Tally.ERP 9.

The user can open any report in Tally.ERP 9 and click on the **E: Export** button or press **Alt + E** to export data.

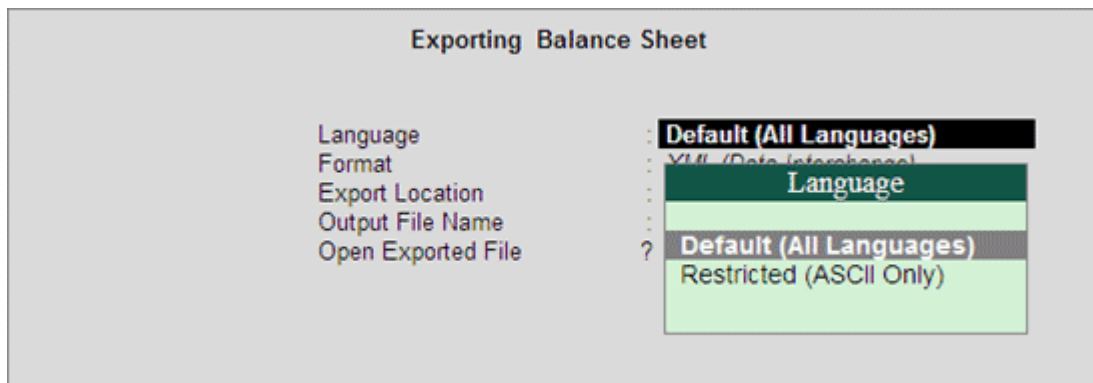


[Img-27]

The Report Generation screen is displayed with the export details. Press Yes to accept or press Backspace to change the export details.

### Language

Based on the option selected in the Language field, the user can export reports in English or any of the available Indian Language. When the user selects Default (All Languages) the report is exported in any available Indian Language. If the user selects Restricted (ASCII Only), the reports are exported in English only. However, the user has to select the appropriate display language before exporting.



[Img-28]

**Note:** If the user selects **Restricted (ASCII Only) Language** and uses **PDF /HTML Format** to export reports of a company created using any one of the available **Indian Languages (without English alias)**, the exported values will appear as **Question Marks (?)**.

### Formats

By default Tally.ERP 9 supports the following export formats, to read more about the Export Formats click on one of the corresponding links:

- **ASCII (Comma Delimited)**
- **Excel (Spreadsheet)**

- **HTML (Web Publishing)**
- **JPEG (Image)**
- **PDF (Portable Data Format)**
- **XML (Data Interchange)**

## Export Formats - in Tally.ERP 9

The Export functionality available in Tally.ERP 9 allows the user to export data or report in any one of the standard available formats. Tally.ERP 9 allows the user to select the required format before exporting the data and based on the format selected the user needs to specify the resolution, page size and formatting.

Tally.ERP 9 also allows you to export the data in non-editable formats such as JPEG and PDF formats. The JPEG format has the with dual facility, where the user can store the file in printable format or as an image.

Exporting Balance Sheet															
Language	: Default (All Languages)														
Format	: <b>JPEG (Image)</b>														
Export Location	: C:\Program Files\Tally.ERP9														
Output File Name															
Generate Image															
Page Size															
<table border="1"> <thead> <tr> <th colspan="2">Format</th> </tr> </thead> <tbody> <tr> <td>ASCII (Comma delimited)</td> <td></td> </tr> <tr> <td>Excel (Spreadsheet)</td> <td></td> </tr> <tr> <td>HTML (web-publishing)</td> <td></td> </tr> <tr> <td><b>JPEG (Image)</b></td> <td></td> </tr> <tr> <td>PDF (Portable Document Format)</td> <td></td> </tr> <tr> <td>XML (data interchange)</td> <td></td> </tr> </tbody> </table>		Format		ASCII (Comma delimited)		Excel (Spreadsheet)		HTML (web-publishing)		<b>JPEG (Image)</b>		PDF (Portable Document Format)		XML (data interchange)	
Format															
ASCII (Comma delimited)															
Excel (Spreadsheet)															
HTML (web-publishing)															
<b>JPEG (Image)</b>															
PDF (Portable Document Format)															
XML (data interchange)															
Scale Factor for Values															
Format	: Detailed														
Show Vertical Balance Sheet	? No														
Profit or Loss, both as Liability	? No														
Show Percentages	? No														
Show Working Capital figures	? No														
Method of showing Balance Sheet	? Liabilities / Assets														

[Img-29]

### ASCII (Comma Delimited)

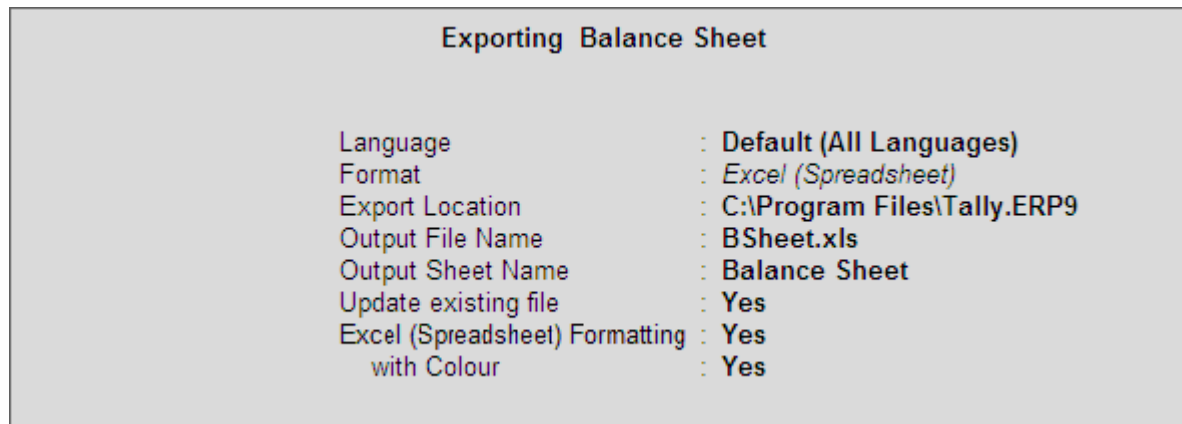
By selecting the ASCII (Comma Delimited) format, the user can export all the reports or data from Tally.ERP 9. The data exported is converted to plain text separated with commas and stored in a file with the extension .txt. This file format is widely used for emailing and used for importing data into another company using Tally.ERP 9



[Img-30]

### Excel Spreadsheet

The user can export data and reports generated in Tally.ERP 9 to Excel by selecting the Excel (Spreadsheet) format. The report or data is put in columns and the file is saved with the extension .xls. Tally.ERP 9 also gives the user an option to export data with formatting and background colour as it appears in Tally.ERP 9. The user can set the formatting and background colour in the Report Generation screen. The Excel file can be emailed as an attachment and also used to generate graphs for better presentation.



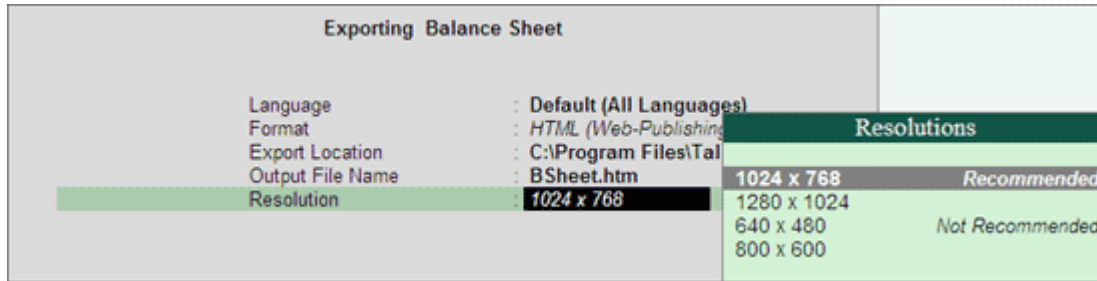
[Img-31]

Note: Export to Excel is compatible with Microsoft Office 97 or higher versions only.

Tally.ERP 9 exports the data faster when **Excel (Spreadsheet) Formatting** is set to **No**

### HTML (Web Publishing)

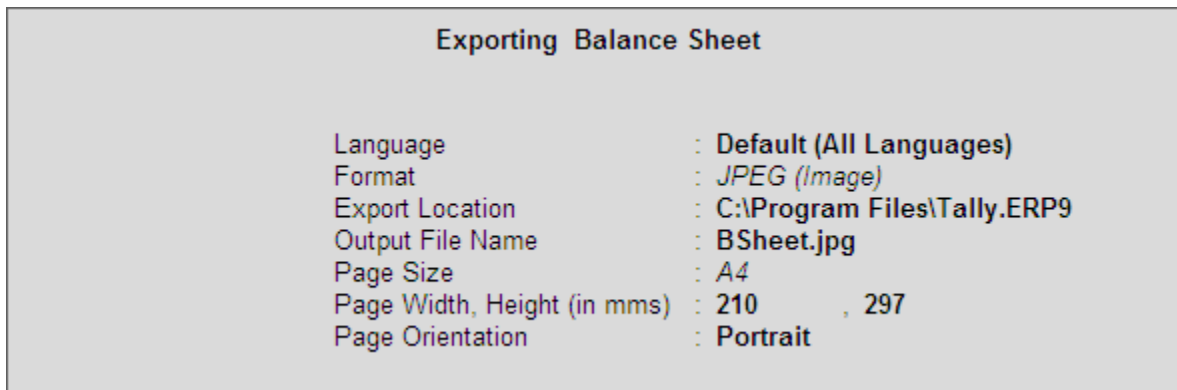
On selecting the HTML (Web Publishing) format, Tally.ERP 9 exports the data in HTML format retaining the colours and formatting. The file name has an extension .htm, It can be sent as an attachment and read using an internet browser. It is recommended to choose a higher resolution for better quality output.



[Img-32]

### JPEG (Image)

On selecting this format the specified report is exported as an image file which is stored with an extension **.jpg** in the specified folder. The image file generated is non-editable, platform independent and supports the highest level of compression. The user needs to specify the paper orientation and paper size, opting to store the report on a **User defined** or customised paper size, the user is required to specify the page width and height in millimeters. This image file can be mailed as an attachment to a recipient, viewed using an image viewer and printed.

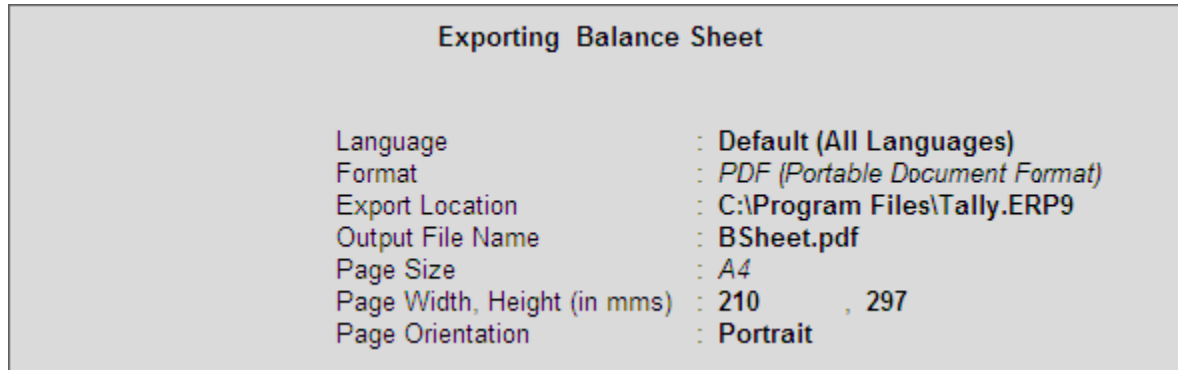


[Img-33]

### PDF (Portable Document Format)

The report is converted to a portable data format document which is independent of the application software, hardware and operating system. This document can be viewed using the Adobe Acrobat Reader commonly known as the PDF Reader. On exporting the data using **PDF** format, the file is stored in the specified location and assigned the extension **.pdf**. While configuring the system to export data to PDF it is necessary for the user to specify the paper orientation and paper size. On opting to store the report with **User defined** or customised paper dimensions, the user is required to specify the page width and height in millimeters. This PDF file can be mailed as an attachment to the desired recipient and viewed using the Adobe Acrobat reader or PDF reader.





[Img-34]

### XML (data interchange)

Extensible Markup Language (XML) is an extension of HTML. Using XML, data can be imported by other systems. An XML file from Tally.ERP 9 has an XML envelope and formatted with XML tags to enable import into other systems. The destination system requires re-formatting of XSLT (XML Style Sheets) based on the inherent style used in Tally before importing the data. When two systems are running different versions of Tally, XML data can be directly imported using the import menu option, without re-formatting.



[Img-35]

**Note** :Data stored in Tally 7.2 can be exported to Tally 9 or Tally.ERP 9. However data stored in Tally 9 or Tally.ERP cannot be exported to Tally 7.2.  
The exported files in any of the selected format are stored in **C:\Tally.ERP 9** for **Windows XP** and **C:\Program Files\ Tally.ERP9** for **Windows 7** operating

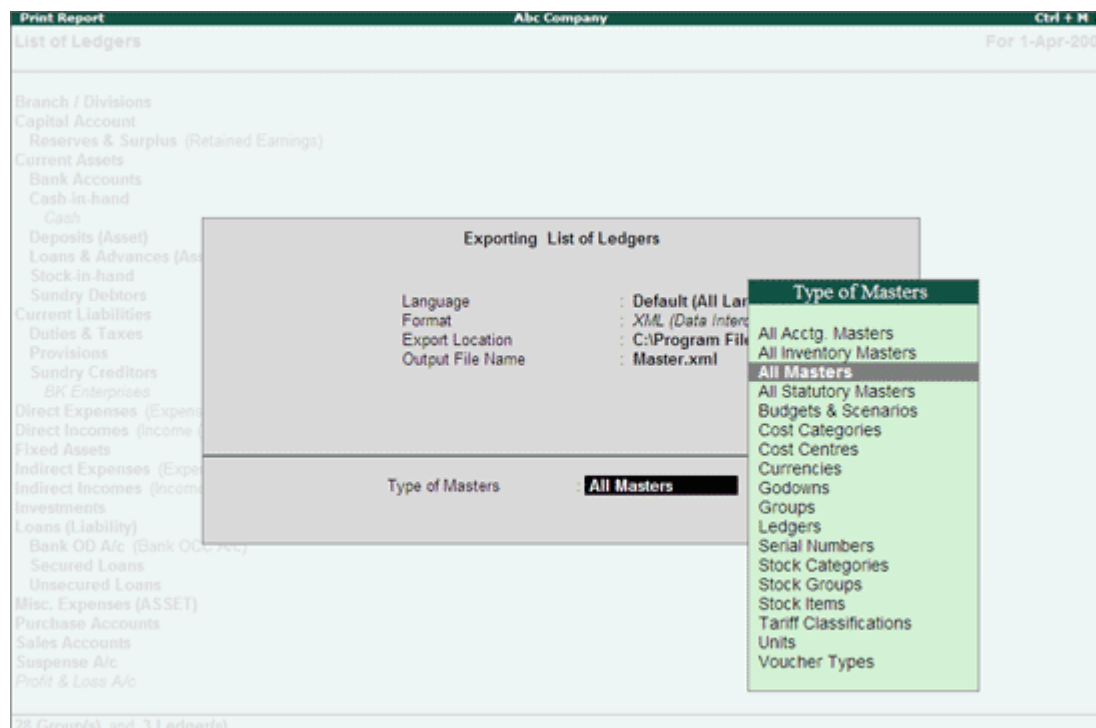
## Export Data from Masters - in Tally.ERP 9

With the Export feature of Tally.ERP 9, you can export Tally.ERP 9 data using the available formats. The exported data can be used by other programs. To export the Masters from Tally.ERP 9 execute the following steps:

Go to **Gateway of Tally > Display > List of Accounts**

1. In the **List of Accounts** screen press **E : Export**.
2. Select the **Language** in which you want the data to be exported.
3. Select a format from the list of Formats available.
4. Press **Enter** to accept the default Output Filename. In case you want to save the file in another

folder then type the desired path and filename.



[Img-36]

5. **Accept** to export the Masters to a XML format file.

The exported file is saved in the default Tally.ERP9 folder or the specified folder.

## Export to Excel - in Tally.ERP 9

Using the Export feature you can export Tally.ERP 9 data to Excel. Data exported to Excel can be e-mailed as an attachment, used to generate graphs for better presentation and further analysis.

Go to **Gateway of Tally > Balance Sheet**

1. In the **Balance** sheet screen click **E : Export** or press **Alt+E**.
2. Select the required **language** from the list of **Languages** displayed.
3. Select a format from the list of Formats displayed.
4. By default, the exported file will be stored in **C:\Program Files\Tally.ERP 9** for **Windows 7** and **C:\Tally.ERP 9** for **Windows XP** operating systems
5. Press **Enter** to accept the default **Output Filename** or type the filename of your choice in order to save the file with a different name.
6. Press **Enter** to accept the default Output Sheet Name.
7. To update the existing file select **Yes** in **Update Existing File**.

8. To format the contents of the file select **Yes** in **Excel (Spreadsheet) formatting**.
9. Select **Yes** for the Field **with Colour**, to retain the background colour in the exported file.

Exporting Balance Sheet			
↑ ... 1 more			
Format	: <i>Excel (Spreadsheet)</i>		
Export Location	: C:\Program Files\Tally.ERP9		
Output File Name	: BSheet.xls		
Output Sheet Name	: Balance Sheet		
Update existing file	: Yes		
Excel (Spreadsheet) Formatting with Colour	: Yes		
Scale Factor for Values	: Default		
Format	: Detailed		
Show Vertical Balance Sheet	? No		
Profit or Loss, both as Liability	? No		
Show Percentages	? No		
Show Working Capital figures	? No		
Method of showing Balance Sheet	? Liabilities / Assets		
<table border="1" style="border-collapse: collapse;"> <tr> <td style="padding: 5px; text-align: center;"><b>Export ?</b></td> </tr> <tr> <td style="padding: 5px; text-align: center; color: red;">Yes or No</td> </tr> </table>		<b>Export ?</b>	Yes or No
<b>Export ?</b>			
Yes or No			

[Img-37]

9. **Accept** to export the **Balance Sheet** to an excel file.

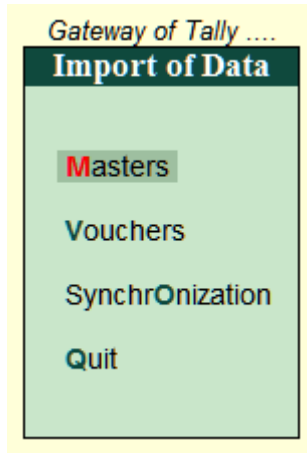
The exported file is saved in the default Tally.ERP9 or the specified folder, you can use this file for further analysis.

## Import Data - in Tally.ERP 9

In Tally.ERP 9 you can import data from earlier versions of Tally, Tally.ERP 9 and any third party application using the predefined format of XML.

### To Import Data

- Go to **Gateway of Tally > Import of Data**
- The Import of Data menu is displayed as shown.



[Img-38]

To read more on the step by step procedure for importing masters, vouchers and synchronization click one of the corresponding links:

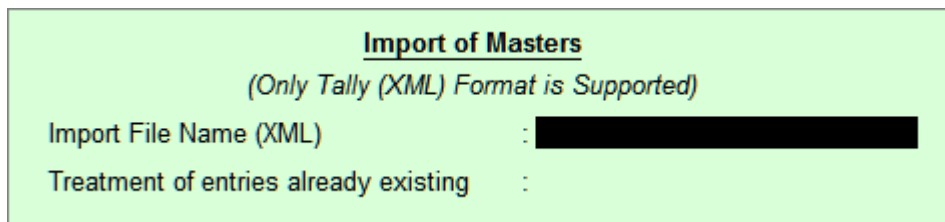
- [Masters](#)
- [Vouchers](#)
- [Synchronization](#)



## Import Formats - in Tally.ERP 9

### Import Formats

Tally.ERP 9 supports XML format to import data.



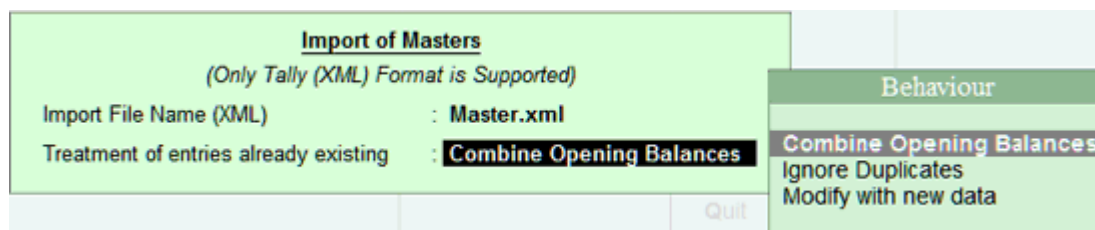
[Img-39]

## Import Masters - in Tally.ERP 9

To Import Masters execute the following steps:

Go to **Gateway of Tally > Import of Data > Masters**

1. In the Import of Masters screen:
  - Enter the required path and filename in the Import File Name (XML) field. If the file is located in the default folder, then you need to provide the filename only.
  - In the field Treatment of entries already existing select the required Behaviour
  - Combine Opening Balances: Select this option to import data of different branches and consolidate the opening balances. You can also select this option when the opening balances of existing masters are Zero and need to be overwritten by the balances in the data being imported.
  - Ignore Duplicates Select this option to import new masters along with the existing masters in Tally ignoring the duplicates.
  - Modify with New Data Select this option to replace the existing balances with those existing in the data imported and also override the other options available in Behaviour list.



[Img-40]

2. Press **Enter** to Import Masters.
3. Double click on **Tally.imp** file located in the Tally.ERP folder to view the import log.

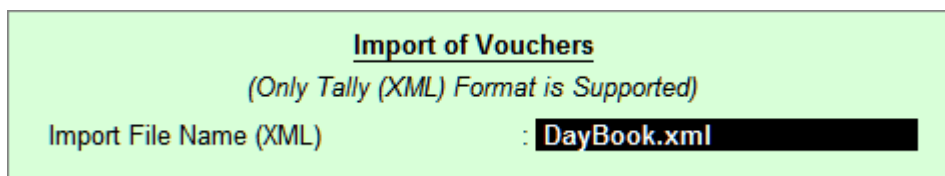


## Import Vouchers - in Tally.ERP 9

To import vouchers execute the following steps:

Go to **Gateway of Tally > Import of Data > Vouchers**

1. In the **Import of Vouchers** screen, enter the required path and filename in the **Import File Name (XML)** field.



[Img-41]

2. Press **Enter** to import the Vouchers
3. Double click on **Tally.imp** file located in the Tally.ERP 9 folder to view the import log.

## ODBC - in Tally.ERP 9

With Open Database Connectivity you can dynamically exchange data between Tally.ERP 9 and any other application dynamically.

You must ensure that MS-Query is installed on the computer in which you will be installing Tally.ERP 9. This enables ODBC as soon as Tally.ERP 9 is installed.

The ODBC server is displayed on the information block of the information pane.

To read more on the inward and outward connectivity click on one of the corresponding links below:

- [Outward Connectivity](#)
- [Inward Connectivity](#)

## Outward Connectivity

Using the outward connectivity feature of Tally.ERP 9, you can transfer data between programs without additional programming. The user can transfer data from Tally.ERP 9 to Microsoft Word or Excel.

Using the Outward Connectivity feature you can:

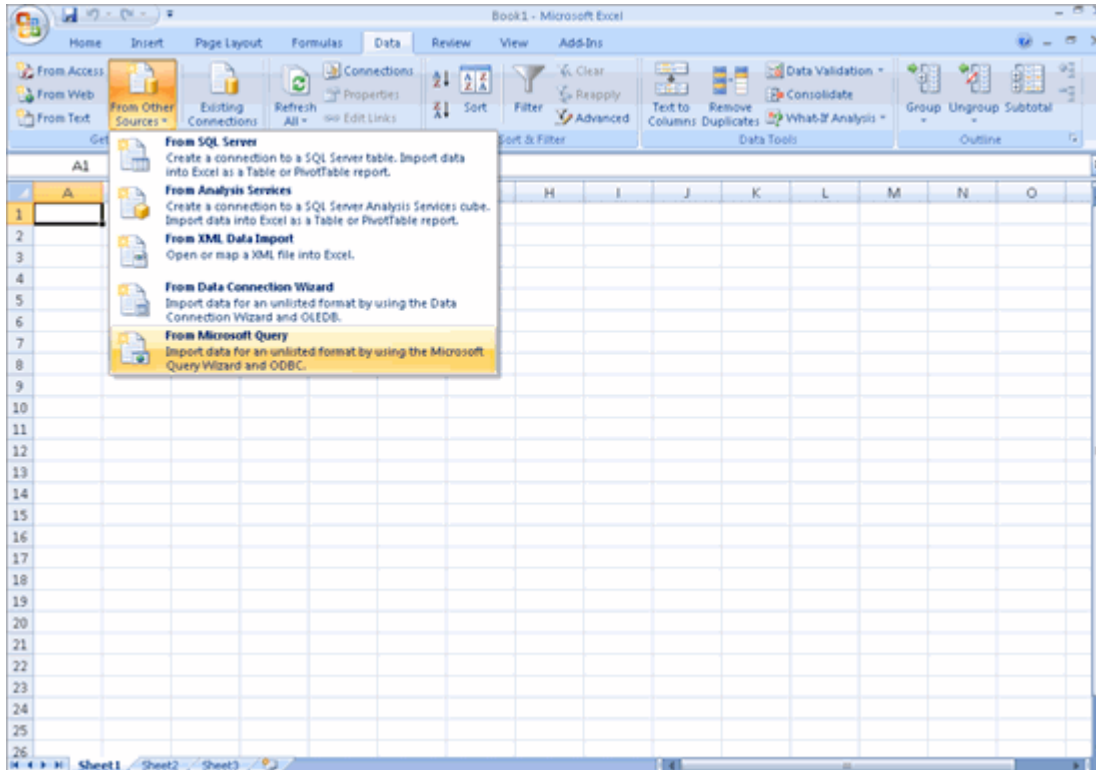
1.
  - Generate Labels from ledger addresses stored in Tally.ERP 9
  - Create templates for reports, forms and plug in up-to-date data from Tally.ERP 9.
  - Tally.ERP 9 ODBC with Microsoft Excel

## Outward Connectivity from Tally.ERP 9

Using the ODBC feature available in Tally.ERP 9 the user can extract the necessary data in Excel and generate the required reports.

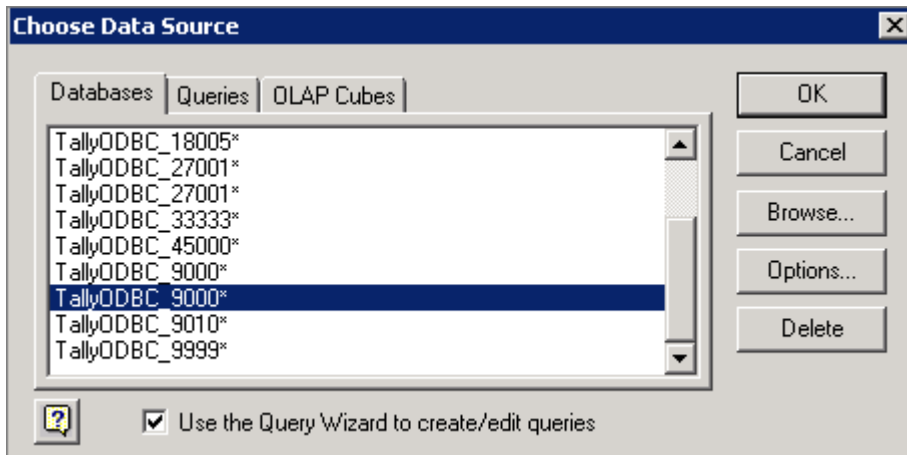
To extract data from Tally.ERP 9 in Excel execute the following steps:

- Start **Tally.ERP 9**. It should be open till the Mail Merge process is complete.
- Ensure that the words **ODBC Server** is visible in the **Information Panel** under **Configuration** section of Tally.ERP 9 screen.
- Open **Excel sheet**
- Go to **Data > From Other Sources > From Microsoft Query** (*Import data for an unlisted format by using the Microsoft Query Wizard*)



[Img-52]

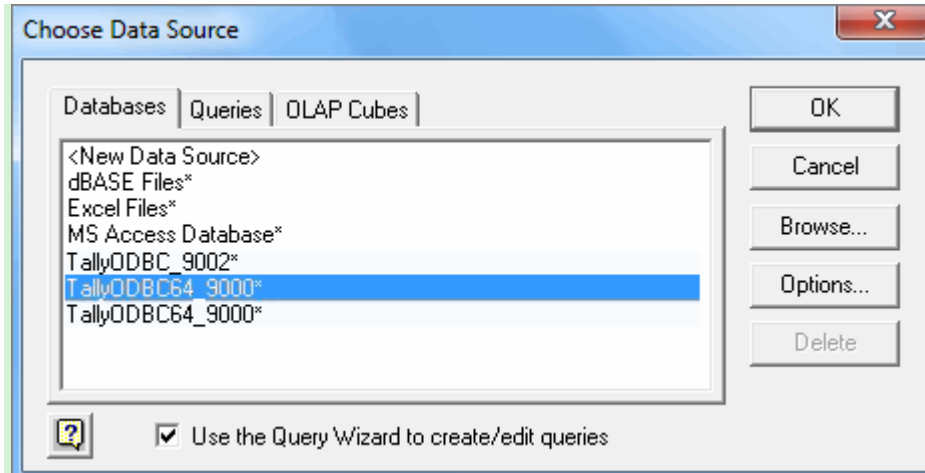
- Choose the **Tally.ERP 9 Source** (Example: TallyODBC 9000\*)
- Click **OK**



[Img-53]

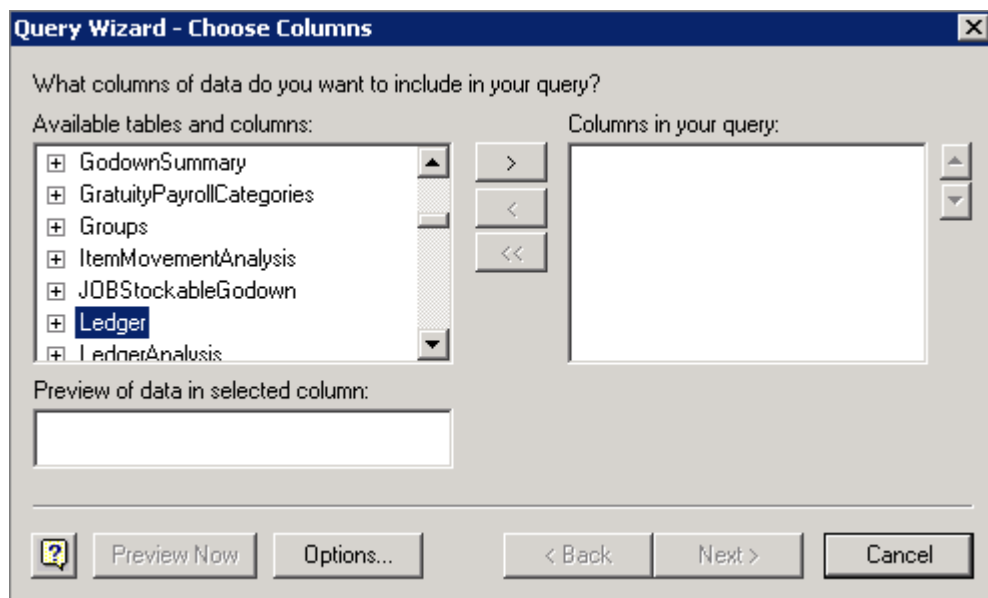
The screen displayed above appears when **Tally.ERP 9 exe** is **32 Bit**.

**Note:** If **Tally.ERP 9 - 64 Bit**, the screen appears as shown below: Observe that the **DSN** (Data Source Name) selected is **TallyODBC64\_9000**, where 9000 is the ODBC Server port number.



[Img-54]

- The **Query Wizard** window opens
- Select **Ledger**

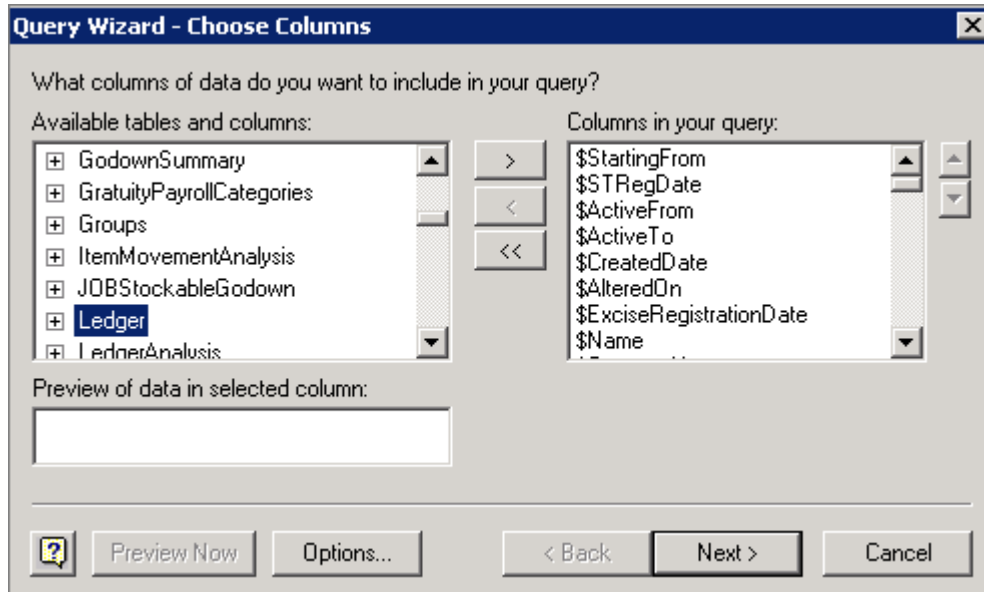


[Img-55]

- **Expand** the list under Ledger and select the required fields and **move** the required fields to the right side

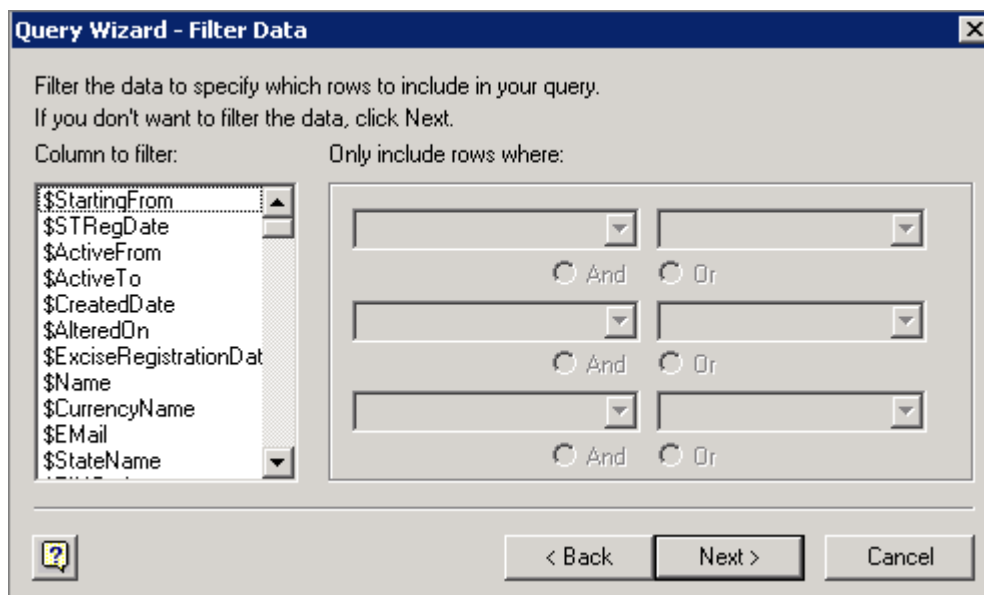






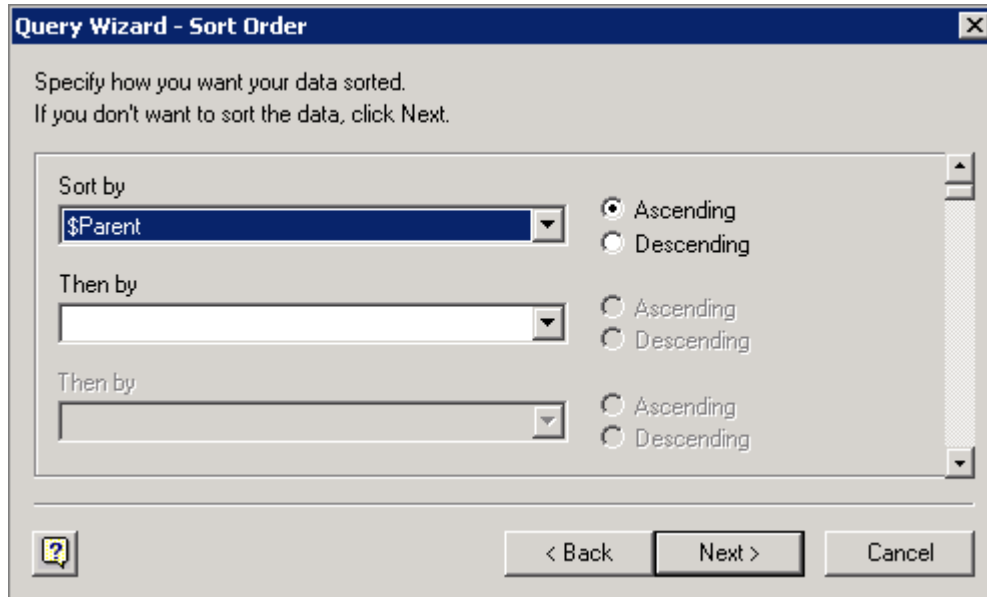
[Img-56]

- Click **Next**



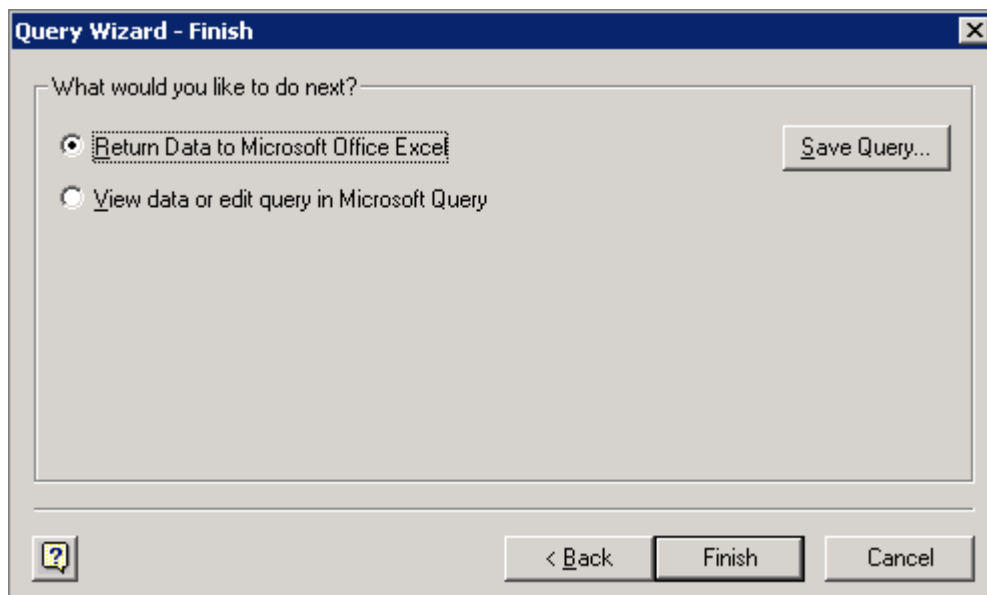
[Img-57]

- Map the Parent as **Sundry Debtors** (if only Sundry debtors are required) or **Sundry Creditor** (if only Sundry Creditors are required) or select **both** one by one, based on the requirement.



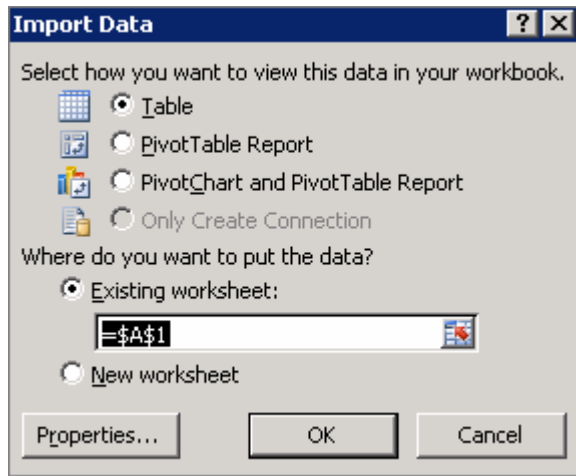
[Img-58]

- Click **Next**
- If any sorting is required select the **sorting**
- Click **Next**
- Click on **Save Query**
- Save the Query in a particular path (Eg. C:\Documents and Settings\User\Application Data\Microsoft\Queries\Query from TallyODBC\_9000.dqy)
- Click on Finish



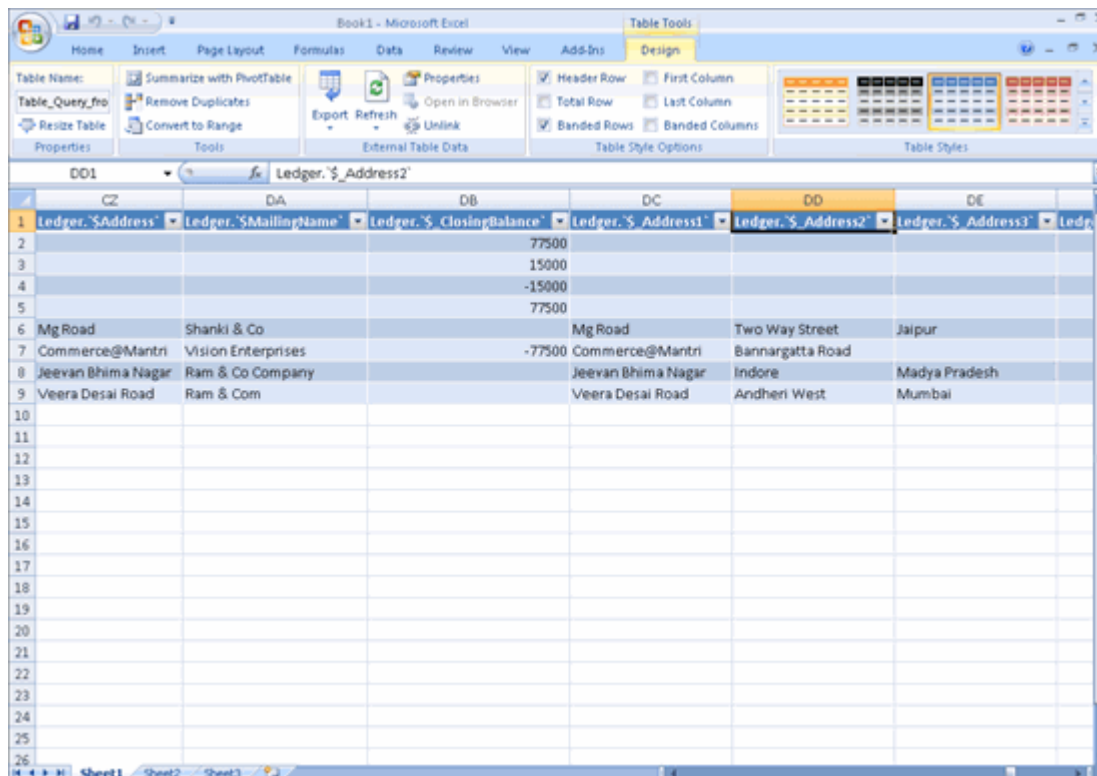
[Img-59]

- The customer data can also be seen in the Excel sheet.
- Click **OK** in the **Import Data** window to import the data to Excel



[Img-60]

- Press **OK**



[Img-61]

**Exceptional cases for 64 Bit compatible scenarios**

There are three important elements whose bitness determine the Export via ODBC process:

- Tally.ERP 9,
- Operating System, and
- MS Office

The ODBC feature works seamlessly when, the Operating System, Tally.ERP 9 and MS Office are all 64-bit. The method for this is as shown above.

However, there is a driver requirement if, the Operating System is 64 Bit, while

- Tally.ERP 9 is 32 bit and MS Office is 64-bit.
- Tally.ERP 9 is 64 bit and MS Office is 32-bit.

As can be seen, in both cases there is a bitness mismatch between Tally.ERP 9 and MS Office. Due to this, Tally.ERP 9 (which acts as the ODBC Server) will not be able to communicate with MS Excel and hence data will not be exported.

Now, to enable data export, a driver is to be installed.

In the first scenario, to export data via ODBC,

- Open the Tally Application folder.
- Select the tool **regodbc64.exe** and **Run as Administrator**. This will install the driver **tallywin64.dat**

In the second scenario,

- Select the tool **regodbc32.exe** and **Run as Administrator**. This will install the driver **tallywin32.dat**

To summarise,

Tally.ERP 9 Bitness	Operating System 64 Bit	
	<b>MS Office 32 Bit</b>	MS Office 64 Bit
32 Bit	Works seamlessly without driver installation	Driver to be Installed: <b>tallywin64.dat</b>  To install, select the tool <b>regodbc64.exe</b> and <b>Run as Admin</b>
64 Bit	Driver to be Installed: <b>tallywin32.dat</b>  To install, select the tool <b>regodbc32.exe</b> and <b>Run as Admin</b>	Works seamlessly without driver installation

[Img-62]

Once the driver has been installed, you can continue with the export process in MS Excel.

## Indward Connectivity

Inward connectivity integrates data from other systems with Tally.ERP 9. With this feature you can use data from other systems in Tally.ERP 9 by creating an integrated system.

For example, a customer contact management program containing details like status of an order and last contact made can be brought into Tally.ERP 9 and merged into a report containing outstanding balances. Changes made to the data are immediately reflected in Tally.ERP 9.

To connect to other programs and use external data in Tally.ERP 9, you can contact the nearest Tally Offices or send an email to [support@tallysolutions.com](mailto:support@tallysolutions.com).

Attitude Academy

## Printing Company Logos On Reports And Invoices

*Did you know that you can now print your company's logo on all your reports and invoices generated by the Tally.ERP 9 system?*

Whom do you think customers trust more or rate higher on credibility—a vendor who hands over an invoice to you with the company logo on it or one who prints an invoice on a plain sheet of paper?

The answer is, of course, the former. If you thought printing such customised invoices and reports meant the additional expense of getting stationery printed with your company logo, you can relax! If you have installed Tally.ERP 9 A Release 3.0 or later, you can print your company's logo on plain paper as this version supports image printing. The logo images should be stored in .bmp, .jpg or .jpeg image formats.

By using the image printing feature, you can now create exclusive reports and documents with your company's logo, which will add to their value and render a unique identity to each official document.

### To configure the logo printing function:

- Go to 'Gateway of Tally > F11: Features > Accounting Features'.
- Set the option 'Enable Company Logo' to 'Yes'.

<b>Other Features</b>	
Enable Cheque Printing	? <b>Yes</b>
Set/Alter Cheque Printing Configuration	? <b>No</b>
Allow Zero valued entries	? <b>Yes</b>
Maintain Multiple Mailing Details for Company & Ledgers	? <b>No</b>
Set/Alter Company Mailing Details	? <b>No</b>
<b>Enable Company Logo</b>	? <b>Yes</b>

### Enabling the printing of the company logo

Then the location of the logo needs to be entered in the 'Company Logo Path' screen.

<b>Company Logo</b>	
Location of Logo	: <b>C:\logo\tallylogo.bmp</b>
<i>- Formats Supported are BMP and JPEG</i>	
<i>- Recommended size is 96 pixels in width X 80 pixels in height</i>	
<i>- Company Logo is printed on specific reports and vouchers only</i>	

### Path for 'logo location' search

Enter the details of the sale in the relevant voucher. Then give the command 'Alt + P' to enable printing.


Accounting Voucher Creation			
Sales		No. 2	
Ref.:		1-Apr-2011 Friday	
Party's A/c Name : All India Computer Institute			
Current Balance :			
Sales Ledger : Sales Accounts			
Name of Item	Quantity	Rate per	Amount
Samsung Laserjet 1500	1 Nos.	10,500.00 Nos.	10,500.00
J End of List			
Narration			1 Nos. 10,500.00

### The command to print the voucher

When the 'Command to Print' is given as 'Yes', then the invoice is printed.

Voucher Printing	
Printer : R&D (Ne01.)	Paper Type : Letter
No. of Copies : 1	
Print Language : English	(Printing Dimensions)
Method : Neat Mode	Paper Size : (8.50" x 10.98") or (215 mm x 279 mm)
Page Range : All	Print Area : (8.19" x 10.71") or (208 mm x 272 mm)
Report Titles	
INVOICE	
(with Print Preview)	
Without Company Phone No.	
Print ?	
Yes or No	

An Invoice with a logo ready for printing

INVOICE					
 <b>Global Trading Corporation</b> No.12, St. Mark Road Bangalore E-Mail: sales@gtc.com		Invoice No.	Dated		
		1	1-Apr-2009		
<b>Buyer</b> All India Computer Institute Bangalore		Delivery Note	Mode/Terms of Payment		
		Supplier's Ref.	Other Reference(s)		
		Buyer's Order No.	Dated		
		Despatch Document No.	Dated		
		Despatched through	Destination		
		Terms of Delivery			
Sl No.	Description of Goods	Quantity	Rate	per	Amount
1	Samsung Laserjet 1500	1 Nos	10,500.00	Nos	10,500.00
		Total	1 Nos		₹ 10,500.00
Amount Chargeable (in words) <span style="float: right;">E &amp; O E</span>					
Indian Rupees Ten Thousand Five Hundred Only					
Declaration		for Global Trading Corporation			
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					

Let us see another example of a Pay slip with a logo:

Global Trading Corporation			
No.12, St. Mark Road Bangalore			
<b>Pay Slip</b> for April-2009			
<b>Ajay</b>			
Employee Number: 001	Income Tax Number (PAN): VK105487P		
Function : Sales	PF Account Number: KN/BN/1618/564		
Designation : Area Sales Manager	ESI Number :		
Location : Bangalore			
Bank Details : 001429137862, HDFC Bank, Koramangala			
Date of Joining : 1-Apr-2007			
<b>Attendance Details</b>	<b>Value</b>		
Overtime	2: 0 Hrs		
Present	26 Days		
<b>Earnings</b>	<b>Amount</b>	<b>Deductions</b>	<b>Amount</b>
Basic	10,000.00	EPF@12%	760.00
HRA	2,000.00	ESI@1.75%	
Conveyance	2,000.00	Profession Tax	150.00
Overtime Pay	200.00	Staff Salary Advance	
Variable Pay	500.00		
Bonus			
<b>Total Earnings</b>	<b>14,700.00</b>	<b>Total Deductions</b>	<b>900.00</b>
		<b>Net Amount</b>	<b>₹ 13,770.00</b>
Amount (in words) <span style="float: right;">for Global Trading Corporation</span>			
Indian Rupees Thirteen Thousand and Seven Hundred Seventy Only			
Authorized Signatory			



As of now, the logo can be printed on the following documents:

- Sales invoice
- Delivery note/challan
- Debit note
- Credit note
- Outstanding receivables
- Reminder letters
- Pay slips
- Purchase orders
- Receipt vouchers
- Confirmation of accounts notes

To disable logo printing on some of the reports, ensure that the option 'Print Company Logo' is set to 'No' in the print configuration. If any logo other than the default one needs to be printed, provide the required path where the new logo is stored in 'Location of logo field'.

As you may have noticed, printing logos on business invoices and reports in Tally.ERP 9 Series A Release 3.0 is a cake walk. It is very simple and can add a touch of finesse to any outgoing document, besides providing a professional look to your stationery.

## Data Backup - in Tally.ERP 9

Data on the computer is vulnerable to different types of threats and any data lost cannot be recovered. Hence, there is a need to store data at a different location by taking a backup.

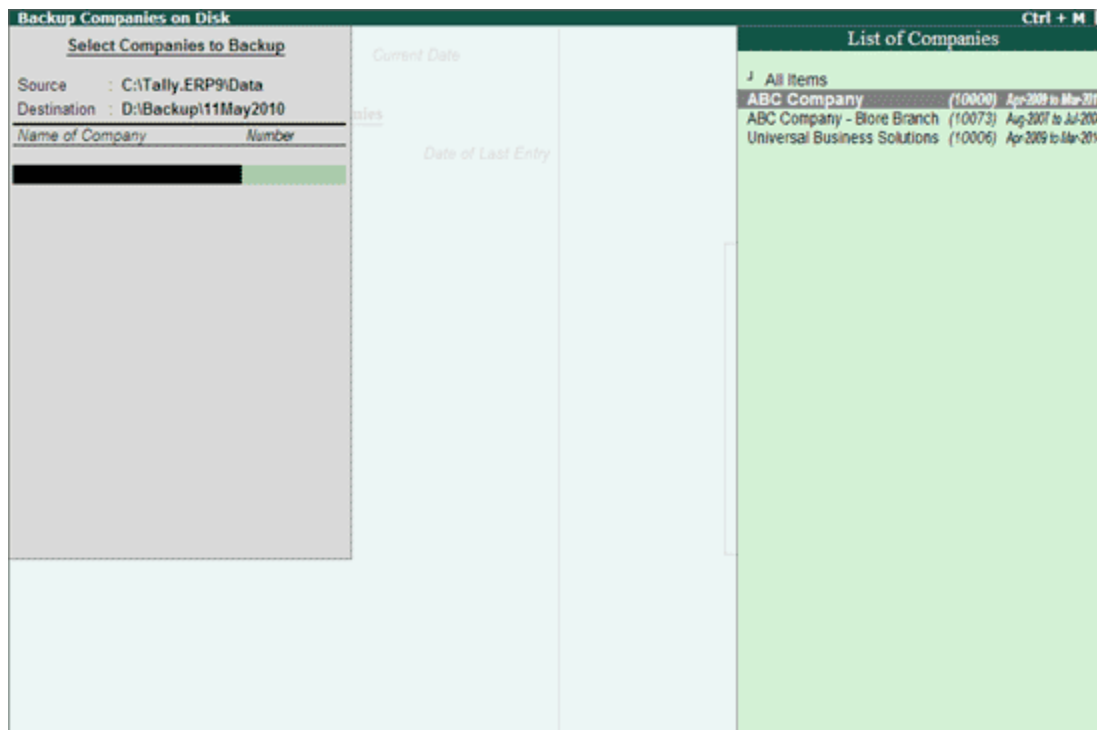
It is advisable to take data backup at frequent intervals as per the policies laid down by the organization and also ensure that the data backup is secured logically and physically.

## Tracking Data Backup

Back up of data can be carried out by executing the following steps:

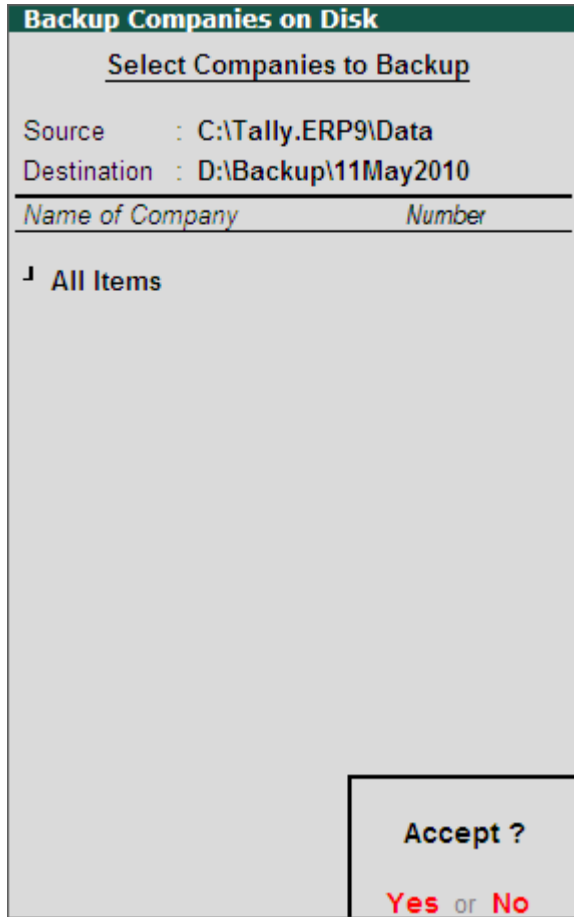
Go to **Gateway of Tally > Press F3: Company Info or Press Alt+F3**

1. Select **Backup**
2. In the **Backup Companies on Disk** screen, by default the cursor is at **Name of Company**, press Backspace to change the **Source** or the **Destination**.
  - **Source** – it is the source folder that contains data for which backup has to be taken, by default it is the Data folder of Tally.ERP 9
  - **Destination** – it is a folder or an external device (pen drive/Portable Hard Disk etc.,) connected to the same or another computer where the data backup has to be stored.



[Img-1]

3. Select the companies whose backup has to be taken from the **List of Companies** displayed, then select **End of List** to complete the selection or select **All Item** to backup all the companies available in the respective data folder.



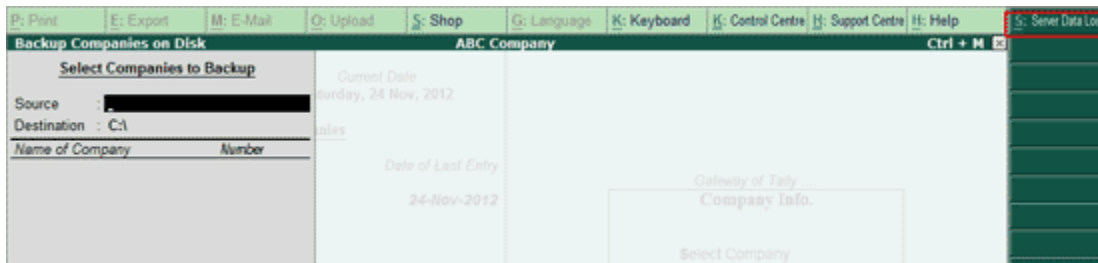
[Img-2]

4. **Accept** to continue taking the backup
5. The **Backing up Companies** screen appears displaying the name of the company being backed up and the percentage completed.

The backup file TBK900.001 is stored in the specified folder.

**If your business uses Tally.Server 9 to maintain data,**

- Click on **S: Server Data Loc.** or press **Alt+S**



[Img-3]

**Note:** If the administrator has enabled Security Access, users need to provide the authorised Tally.NET credentials in order to access the Server List.

- The **List of Tally.Server Data Locations** is displayed. Select the required location



[Img-4]

- Press **Enter** and follow the procedure given above

**Note :** While taking a backup, if the **List of Companies** contains one or more TallyVaulted companies, then Tally.ERP 9 allows the user to select a single

## Restoring Backup Data - in Tally.ERP 9

Restore means return to the original, usable and functional condition. The Restore functionality allows you to restore the data backup taken earlier.

The existing **Restore** utility is enhanced with an additional capability to restore data backup of multiple companies taken using the **Auto Backup** feature. The backup of multiple companies is stored in a single file named TABK.900 in the user defined path provided while configuring auto backup.

While restoring the auto backup data, Tally.ERP 9 displays the backup version followed by the last update time. This allows the user to select and restore the latest backup.

The user must ensure the following points before restoring data backup:

1. Do not restore old or irrelevant data.
2. Do not restore data from a damaged media.
3. Do not restore data in the same folder as the existing data, since it may overwrite the existing data.

**To restore the back-up taken on another media, execute the following steps:**

Go to **Gateway of Tally >** Press **Alt + F3** or click **F3: Cmp Info**

The Company Info menu appears

- Select **Restore**.

The **Restore Companies on Disk** screen appears, enter the following details

1. **Destination** – is the path or the folder where data backup needs to be restored.
2. **Source** – is the folder or path where data backup file or auto backup files for multiple

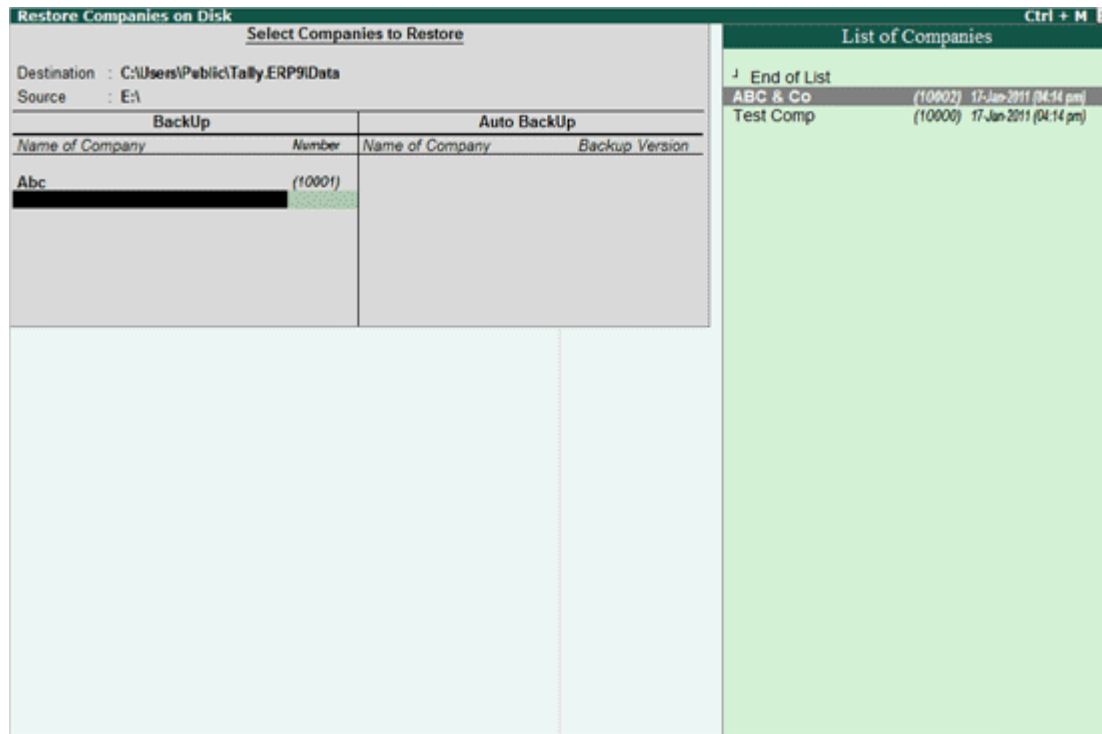
companies are stored. The path specified can be on the same storage device/external storage device or a storage device on the network.

**Note:** The last provided source and the destination paths are populated and displayed.

## Restore

In the **BackUp** section

- Select the required company or companies from **List of Companies** displayed to restore the data or select **All Items** to restore data of all the companies available.



[Img-5]

**Note:** To restore **Auto Backup** of multiple companies, select **End of List** in **Name of Companies** under **Backup**.

6. **Accept** to continue restoring the data backup.

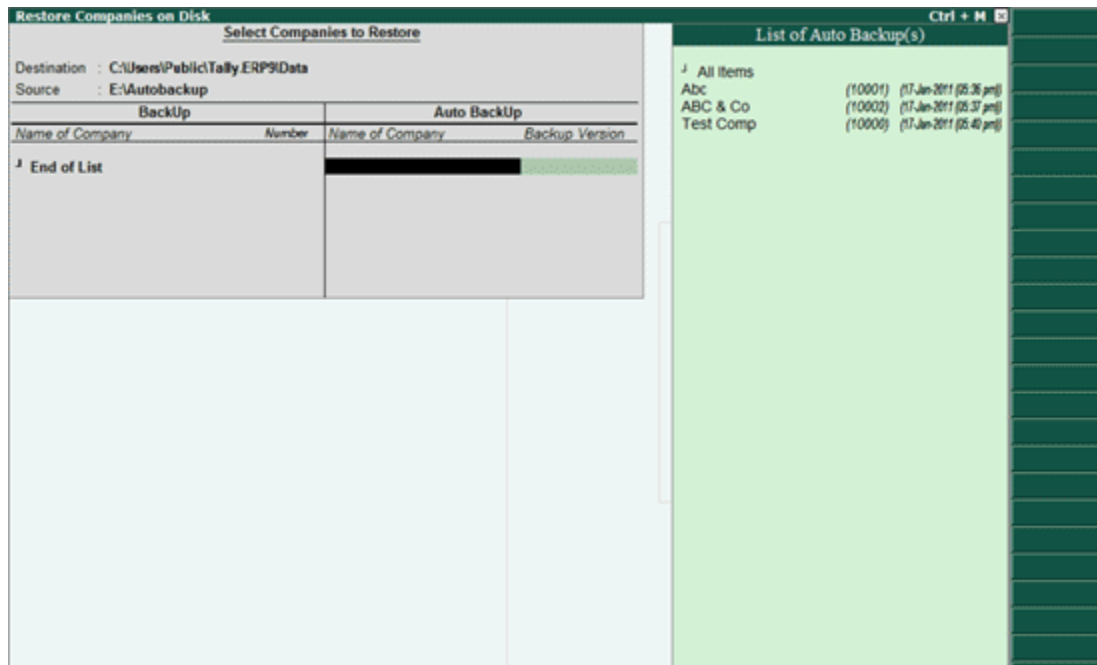
The **Restoring Companies** screen displays the status of data being restored.



[Img-6]

### Restore Auto Backup

On entering the **Destination** and **Source**, the **Restore Companies on Disk** appears as shown

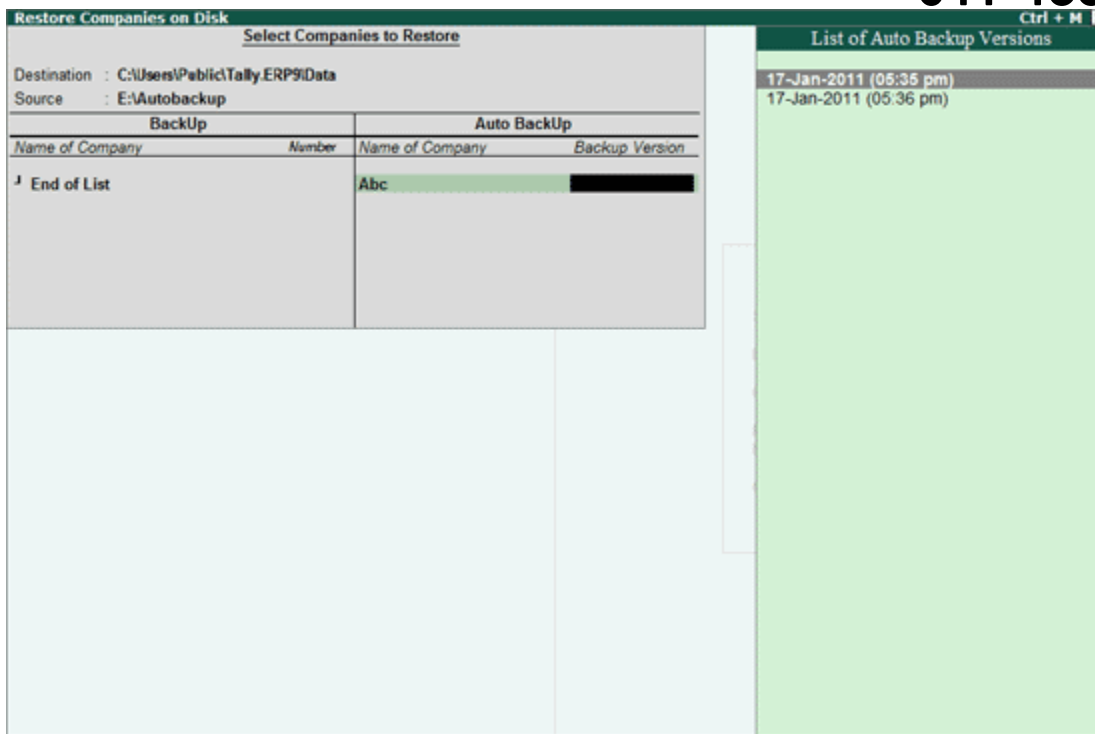


[Img-7]

In the **Auto Backup** section

- Select the required company or companies from **List of Companies** displayed.

The **List of Auto Backup Versions** appears as shown



[Img-8]

- Select the required **Version** of backup

Similarly, select the required companies from the **List of Companies** displayed and select the required backup **Version** from the **List of Auto Backup Versions**.

- Select **End of List** to complete the selection of companies

Or

- Select **All Items** to restore the latest backup versions of all the available companies
- **Accept** to restore the auto backup of selected or all companies

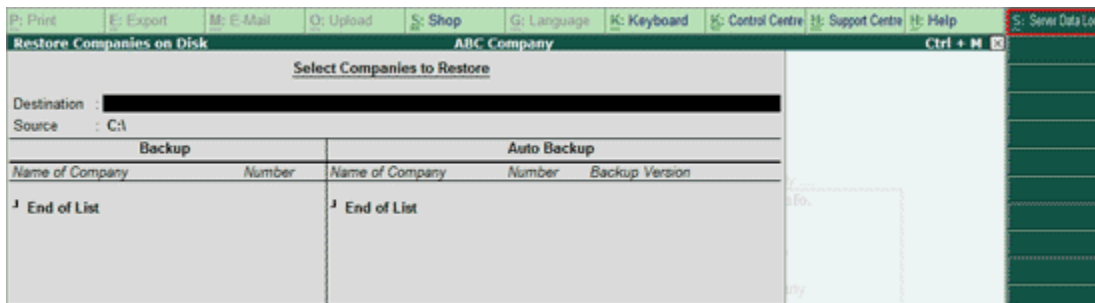
The Restoring Companies screen displays the status of data being restored.



[Img-9]

If your business uses Tally.Server 9 to maintain data,

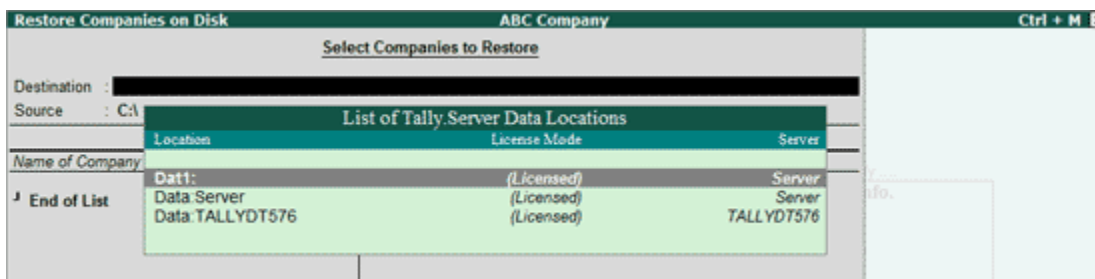
- Click on **S: Server Data Loc.** or press **Alt+S**



[Img-10]

**Note:** If the administrator has enabled Security Access, users need to provide the authorised Tally.NET credentials in order to access the Server List.

- The **List of Tally.Server Data Locations** is displayed. Select the destination:



[Img-11]

- Continue with Restoring the required Companies as shown above.



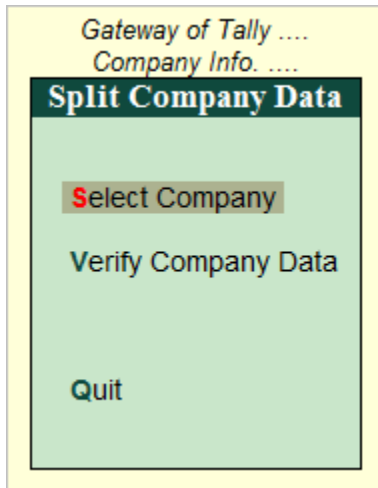
## **Split Company Data - in Tally.ERP 9**

The procedure to split data based on financial years is as follows:

Go to **Gateway of Tally > F3: Cmp Info**

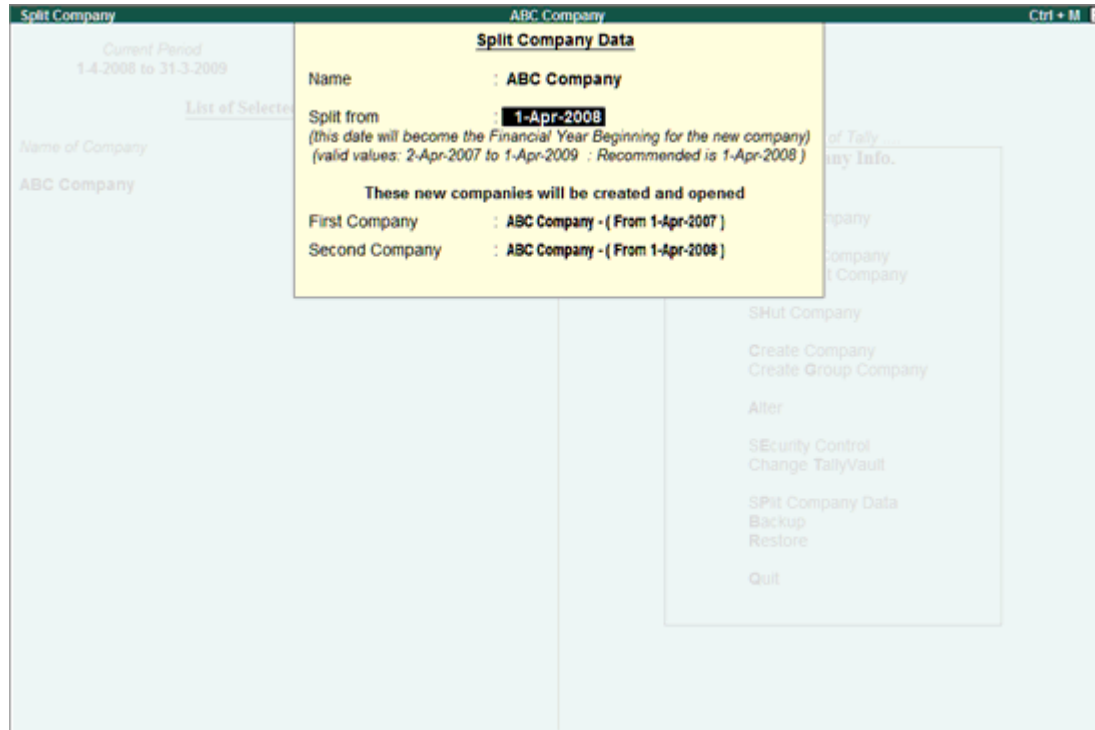
1. Select **Split Company Data**.

The **Split Company Data** menu appears



[Img-13]

2. Select the option **Select Company**
3. Select the required company whose data has to be split from the List of Companies. [Click here to know how to access Tally.Server 9 data.](#)
4. Enter the required date from which you wish to split in the **Split From** field.



[Img-14]

Tally.ERP will create two separate companies suffixing each company with the date from which it has been split.

4. **Accept** to split the company data.

Tally recommends the Split from date to be based on the existing data. It is recommended that the Split from date is set as the beginning of the current financial year, even though Tally permits any date.

It is advisable to take a backup of the original data on to another media before splitting the company.

Remove the company which contained three years data as you may accidentally use it for entering the current data.

The split occurs in a set of two periods. Hence, start to split the company with the latest period. E.g., The data is stored in the same company for a period of three years commencing rather than storing data in three separate companies. Initially the user has to split the company for two periods between 01/01/2003 and 31/12/2005 and the other part is split for the remaining period.

Two new companies will be created between the periods 01/01/2003 and 31/12/2004, and 01/01/2005 and 31/12/2005, i.e., the historical data of one or more financial years will be preserved as one company and your current financial year as the other. There is normally no reason to split the prior years again into separate companies. Incase you wish to split the data for an earlier period, then repeat the above mentioned steps.

The user can display or print financial reports such as Trial Balance, Balance Sheet, Profit & Loss, Stock Summary etc., for each of the companies for the relevant periods and compare them for accuracy.

The user needs to alter the names of the two freshly created companies according to the requirement.

## Split Data based on Financial Years - in Tally.ERP 9

Storing data in the same company for a few years has a lot of advantages, even though the data size increases which in turn affects the overall performance of the computer. Tally.ERP 9 allows the user to split the data based on financial years which will reduce the volume of the data, thereby reducing the load on the computer.

When the user splits the data based on different financial years, new companies are created for the respective split periods and the entire data is retained in the original company.

### Important pre-split activity

Before splitting the data the user must ensure that the following precautions are taken, failing which, could result in mismatched information:

1. All unadjusted Forex Gains/Losses have been fully adjusted by journal entries. Verify that this item does not appear in the Balance Sheet.
2. There are no Purchase Bills/Sales Bills due. Check the Profit & Loss Account and Inventory Statements – Purchase/Sales Bills Pending. The user has to account them to the respective party accounts or to respective Bills Pending Account.
3. Ensure that a backup of the data exists.

**Note:** For users of Sales/Purchase Order Processing features: Open sales/purchase orders will not be carried forward on splitting. The user has to re-enter the outstanding orders after splitting the company. Similarly data pertaining to a cost centre is not carried forward.

## Verify Split Data - in Tally.ERP 9

A utility that has the capability to detect possible errors that occur while splitting the data and also provides the user with possible solutions.

Developed with an objective to reduce the repeated occurrence of possible errors while splitting the data, this utility automatically detects possible errors in the data. On detecting these errors the system prompts the user to rectify them with possible solutions so that the errors will not reoccur in future. Users can opt to either resolve these errors manually or by using the helper available within this utility.

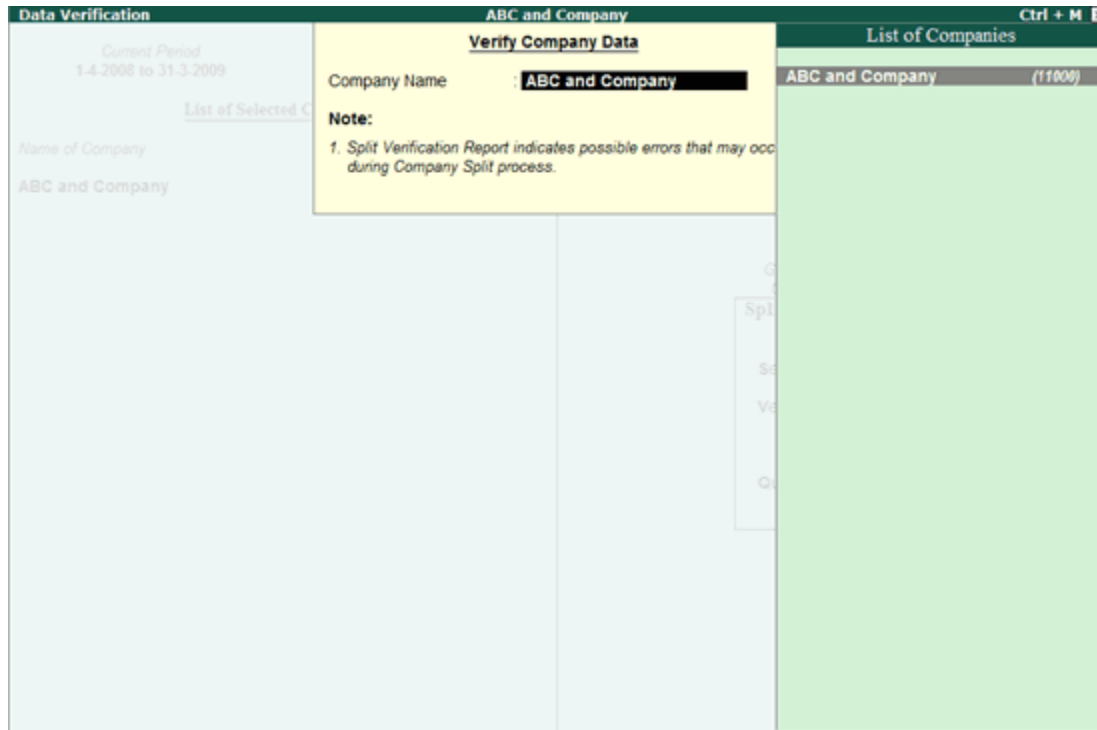
The Verify Split Data utility detects the possible error for

- Units of Measurement incorrect for the Item
- Cost Centre does not belong to the category
- No Accounting Allocations
- Voucher Totals Do Not Match
- Cost Break-up total does not match

To start the data verification process follow the steps shown:

- Go to **Gateway of Tally > F3: Cmp Info > Split Company Data > Verify Company Data**

The **Data Verification** for the selected company appears



[Img-15]

1. Select the required company from the **List of Companies**

The **Possible Error** screen appears

Possible Errors	ABC and Company	Ctrl + M
<b>List of Possible Errors</b>		<b>Total</b>
<b>Units of Measure Incorrect for the Item</b>		<b>9</b>
<i>This error occurs if there is any difference between item unit of measurement in Voucher and Item Master.</i>		
<b>Cost Centre does not belong to the Category</b>		<b>25</b>
<i>This error occurs if Cost Centre Category has been changed after passing the voucher.</i>		
<b>No Accounting Allocations</b>		<b>1</b>
<i>This error occurs if Inventory values are affected option has been Set it as 'No' in Ledger Master, for that Ledger inventories are already allocated in voucher.</i>		
<b>Cost break-up total does not match</b>		<b>3</b>
<i>This error occurs if Cost Centre Allocation Total is not matching with Ledger Amount Total</i>		

[Img-16]

2. Select the required possible error displayed to fix the problem.

### Units of Measurement incorrect for the Item

The **Units of Measure Incorrect** screen appears

Units of Measure Incorrect		ABC and Company			Ctrl + M		
List of Vouchers showing Mismatch in Item Unit of Measurement					1-Apr-2008 to 1-Nov-2008		
Date	Particulars	Vch Type	Vch No.	Item Name	Billed Qty	Units Shown in Master	Units Shown in Voucher
1-4-2008	Sunshine Enterprises	Sales	1	Item	1 nos	1 Not Applicable	nos
2-4-2008	Moon Light Enterprise	Purchase	1	Item	10 nos	2 Not Applicable	nos
2-4-2008	Sunshine Enterprises	Purchase	2	Item	10 nos	2 Not Applicable	nos
1-9-2008	Sunshine Enterprises	Sales	2	Item	1 nos	2 Not Applicable	nos
1-9-2008	United Traders	Purchase	3	Item	100 nos	2 Not Applicable	nos
1-9-2008	Sunshine Enterprises	Sales	3	Item	100 nos	2 Not Applicable	nos
1-10-2008	Moon Light Enterprise	Sales	4	Item	20 nos	2 Not Applicable	nos
1-10-2008	Cash	Purchase	4	Item	10 nos	2 Not Applicable	nos
1-11-2008	Cash	Purchase	5	Item	10 nos	2 Not Applicable	nos

MisMatch Vouchers - 9 nos.

**Note:**  
To fix the above Vouchers:  
1. Drill Down to the Selected Voucher.  
2. Re-Select the Item once again and save the Entry.

[Img-17]

1. Select the required voucher

Accounting Voucher Alteration		ABC and Company		Ctrl + M		
Sales No. 1				1-Apr-2008		
Ref. :		Cost Centre/Classes :		Tuesday		
Party's A/c Name : Sunshine Enterprises						
Current Balance : 22,51,200.00 Dr						
Sales Ledger : Sales						
VAT/Tax Class :						
Name of Item	Quantity		Rate per	Amount		
	Actual	Billed				
Item			100.00			
Narration:				1 nos 100.00		

[Img-18]

3. In the **Sales Voucher**

- Select **End of List**
- Re-select the item shown earlier in **Name of Item**
- Enter the correct amount in the **Amount** column
- Accept the voucher to resolve the issue

### Cost Centre does not belong to the category

In the **Possible Errors** screen

1. Select **Cost Centre does not belong to the Category**

The **Cost Category Mismatch** screen appears

Cost Category Mismatch		ABC and Company			Ctrl + M		
List of Cost Category Mismatch Vouchers				1-Apr-2008 to 1-Nov-2008			
Date	Particulars	Vch Type	Vch No.	Cost Centre	Category Shown		Cost Centre Amount
					In Master	In Voucher	
1-4-2008	Sunshine Enterprises	Sales	1	Expenses	Purchase Category	Primary Cost Category	50.00 Dr
1-4-2008	Sunshine Enterprises	Sales	1	Telephone Expenses	Communication Expenses	Primary Cost Category	50.00 Dr
2-4-2008	Purchase A/c	Purchase	2	Expenses	Purchase Category	Primary Cost Category	10,000.00 Cr
2-4-2008	Sunshine Enterprises	Purchase	2	Telephone Expenses	Communication Expenses	Primary Cost Category	5,000.00 Cr
31-5-2008	Moon Light Enterprise	Payment	1	Expenses	Purchase Category	Primary Cost Category	2,500.00 Dr
31-5-2008	Moon Light Enterprise	Payment	1	Advertisement Expenses	Marketing Expenses	Primary Cost Category	2,500.00 Dr
1-9-2008	Sunshine Enterprises	Payment	2	Expenses	Purchase Category	Primary Cost Category	500.00 Dr
1-9-2008	Sunshine Enterprises	Payment	2	Advertisement Expenses	Marketing Expenses	Primary Cost Category	500.00 Dr
1-9-2008		Sales	3	Expenses	Purchase Category	Primary Cost Category	2,000.00 Cr
1-9-2008		Sales	3	Advertisement Expenses	Marketing Expenses	Primary Cost Category	3,000.00 Cr
1-9-2008		Sales	3	Telephone Expenses	Communication Expenses	Primary Cost Category	5,000.00 Cr
1-9-2008	Sunshine Enterprises	Sales	3	Marketing Expenses	Primary Cost Category	Expenses Category	10,000.00 Dr
1-10-2008	Moon Light Enterprise	Sales	4	Expenses	Purchase Category	Primary Cost Category	400.00 Dr
1-10-2008	Moon Light Enterprise	Sales	4	Advertisement Expenses	Marketing Expenses	Primary Cost Category	600.00 Dr
1-10-2008	Moon Light Enterprise	Sales	4	Telephone Expenses	Communication Expenses	Primary Cost Category	1,000.00 Dr
1-10-2008	Purchase A/c	Purchase	4	Expenses	Purchase Category	Primary Cost Category	2,000.00 Dr
1-10-2008	Purchase A/c	Purchase	4	Advertisement Expenses	Marketing Expenses	Primary Cost Category	3,000.00 Dr
1-10-2008	Purchase A/c	Purchase	4	Telephone Expenses	Communication Expenses	Primary Cost Category	4,000.00 Dr
1-10-2008	Purchase A/c	Purchase	4	Mr. A's Expenses	Expenses Category	Primary Cost Category	1,000.00 Dr
1-10-2008	Purchase A/c	Purchase	4	Marketing Expenses	Primary Cost Category	Expenses Category	10,000.00 Dr
1-11-2008	Purchase A/c	Purchase	5	Expenses	Purchase Category	Primary Cost Category	2,000.00 Dr
1-11-2008	Purchase A/c	Purchase	5	Advertisement Expenses	Marketing Expenses	Primary Cost Category	3,000.00 Dr
1-11-2008	Purchase A/c	Purchase	5	Telephone Expenses	Communication Expenses	Primary Cost Category	4,000.00 Dr

MisMatch Vouchers - 25 nos. 2 more ...

<p><b>Note: (With out using Helper)</b></p> <p>To fix the above Vouchers:</p> <ol style="list-style-type: none"> <li>1. Drill Down to the Selected Voucher.</li> <li>2. Select cost centre for the category correctly and accept the voucher</li> </ol>	<p><b>Note: (Using Helper)</b></p> <p>To fix the above Vouchers:</p> <ol style="list-style-type: none"> <li>1. Press Ctrl+L to execute Helper</li> <li>2. Select cost centre for the voucher category to replace existing cost centre</li> </ol>
---	--

[Img-19]

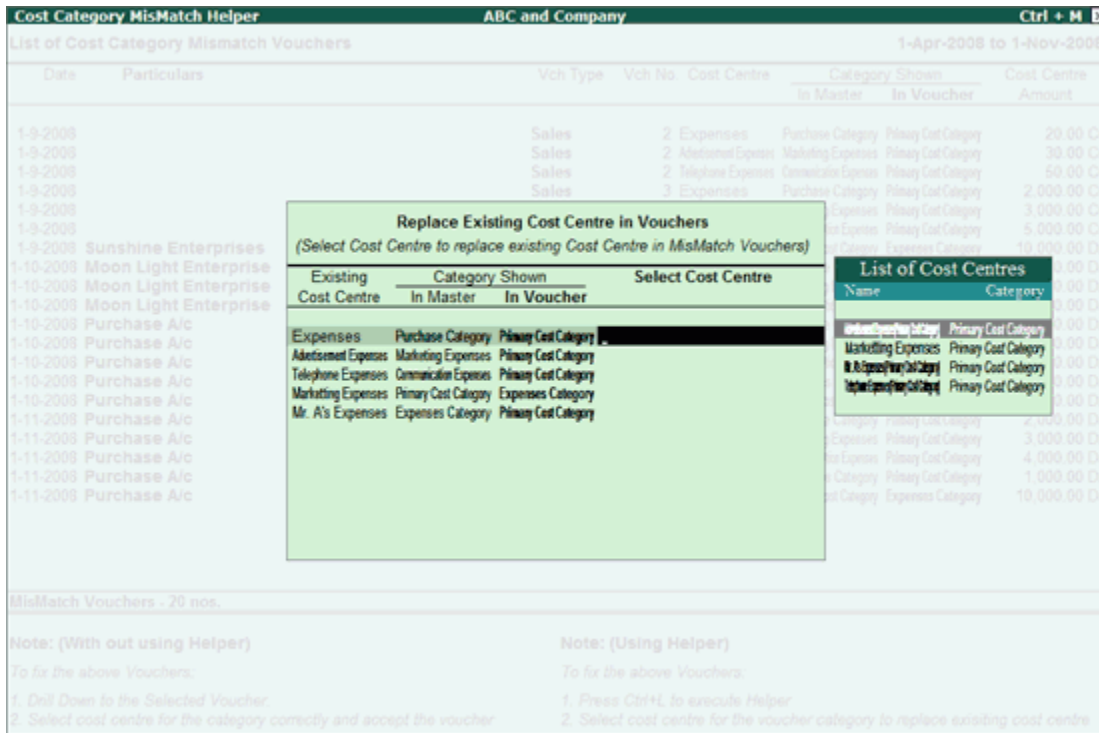
2. Select the required voucher

3. In the **Sales Voucher**

- Select **End of List**
- Select the Cost Centre for the Category correctly
- Accept the voucher to resolve the issue

Or

4. Click **Ctrl+L: Helper** or press **Ctrl+L**
5. The **Cost Category Mismatch Helper** appears



**Cost Category MisMatch Helper** ABC and Company Ctrl + M

List of Cost Category Mismatch Vouchers 1-Apr-2008 to 1-Nov-2008

Date	Particulars	Vch Type	Vch No.	Cost Centre	Category Shown		Cost Centre Amount
					In Master	In Voucher	
1-9-2008		Sales	2	Expenses	Purchase Category	Primary Cost Category	20.00 Cr
1-9-2008		Sales	2	Advertisement Expenses	Marketing Expenses	Primary Cost Category	30.00 Cr
1-9-2008		Sales	2	Telephone Expenses	Communication Expenses	Primary Cost Category	50.00 Cr
1-9-2008		Sales	3	Expenses	Purchase Category	Primary Cost Category	2,000.00 Cr
1-9-2008					Expenses	Primary Cost Category	3,000.00 Cr
1-9-2008					Expenses	Primary Cost Category	5,000.00 Cr
1-9-2008					Expenses	Expenses Category	10,000.00 Cr
1-9-2008	Sunshine Enterprises						0.00 Cr
1-10-2008	Moon Light Enterprise						0.00 Cr
1-10-2008	Moon Light Enterprise						0.00 Cr
1-10-2008	Moon Light Enterprise						0.00 Cr
1-10-2008	Purchase A/c						0.00 Cr
1-10-2008	Purchase A/c						0.00 Cr
1-10-2008	Purchase A/c						0.00 Cr
1-10-2008	Purchase A/c						0.00 Cr
1-10-2008	Purchase A/c						0.00 Cr
1-11-2008	Purchase A/c						0.00 Cr
1-11-2008	Purchase A/c						0.00 Cr
1-11-2008	Purchase A/c						0.00 Cr
1-11-2008	Purchase A/c						0.00 Cr
1-11-2008	Purchase A/c						0.00 Cr
1-11-2008	Purchase A/c						0.00 Cr

Mismatch Vouchers - 20 nos.

Note: (With out using Helper) To fix the above Vouchers:  
 1. Drill Down to the Selected Voucher  
 2. Select cost centre for the category correctly and accept the voucher

Note: (Using Helper) To fix the above Vouchers:  
 1. Press Ctrl+L to execute Helper  
 2. Select cost centre for the voucher category to replace existing cost centre

[Img-20]

6. Click **A: Auto Fill** or press **Alt+A** to automatically fill in the **List of Cost Centres**

The cost centres are automatically assigned to the respective vouchers.

### No Accounting Allocations

The **No Accounting Allocation** screen appears as shown:



No Accounting Allocation		ABC and Company		Ctrl + M	
<b>List of Ledgers where Inventories are affected in Vouchers</b>					
Ledger Name			Parent		
Purchase A/c			Purchase Accounts		
Ledgers Affected - 1 nos.					
<b>Note:</b>					
To fix the above problem (Manually):					
1. Drill Down to the Selected Ledger.					
2. Enable Inventory values are affected as 'Yes'.					

**[Img-21]**

1. Select the required voucher
2. The **Ledger Alteration** screen appears

Ledger Alteration		ABC and Company	
Name : Purchase A/c (alias) :			<u>Total Op. Bal.</u>
Under : Purchase Accounts		<u>Mailing Details</u>	
Currency of Ledger : ₹	Inventory values are affected ? <input checked="" type="checkbox"/> Yes	Name :	Address :
Type of Ledger ? Discount	Cost centres are applicable ? Yes	State :	PIN Code :
<u>Statutory Information</u>		<u>Tax Information</u>	
Used In VAT Returns ? No		PAN / IT No. :	
Opening Balance ( on 1-Apr-2008 ) :			

[Img-22]

3. Set **Inventory values are effected** to **Yes**
4. **Accept** to save the changes made.

### Voucher Totals Do Not Match

This error occurs when there is a total mismatch in the debits and credit total for a transactions.

To resolve this error follow the steps shown:

On starting the verification process the **Possible Errors** screen appears

Possible Errors	Voucher Total MisMatch	Ctrl + M
<b>List of Possible Errors</b>		<b>Total</b>
<b>Voucher Total MisMatch</b>		<b>16</b>
This error occurs if there is any difference between the total credits and total debits in a transaction.		

[Img-23]

1. Select **Voucher Total Mismatch**
2. The list of vouchers with mismatched voucher totals are displayed

Voucher total Mismatch		Voucher Total MisMatch		Ctrl + M		
List of MisMatch Vouchers		1-Apr-2008 to 22-Oct-2009				
Date	Particulars	Vch Type	Vch No.	Total		Diff Amt.
				Debit Amount	Credit Amount	
29-7-2009	EKDANT MOULDERS & ENGG PVT LTD	Sales	348 2,936.00	2,936.01	(-)0.01	
1-8-2009	EKDANT MOULDERS & ENGG PVT LTD	Sales	362 1,629.00	1,629.01	(-)0.01	
6-8-2009	EKDANT MOULDERS & ENGG PVT LTD	Sales	376 1,629.00	1,629.01	(-)0.01	
18-8-2009	NATIONAL PAPER INDUSTRIES	Purchase	746 1,52,095.01	1,52,095.00	(-)0.01	
20-8-2009	VIDEOCON INDUSTRIES LTD (PMS)	Sales	421 16,369.00	16,369.01	(-)0.01	
1-9-2009	NATIONAL PAPER INDUSTRIES	Purchase	843 21,693.01	21,693.00	(-)0.01	
2-9-2009	NATIONAL PAPER INDUSTRIES	Purchase	851 51,694.01	51,694.00	(-)0.01	
10-9-2009	GANPATI MOULDERS PVT LTD	Sales	487 27,230.00	27,229.99	0.01	
12-9-2009	SHRI VINAYAK ENGINEERING	Sales	490 1,649.00	1,648.99	0.01	
16-9-2009	EKDANT MOULDERS & ENGG PVT LTD	Sales	506 1,649.00	1,648.99	0.01	
16-9-2009	GANPATI MOULDERS PVT LTD	Sales	507 19,555.00	19,555.01	(-)0.01	
17-9-2009	EKDANT MOULDERS & ENGG PVT LTD	Sales	508 9,461.00	9,461.01	(-)0.01	
19-9-2009	GANPATI MOULDERS PVT LTD	Sales	515 9,895.00	9,895.01	(-)0.01	
29-9-2009	GANPATI MOULDERS PVT LTD	Sales	547 19,710.00	19,709.99	0.01	
6-10-2009	GANPATI MOULDERS PVT LTD	Sales	584 10,880.00	10,880.01	(-)0.01	
7-10-2009	GANPATI MOULDERS PVT LTD	Sales	589 15,768.00	15,768.01	(-)0.01	
<b>MisMatch Vouchers - 16 nos.</b>				<b>Difference Amount Total : (-)0.02</b>		
<b>Note:</b>						
To fix the above Vouchers:						
1. Drill Down to the Selected Voucher.						
2. Check the entries and reaccept the voucher.						

[Img-24]

3. Select the required voucher
4. In the selected voucher screen
  - o Re-accept all the entries present
  - o Accept to save the voucher

**Cost Break-up total does not match**

This error occurs if Cost Centre Allocation Total does not match with the ledger amount Total.

To resolve this error follow the steps shown:

1. Select **Cost break-up total does not match**
2. The list of vouchers with mismatched cost category allocations are displayed

Voucher Details		Ledger Details		Cost Category Details		Difference	
Date	Vch Type	Vch No	Particulars	Amount	Particulars	Amount	
13-9-2010	Sales - Cash	SS/Jam/4947/10	Cash Collection-Tshs	458,055.00 Dr	SBU	420,000.00 Dr	38,055.00 Dr
27-9-2010	Sales Credit - EFD	EFD/JAM074/10	Mapacha Glazing Ltd - USD	2,159,400.00 Dr	SBU	2,124,000.00 Dr	35,400.00 Dr
12-10-2010	Sales Credit - EFD	EFD/JAM103/10	Pharma Photo Point Ltd - Tshs	11,505,000.00 Dr	SBU	7,257,000.00 Dr	4,248,000.00 Dr

**Note:**  
 To fix the above Vouchers:  
 1. Drill down to the Selected Voucher.  
 2. Check the entries and reaccept the voucher.

[Img-25]

3. Select the required voucher
4. In the selected voucher alteration screen
  - o For the Existing Cost Centre enter the correct amount in the **Amount** column in **Cost Allocations** screen **or Create** a new **Cost Centre** and enter the difference amount in **Amount** column.



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Cost Centre Allocations		ABC and Company		Ctrl + M			
Sales Credit - EFD No: EFD/JAM074/10				27-Sep-2010			
Ref :				Monday			
Party's A/c Name : Mapacha Glazing Ltd - USD							
Current Balance :							
Cost Allocations for : Mapacha Glazing Ltd - USD							
Upto: Tshs 2,159,400.00 Dr							
Cost Category	Name of Cost Centre	Amount	Quantity		Rate per	Dec %	Amount
			Actual	Billed			
SBU			1 Nos.	1 Nos.	\$ 1,200.00	Nos.	\$ 1,200.00
	A-EFD Project	2,159,400.00	10 Nos.	10 Nos.	\$ 2.00	Nos.	\$ 20.00
							\$ 1,220.00
Employees	RESSEY MARINGA	2,159,400.00			18 %		\$ 219.60
			11 Nos.	11 Nos.	\$ 1,428.80 @ Rate 1,500\$ = Total 2,159,400.00		

[Img-26]

- Accept the voucher to resolve the issue.

## Cost Centres in Tally.ERP 9

A **Cost Centre** is any unit of an organisation to which transactions (generally, revenue) can be allocated. When only costs or expenses are allocated to these units, they are referred to as Cost Centres. When profits are also allocated to these units, they become Profit Centres. You can now obtain a Profit and Loss account of each such Profit Centre.

**Cost Centre** in Tally.ERP 9 allows an additional dimension to a transaction where a Ledger account indicates the nature of the transaction. It does not readily disclose, except in the narration field, which part of the organisation was involved in the transaction.

With the help of Cost Centres, a transaction can be allocated to it, which would then enable accumulation of the all transactions for that particular Cost Centre. Tally.ERP 9 gives you the Cost Centre break-up of each transaction as well as details of transactions for each Cost Centre.

*Some examples of Cost Centres are*

- **Departments** of an organisation - Finance, Manufacturing, Marketing, and so on.
- **Products** of a company.
- **Individuals** such as Salesman A, Salesman B.

### Use of Cost Centres

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

Consider the following example.

Primary Cost Centres - Finance, Manufacturing, Marketing.

Under **Marketing**, classify the company's sales executives as Cost Centres. This will help you track a sales executive's performance, in terms of cost and revenue generated.

You will then have the following Cost Centre structure

#### Primary Cost Centre - Marketing

##### Under Marketing:

- Salesman A
- Salesman B
- Salesman C

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

By allocating expenses and sales transactions to the salesmen, you are setting up a valuable information system that tracks the performance of your salesmen.

## Creating a Single Cost Centre in Tally.ERP 9

To create a **Cost Centre**, set **Maintain Cost Centres** to **Yes** in **F11: Accounting Features**. For parallel allocation of Cost, you can set More than ONE Payroll/Cost Category to Yes.

By default, Tally.ERP 9 activates the Cost Centre feature for Ledger accounts under **Sales Accounts, Purchase Accounts, Expense** and **Income** groups.

Go to **Gateway of Tally> Accounts Info.> Cost Centres> Create (Single Cost Centre)**

The **Cost Centre Creation** screen is displayed as shown.

Cost Centre Creation		ABC Company
Name	: <b>Accounts</b>	
(alias)	: Accts	
Under	: <b>Primary</b>	<div style="border: 1px solid black; padding: 5px; text-align: center;"> <b>Accept ?</b>   <span style="color: red;">Yes</span> or <span style="color: red;">No</span> </div>
Provide Bank Details	? <b>No</b>	
E-Mail	:	

[Img-1]

A brief explanation on each of the fields in the Cost Centre Creation screen follows.

### Name

Enter the **name** of the Cost Centre in this field. For example, Name, function, activity, department, task and so on.

### alias

Enter an **alternative** name, if required. For example, a short name or a code number

### Under

Select the **parent** Cost Centre under which the Cost Centre is grouped or created from the List of Cost Centres. If you want the Cost Centre to be a Primary Cost Centre, select Primary from the list.

Provide Bank Details?

The user can specify transaction details for a particular Cost Centre, then this option can be enabled and relevant details entered in the Bank Details screen. Set this option to **No** for the Cost Centre **Accts**.

E-Mail

If required, **E-Mail ID** can be specified in this field

Refer [Creating Cost Centres for Job Costing](#) for details on using Cost Centres for Job Costing.

**Note:** Unlike Groups, you can allocate transactions to **Primary Cost Centres**. However, you should do so when you do not have Sub Cost Centres under the Primary Cost Centre.

### Displaying a Single Cost Centre

To display the details of Cost Centre masters

Go to **Gateway of Tally > Accounts Info. > Cost Centres > Display (under Single Cost Centre)**

The Cost Centre Display screen appears. It is not possible to make any modifications to the Cost Centre master in the Display mode. You can only view the details in this mode.



## Altering a Cost Centre in Tally.ERP 9

To **alter** an existing Cost Centre

Go to **Gateway of Tally> Accounts Info.> Cost Centres> Alter (under Single Cost Centre)**

The **Cost Centre Alteration** displays,

Cost Centre Alteration		ABC Company		Ctrl + M
Name	: Accounts	Date	Mar, 2009	List of Cost Centres
(alias)	: Accts			
Under	: <input type="checkbox"/> Primary	Date of Last Entry	ways	
				<input checked="" type="checkbox"/> Primary Marketing Mkt Sales

[Img-2]

Make the necessary changes and Accept to save.

### Deleting a Cost Centre

You can **delete** a Cost Centre from the Cost Centre Alteration screen by pressing ALT+D.

You can delete a Cost Centre only if

- It does not have any Cost Centres created under it.
- It is not used in any transactions.

### Explanation of Buttons for Cost Centres in Single Mode

#### Groups, Ledgers, Voucher Types

It enables you to switch to these areas without having to quit from the current screen.

#### F11: Features



To change company features. For more information refer [F11: Features in Tally.ERP 9](#).

## F12: Configure

To change the configuration of master information. For more information refer F12: Configurations in Tally.ERP 9.

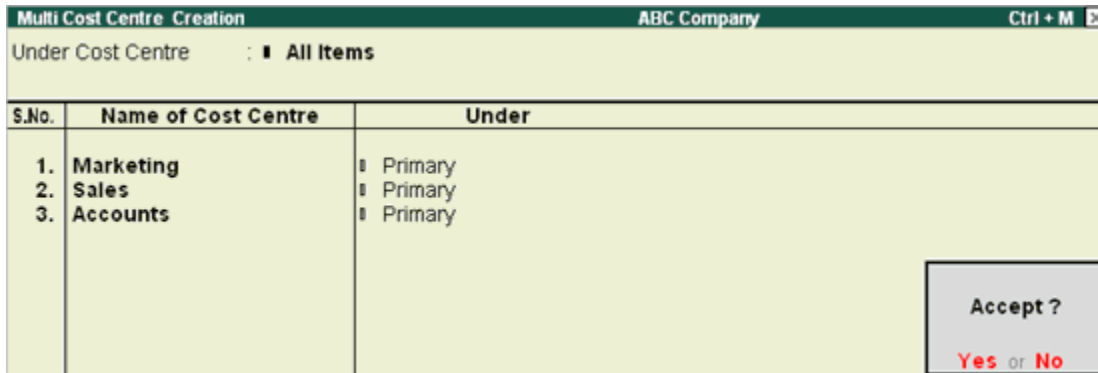
**Note: F12: Configuration** changes affect all companies in the data directory, whereas **F11: Features** changes affect the current company only.

## Creating Multiple Cost Centres in Tally.ERP 9

You can create multiple Cost Centres in this mode.

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

The **Multi Cost Centre Creation** screen is displayed as shown.



S.No.	Name of Cost Centre	Under
1.	Marketing	Primary
2.	Sales	Primary
3.	Accounts	Primary

Accept ?  
Yes or No

[Img-3]

A brief explanation on each of the fields in the Multi Cost Centre Creation screen follows.

### Under Cost Centre

Select a particular Cost Centre as the **parent** Cost Centre, to create cost centres under it. If you wish to create cost centres under different Cost Centres, select All Items and specify the relevant cost centres in the Under field.

### Name of Cost Centre

Enter the **name** of the Cost Centre to be created.

### Under

The Parent Cost Centre selected in the **Under** Cost Centre field displays automatically in the Under field for Cost Centres created newly. If All Items is selected in the Under Cost Centre field, you have the option of selecting the Cost Centre from the List of Cost Centres.

## Displaying Cost Centres in Multiple Mode

You can display the details of multiple Cost Centres at a time in this mode.

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

Select a Cost Centre or All Items to display the details of all the Cost Centres under it. Alteration of Cost Centres will not be possible in Display mode.

**Note :** The **alias** option will not be available in **Multiple Cost Centre Creation** mode. However, you can specify **aliases** to Cost Centres by selecting each cost centre.

## Altering Cost Centres in Multiple Mode in Tally.ERP 9

You can alter multiple Cost Centres at a time in this mode.

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

S.No.	Name of Cost Centre	Under
1.	Accounts	Primary
2.	Marketing	Primary
3.	Sales	Primary

[Img-4]

Use <backspace> to move back to the field Under Cost Centre or use the button F4: Parent to change parent Cost Centre. Make the necessary changes in the respective fields and Accept to save.

**Note:** You cannot **delete** a Cost Centre in multiple mode

## Explanation on Buttons in Multiple Mode

### F4: Parent

It is used to move the cursor to the field Under Cost Centre.

### Ctrl + F4: New Parent

It is used to bring up the list of Cost Centres, to select a new parent Cost Centre.

### F6: Skip Name/Edit Name

It is used for faster data entry when you need to alter only the Category and the Parent Cost Centre, but not the names. While skipping names, you might change the Category or the parent Cost Centre to one, which belongs to another Category, in such instances Tally.ERP 9 displays an error message at the time of accepting the screen.

**F7: Skip Parent/Edit Parent**

It is used for quicker data entry, when you do not need to alter the parent Cost Centres but only the name of the Cost Centre. While skipping Parent Cost Centres, you might change the Category or the Cost Centres names, in such instances Tally.ERP 9 displays an error message at the time of accepting the screen.

**Groups, Ledgers, Cst Cat:**

It enables you to switch to these areas without having to quit from the current screen.

**F11: Features:**

To change Company features. For more information refer F11: Features in Tally.ERP 9.

## Cost Categories in Tally.ERP 9

**Cost Categories** are useful for organisations that require allocation of Revenue and Non-Revenue Items to parallel sets of Cost Centres. Cost categories facilitate third dimensional reporting of Expenditure and revenue. Some of the examples of Cost Categories can be Regionwise or geographywise, Gradewise, Departmentwise and so on.

### Use of Cost Categories

By using Cost Categories you may allocate, in parallel, a transaction to more than one set of Cost Centres. The following example illustrates the use of Cost Categories.

The Cost Centres such as Marketing, Finance and Manufacturing can now belong to a category - Departments.

The Salesmen A, B and C can be Cost Centres under a Category - Executives.

Similarly, you can create a new Cost Category Projects under which Cost Centres such as Airport construction, Road construction and Buildings may be created. The classification appears as following:

Cost Categories	Departments	Executives	Projects
Cost Centres	Marketing	Salesman A	Airport Construction
	Manufacturing	Salesman B	Road Construction
	Finance	Salesman C	Buildings

Specify a **Cost Category** to allow allocation of only revenue items or items of both revenue and capital (Non-Revenue) nature. Here in this instance, enable Revenue Items and Non-Revenue Items to Yes for Departments and Projects Categories and only Allow Revenue Items for Executives.

By allocating expenses to parallel Cost Centres under different categories, you are simply assigning the

amounts to them; the amount does not increase. Tally.ERP 9 performs an automatic reconciliation on real-time basis, saving you the effort of reconciling Ledgers and Cost Centres.

**Note:** Transactions are not allocated to Cost Categories but to Cost Centres only.

## Creating a Single Cost Category in Tally.ERP 9

To create a **Cost Category**, set **Maintain Cost Centres** to **Yes** in **F11: Accounting Features** and then set **More than ONE Payroll/Cost Category** to **Yes**.

<b>Cost/Profit Centres Management</b>	
Maintain Payroll	? No
Maintain Cost Centres	? Yes
Use Cost Centre for Job Costing	? No
More than ONE Payroll / Cost Category	? <b>Yes</b>
Use Pre-defined Cost Centre Allocations during Entry	? No

[Img-5]

This option is by default, set to **No**. When this option is set to **Yes**, Tally.ERP 9 creates a single Cost Category called **Primary Cost Category** automatically and allows creation of Cost Centres under the Primary Cost Category. However, you may also create new Cost Categories or alter existing Cost Categories.

### To create a Cost Category

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

The Cost Category Creation screen is displayed as shown.

<b>Cost Category Creation</b>	
Name	: <b>Bangalore</b>
(alias)	:
Allocate Revenue Items	? Yes
Allocate Non-Revenue Items	? <b>No</b>

[Img-6]

A brief description on each of the fields in the Cost Category Creation screen follows.

### Name

Enter the name of the Cost Category.

**Note:** There is no sub-classification of Cost Categories and hence you do not find an **Under** option. Though, there is a **Primary Cost Category**, it is not a parent of other categories.

### **(alias)**

Enter an alias, if you wish to call the Category by another name or even by a code number. This field displays only if you set Allow ADVANCED entries in Masters in Gateway of Tally >F12: Configure> Accts/Inv Info. to Yes.

### **Allocate Revenue Items**

Set this option to Yes, to allocate all sales, purchase, expenses and income related transactions to Cost Centres created under this Cost Category. However, if you wish to allocate only capital/non-revenue items to Cost Centres created under this Cost Category, set this option to No.

### **Allocate Non-Revenue Items**

Set this option to Yes, to allocate transactions related to capital or non-revenue nature to Cost Centres created under this Cost Category. By default, this option is set to No.

**Note:** Enable either **Revenue** or **Non-Revenue items**, or both. Do not disable both. Tally.ERP 9 sets **Yes**, by default, for Revenue items and No for Non-Revenue items.

### **Displaying a Single Cost Category**

To view the details of the selected Cost Category masters from this mode

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

- Select a **Cost Category** from the List of Categories. The Cost Category Display screen is displayed.

You cannot make any changes to the fields in the Display mode.

## **Altering a Cost Category in Tally.ERP 9**

To **alter** an existing Cost Category

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

Select the Cost Category from the List of Categories. The Cost Category Alteration screen displays. Make the changes in the required fields and Accept to save.

### **Deleting a Cost Category**

You may **delete** a Cost Category that does not have any cost centre under it from the Cost Category Alteration screen. Use **ALT+D** to delete it. Tally.ERP 9 does not allow deletion of a Cost Category that has Cost Centres.

### **Buttons in Single Cost Category screens**

## Groups, Ledgers, Cst Ctr, Vch Types

It enables you to switch to these areas without having to quit from the current screen.

### F11: Features

To change company features. A detailed explanation on features has been given in the earlier section under Gateway of Tally.

**Note: F12: Configuration** changes affect all companies, whereas **F11: Features** changes affect only the current company.

## Creating Multiple Cost Categories in Tally.ERP 9

You can create multiple Cost Categories at a time using the multiple mode.

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

The **Multi Cost Category Creation** screen is displayed as shown:

Multi Cost Category Creation		ABC Company		Ctrl + M
S.No.	Name of Category	Allocations for		Accept? Yes or No
		Revenue Items	Non-Revenue Items	
1.	Mumbai	Yes	No	
2.	New Delhi	Yes	No	

[Img-7]

An explanation on each of the fields in Multi Cost Category Creation screen follows.

### S. No.

This is an auto-generated serial number.

### Name of Category

Enter the name of the Cost Category.

### Allocations for

The Allocations for column is divided into two options, Revenue Items and Non-Revenue Items.

### Revenue Items

This is set to Yes, by default. However, you have the option of altering it. This denotes whether you want to allocate revenue items to Cost Centres created under the Cost Category.

### Non-revenue Items

This option is set to No, by default. You can set it to Yes, if you wish to allocate Non-Revenue or Capital items to Cost Centres created under the Cost Category.

**Note:** There is no Under field as you cannot sub-classify Cost Categories. Cost Categories have Cost Centres as their sub-classification.

### Displaying Cost Categories in multiple mode

You can display multiple Cost Categories at a time in this mode. To display Cost Categories in the multiple mode

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

The **Multi Cost Category Display** screen is displayed. View the details of all the Cost Categories created. It is not possible to make any changes in display mode.



## Altering Cost Categories in multiple mode in Tally.ERP

### 9

You can alter multiple Cost Categories at a time in this mode. To alter Cost Categories in the multiple mode

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

The Multi Cost Category Alteration screen displays. Make the necessary changes and Accept to save.

Multi Cost Category Alteration		ABC Company		Ctrl + M
S.No.	Name of Category	Allocations for		
		Revenue Items	Non-Revenue Items	
1.	Bangalore	Yes	No	
2.	Mumbai	Yes	No	
3.	New Delhi	Yes	No	
4.	Primary Cost Category	Yes	Yes	

[Img-8]

**Note:** You will not be able to delete a Cost Category in multiple mode.

### Buttons in Single Multiple Cost Category screens

#### F6: Skip names

It is used for quicker data entry when you need to alter only the Allocation details and not the names of the Cost Categories.

#### F8: Skip Details

It is used for faster data entry when you do not need to alter the Allocation (Revenue and Non-revenue) details. You need to give only the names and the default allocations of Yes for Revenue and No for Non-

revenue display automatically when you are creating Cost Categories. If you are in Alter mode, the allocations that you opted for when creating the Categories are retained.

### **Groups, Ledgers, Cst Ctr**

It enables you to switch to these areas, without having to quit from the current screen.

### **F11: Features**

It is used to change company features. For more information refer [F11: Features in Tally.ERP 9](#).

**Note: F12: Configuration** changes affect all companies, whereas **F11: Features** changes affect only the current company.

## **Creating Cost Centres under Cost Categories in Tally.ERP 9**

To create a **Cost Centre under a Cost Category**, set **More than ONE Payroll/Cost Category** to **Yes** in **F11: Accounting Features**

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

<b>Cost Centre Creation</b>	
Category :	<b>Branches</b>
Name :	<b>Chennai</b>
( <i>alias</i> ) :	Branch Office
Under :	┆ <b>Primary</b>
<b>Accept ?</b> <b>Yes or No</b>	

[Img-9]

### **Category**

This field appears only when you have opted for **More than ONE Payroll/Cost Category** in **F11: Features**. Else, Tally.ERP 9 automatically creates a **Primary Cost Category** to which all cost centres are assigned.

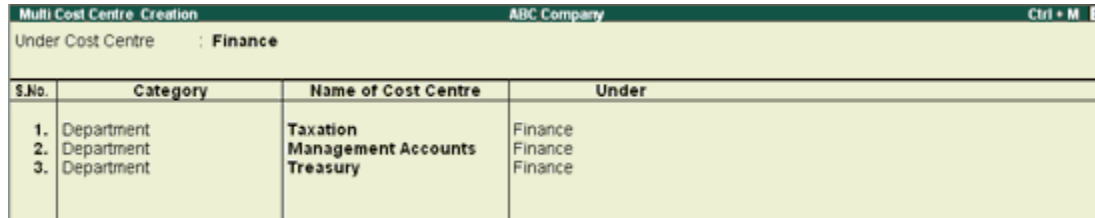
All the other fields are described in detail in the section [Creating Cost Centres](#) in Single mode

Displaying and Altering Cost Centres under Cost Categories in Single mode is similar to Displaying and Altering Cost Centres in Single mode explained previously. The only additional field is Category.



## Creating Multiple Cost Centres under Cost Categories in Tally.ERP 9

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



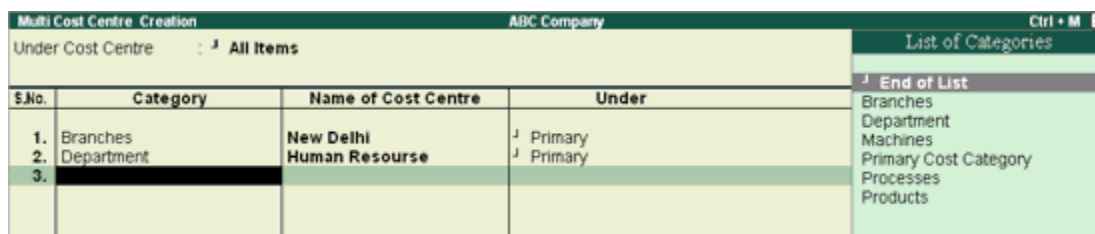
S.No.	Category	Name of Cost Centre	Under
1.	Department	Taxation	Finance
2.	Department	Management Accounts	Finance
3.	Department	Treasury	Finance

[Img-10]

This is a quick way to create multiple cost centres under a single Cost Category at a time.

### Under Cost Centre

Select a particular Cost Centre as the parent cost center, if you wish to create multiple cost centres under it.



S.No.	Category	Name of Cost Centre	Under
1.	Branches	New Delhi	J Primary
2.	Department	Human Resource	J Primary
3.			

List of Categories

End of List

- Branches
- Department
- Machines
- Primary Cost Category
- Processes
- Products

[Img-11]

### Category

Select the Category under which the Cost Centre will be created from the List of Categories or create a new category by pressing **[Alt+C]**

### Name of Cost Centre

Enter the **name** of the new cost centre. The alias facility is not available in this mode. Select single alter to give aliases to Cost Centres created in multiple mode.

### Under

Select the **parent** Cost Centre from the List of Cost Centres. The list displays only the Cost Centres that belong to the selected Category.

Displaying and Altering Cost Centres under Cost Categories in Multiple mode is similar to Displaying and Altering Cost Centres in Multiple mode explained in the respective chapters. The only additional field is Category.

### Error in Categorisation of Cost Centres:

## PARENT BELONGS TO ANOTHER CATEGORY!

This error occurs when you try to assign a cost centre to a parent cost centre belonging to a different category. In most places, Tally.ERP 9 prevents you from making this error, by not displaying a cost centre belonging to a different category.

However, this action is not possible when you are altering a cost centre in multiple mode, selecting All Items in Under Cost Centre field. (You may have chosen to skip either or both).

You would have changed the Category without changing the name and the parent. However, Tally.ERP 9 will prompt for this error only at the time of accepting the screen.

## Set up Required for Cost Centre Class in Tally.ERP 9

Before you select **classes**, it is advisable to create the **cost centre** structure.

Define the **Classes** required and indicate which cost centres will be affected for each class. For example, you might have the following structure:

### Divisions

1. Export
2. Wholesale
3. Retail

### Departments

1. Finance
2. Marketing

Where Divisions and Departments are **Cost Categories** and the others are cost centres.

Now, you would like to allocate sales to the following Cost Centre Classes:

1. Export Class - to allocate 100% of Export sales to the cost centre Export
2. Wholesale Class - to allocate 100% of wholesale sales to the cost centre Wholesale
3. Retail Class - to allocate 100% of retail sales to the cost centre Retail

You would also like to allocate all the sales (Export, Wholesale and Retail) to the Marketing Department.

Along with the above mentioned, you would also like to allocate Marketing Expenses on a pro-rata in the following manner:

1. Finance – 50%
2. Marketing – 50%

With this structure, let us now set up the classes.

### **Set up Cost Centre Classes**

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

Set **Use Pre-defined Cost Centre Allocations during Entry** to **Yes**

<u>Cost/Profit Centres Management</u>	
Maintain Payroll	? No
Maintain Cost Centres	? Yes
Use Cost Centre for Job Costing	? Yes
More than ONE Payroll / Cost Category	? Yes
Use Pre-defined Cost Centre Allocations during Entry	? <b>Yes</b>

[Img-78]

(The other options can remain as previously set and are not discussed here.)

Click on **Enter**, which will pop up Auto **Cost Allocations-Cost Centre Classes** creation screen. Type the Class name and select the Categories and the respective cost centres. Specify the **percentage of allocation**. After entry, your auto-cost allocation screen will be displayed as shown:

Attitude

Auto Cost Allocations		
<u>Cost Centre Classes</u>		
Name: <b>ABC Company</b>		
<hr/>		
Class Name		
<hr/>		
<b>Export Class</b>		
<b>Divisions</b>		
Export		100 %
<b>Department</b>		
Marketing		100 %
<b>Wholesale Class</b>		
<b>Divisions</b>		
Wholesale		100 %
<b>Department</b>		
Marketing		100 %
<b>Retail Class</b>		
<b>Divisions</b>		
Retail		100 %
<b>Department</b>		
Marketing		100 %
<b>Marketing Expenses</b>		
<b>Department</b>		
Finance		50 %
Marketing		50 %

[Img-79]

You have created the **Cost Centre Classes** as Export, Wholesale, Retail and Marketing Expenses. Divisions and Departments are cost categories. Export, Wholesale and Retail are cost centres under Divisions. Marketing and Finance are cost centres under Departments.

It is not necessary to have the same names for the classes and the cost centres, as shown in the above example.

## Using Cost Categories and Cost Centres' in Tally.ERP 9

Cost Centers can be allocated in the vouchers. Activate Cost Centre for the Ledger Accounts that are used in voucher entry.

Note: Activate Maintain Cost Centers and More than one payroll / Cost Category in F11:Features > F1:Accounting Features.

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

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

[Img-18]

## Applying Cost Centres to Ledger Accounts

Example: enable Cost Center for Payment ledger – conveyance account.

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

Set Cost Centres are Applicable to Yes.

**Attitude**

Ledger Creation		ABC Company
Name : <b>Conveyance A/c</b>		<b>Total Op. Bal.</b>
(alias) :		
Under : <b>Indirect Expenses</b>		
Inventory values are affected	? <b>No</b>	
Cost centres are applicable	? <b>Yes</b>	
<b>Opening Balance ( on 1-Apr-2008) :</b>		

[Img-19]

### Cost Centre Allocation in Voucher Entry

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

Cost Allocations for : <b>Conveyance A/c</b> Upto: <b>Rs. 2,500.00 Dr</b>	
<b>Cost Category</b>	
<b>Name of Cost Centre</b>	<b>Amount</b>
<b>Sales Executives</b>	
Sales Man A	1,500.00
Sales Man B	1,000.00
	<u>2,500.00</u>

[Img-20]

The entire objective of creating Cost Centres is to allocate expenses and revenues to Cost Centres.

After allocating the Cost Centers, the payment voucher entry screen is displayed as shown.



Accounting Voucher Creation		ABC Company		Ctrl + M
<b>Payment</b> No. 1				1-Apr-2008 Tuesday
Particulars		Debit	Credit	
Dr <b>Conveyance A/c</b>		2,500.00		
<i>Cur Bal: 2,500.00 Dr</i>				
<b>Sales Executives</b>				
<b>Sales Man A</b>	1,500.00 Dr			
<b>Sales Man B</b>	1,000.00 Dr			
Cr <b>Bank</b>			2,500.00	
<i>Cur Bal: 97,500.00 Dr</i>				
Narration:				
Ch. No. :485963				
		2,500.00	2,500.00	

## Using Cost Centre Class' in Tally.ERP 9

Each voucher now contains the **Cost Centre/Classes** option at its head. Select **Not Applicable** in case you want to allocate manually. Select a **cost Centre class** to **auto-allocate** according to the predefined percentages set in that class.

Let us examine this with two examples, a **sales entry** and a payment entry.

In sales, let us select **Export** as the **Cost Centre Class**.

- Go to the **Voucher Entry** Screen
- Select **F8: Sales**

You have the following options:

Accounting Voucher Creation		ABC Company		Ctrl + M
<b>Sales</b> No. 3		Cost Centre/Classes : [REDACTED]		Auto Cost List
Ref.:				Not Applicable
Party's A/c Name :				<b>Export</b>
Current Balance :				Export Class
Sales Ledger :				Finance
<b>Name of Item</b>	<b>Quantity</b>			Marketing
				Marketing Expenses
				Retail
				Retail Class
				Salesman A
				Salesman B
				Salesman C
				Wholesale
				Wholesale Class



[Img-22]

**Cost Centre Class**

Select one of the **classes** created earlier, in this case Export.

Now enter the **sales invoice**. The cost centre allocation sub-screen will not be displayed but the allocation will be done automatically.

After accepting the entry, check the cost centre displays to verify whether the allocation was done correctly.

Similarly, when you press **F5: Payment**, similar options are displayed. Select **Marketing Expenses** in that case. The cost centre allocation sub-screen will not be displayed but the allocation will be done automatically.

Accounting Voucher Creation		ABC Company	Ctrl + M
<b>Payment</b> No. 4		1-Apr-2008 Tuesday	
Cost Centre/Classes : Marketing Expenses			
Particulars	Debit	Credit	
By Travelling and Conveyance Cur Bal: 10,000.00 Dr	10,000.00		
To Cash - Location A Cur Bal: 1,40,000.00 Dr		10,000.00	
Narration: Expenses towards Travelling and Conveyance		10,000.00	10,000.00
		Accept ? Yes or No	

[Img-23]

Use **PgUp** to check the entry in alteration mode. It will display the allocation in the voucher.



Accounting Voucher Alteration		ABC Company		Ctrl + M
Payment No. 4		Cost Centre/Classes : Marketing Expenses		1-Apr-2008 Tuesday
Particulars		Debit	Credit	
By Travelling and Conveyance		10,000.00		
<i>Cur Bal: 10,000.00 Dr</i>				
Department				
Finance	5,000.00 Dr			
Marketing	5,000.00 Dr			
To Cash - Location A			10,000.00	
<i>Cur Bal: 1,40,000.00 Dr</i>				
Narration: Expenses towards Travelling and Conveyance				
		10,000.00	10,000.00	

[Img-24]

Check the **cost centre reports** for allocation.

**Note:** You can combine **Voucher Class** and **Cost centre class** to maximize automation.

## Cost Category Summary in Tally.ERP 9

**Cost Category Summary** displays the information on all cost categories to which you have allocated the voucher transactions.

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



Cost Category Summary		ABC Company		Ctrl + M
Particulars	ABC Company For 1-Apr-2008			
	Transactions		Closing Balance	
	Debit	Credit		
<b>Department</b>	35,000.00	65,000.00	30,000.00 Cr	
<i>Finance</i>	25,000.00	55,000.00	30,000.00 Cr	
<i>Marketing</i>	10,000.00	10,000.00		
<b>Division</b>	30,000.00	30,000.00		
<i>Export</i>	20,000.00	11,000.00	9,000.00 Dr	
<i>Retail</i>	5,000.00	9,000.00	4,000.00 Cr	
<i>Wholesale</i>	5,000.00	10,000.00	5,000.00 Cr	
<b>Primary Cost Category</b>	15,000.00	30,000.00	15,000.00 Cr	
<i>Salesman A</i>	4,000.00	15,000.00	11,000.00 Cr	
<i>Salesman B</i>	6,000.00	10,000.00	4,000.00 Cr	
<i>Salesman C</i>	5,000.00	5,000.00		

[Img-22]

You can create any number of cost categories apart from the Primary one, which is the default category. Each Cost Category has cost centres listed under it. The names in italics are cost centres that do not have any sub-cost centres. The names that are in normal fonts are cost centres that have sub-cost centres under them.

The debit and credit transaction totals and the closing balance for each cost category are displayed together with their breakdown consisting of cost centre summaries.

**Note:** we can configure the report by selecting the required options in F12:Configure.

## Cost Centre Vouchers in Tally.ERP 9

To display **Cost Centre Vouchers**,

1. From the **Cost Category Summary**, drill down into a cost centre for a monthly breakup of the figures.
2. Select a month to display the Cost Centre Vouchers pertaining to that month.
3. In the Cost Centre Vouchers use **F2: Period** to expand the date range if required.
4. To display more detailed cost centre vouchers, set the required options in **F12: Configure**.



Cost Centre Vouchers		ABC Company		Ctrl + M	
Cost Centre : Finance		1-Apr-2008 to 30-Apr-2008			
Date	Particulars	Vch Type	Vch No.	Debit	Credit
1-4-2008	Conveyance	Payment	1	5,000.00	
1-4-2008	Professional Income	Receipt	1		5,000.00
1-4-2008	Professional Services	Sales	1		15,000.00
1-4-2008	Professional Services	Sales	2		5,000.00
1-4-2008	Conveyance	Payment	2	13,000.00	
1-4-2008	Professional Income	Receipt	2		30,000.00
1-4-2008	Conveyance	Payment	3	7,000.00	
				Opening Balance :	
				Current Total :	25,000.00 55,000.00
				Closing Balance :	30,000.00

[Img-23]

The **Cost Centre Vouchers** screen is also accessible from all other Cost Centre Reports but the vouchers displayed are only those that relate to the currently selected cost centre.

## Cost Centre Break-up in Tally.ERP 9

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

To access the **Cost Centre Break-up** screen,

1. Go to **Gateway of Tally > Display > Statements of Accounts > Cost Centres > Cost Center Break-up**
2. Select a cost centre, e.g. Finance
3. Click **F1: Detailed** to see the ledgers.

The **Breakup of Cost Centre** report will be displayed as shown.

Cost Breakup of Ledger		ABC Company		Ctrl + M
Particulars	Ledger: Conveyance ABC Company For 1-Apr-2008			
	Transactions		Closing Balance	
	Debit	Credit		
<b>Department</b>	36,000.00		35,000.00 Dr	
Finance	25,000.00		25,000.00 Dr	
Marketing	10,000.00		10,000.00 Dr	
<b>Division</b>	30,000.00		30,000.00 Dr	
Export	20,000.00		20,000.00 Dr	
Retail	5,000.00		5,000.00 Dr	
Wholesale	5,000.00		5,000.00 Dr	
<b>Primary Cost Category</b>	15,000.00		15,000.00 Dr	
Salesman A	4,000.00		4,000.00 Dr	
Salesman B	6,000.00		6,000.00 Dr	
Salesman C	5,000.00		5,000.00 Dr	

[Img-24]

Use the button **F5:Led-wise** on the button bar to view the report in the alphabetic order of ledger accounts.

A **columnar Cost-centre breakup** enables comparison of two or more cost centres and assessment of their relative performance. Use **New Column (Alt+C)** to bring up the data of another cost centre for comparison alongside. Drill down for further details.

Breakup of Cost Centre		ABC Company			ABC Company			Ctrl + M
Particulars	Cost Centre: Finance ABC Company 1-Apr-2008 to 31-Mar-2009			Cost Centre: Marketing ABC Company 1-Apr-2008 to 31-Mar-2009				
	Transactions		Closing Balance	Transactions		Closing Balance		
	Debit	Credit		Debit	Credit			
Conveyance	25,000.00		25,000.00 Dr	10,000.00		10,000.00 Dr		
Professional Income		15,000.00	15,000.00 Cr					
Professional Services	5,000.00		5,000.00 Dr	5,000.00		5,000.00 Dr		
Travelling and Conveyance	5,000.00		5,000.00 Dr	5,000.00		5,000.00 Dr		

[Img-25]

**Attitude**

## Multi-Currency in Tally.ERP 9

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. At times you need to record the transaction in the foreign currency itself when you maintain the balance of the concerned account in foreign currency.

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.

The **Balance Sheet** and **Profit & Loss Account** of the company is maintained in the base currency. Conversion of foreign currency account balances is done as per rules set by you.

Go to **Company Info. > Create Company**

Company Alteration		Ctrl + M	
<b>Name</b> : ABC Company			
<b>Mailing &amp; Contact Details</b>		<b>Company Details</b>	
Mailing Name	: ABC Company	Currency Symbol	: ₹
Address	: #45, Divya Enclave Rajaji Nagar Bangalore	Maintain	: Accounts with Inventory
		Financial Year from	: 1-4-2012
		Books beginning from	: 1-4-2012
		<b>Security Control</b>	
Statutory compliance for	: India	Use Security Control	? Yes
State	: Karnataka	(Enable Security to avail Tally.NET Features)	
PIN Code	: 560048	Name of Administrator	: Ajay
Telephone No.	: 080-25896321	Password	: .....
Mobile No.	: 9002565541	Repeat Password	: .....
E-Mail	: sales@nationaltraders.com	(Password Strength is Strong)	
<b>Auto Backup Details</b>		Use Tally Audit Features	? Yes
Enable Auto Backup	: No	Disallow opening in Educational mode	? No
<b>Base Currency Information</b>			
Base Currency Symbol	: ₹	Show Amounts in Millions	? No
Formal Name	: INR	Put a SPACE between Amount and Symbol	? Yes
Number of Decimal Places	: 2	Decimal Places for Printing Amounts in Words	: 2
Is Symbol SUFFIXED to Amounts?	No		
Symbol for Decimal Portion	: paise		

[Img-79]

**Note:** At time of installing Tally.ERP 9, if the **Country Selection** is opted as **India/Saarc**, the **Currency Symbol** is defaulted as **Rs.** in the Company master otherwise if the Country Selection is opted as **International (Others)**, the **Currency Symbol** is defaulted as **£** in the Company master.

### More:

Enabling Multi-Currency

Creating a Currency

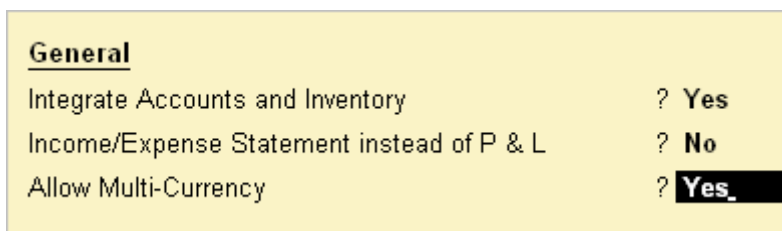
Altering a Currency

Defining Rates of Exchange

## Enabling Multi-Currency in Tally.ERP 9

Enable **Multi-Currency** feature to view and enter transactions in multiple currencies.

- Go to **Gateway of Tally**
- Select **F11: Accounting Features**
- Set **Allow Multi-Currency** to **Yes**
- Accept to **Save**.

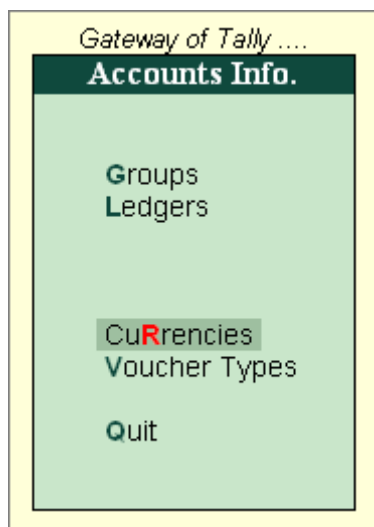


[Img-80]

**Multi Currency** feature is now enabled.

### Currencies menu

Once the Multi-Currency feature is enabled in F11: Accounting Features, you can view the Currencies menu from **Gateway of Tally > Accounts Info > Currencies**.



Creating a Currency in Tally.ERP 9

To create a foreign currency

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

Currency Creation		ABC Cor
Symbol	: \$	
Formal Name	: Dollar	
Number of Decimal Places	: 2	
Show Amounts in Millions	? No	
Is Symbol SUFFIXED to Amounts	? No	
Put a SPACE between Amount and Symbol	? No	
Symbol for Decimal Portion of Amount	:	
Decimal Places for Printing Amounts in Words	: 2	

[Img-82]

2. Enter the currency symbol in Symbol field. This symbol appears in your reports, wherever applicable.

Use ASCII Special Characters with [Alt] key combination, if your keyboard does not have the symbol. Utilities like Character Map (Start > All Programs > Accessories > System Tools) in Windows, shows the key combination for most symbols. This might be different on some notebook computers, refer to the computer's user manual or the vendor.

You cannot assign a duplicate currency symbol for a company in Tally.ERP 9.

The Key combinations for a few currency symbols are given below:

1.
  - Alt + 156 -Pound Sterling - £
  - Alt + 0165 - Japanese Yen - ¥
  - Alt + 0128 - Euro - €
  - Use the Dollar and the Rs. Symbol from the keyboard

3. Enter the name of the currency in Formal Name. e.g., US Dollars, Pound Sterling, Indian Rupees, Omani Rial and so on.

A formal name is required to distinguish different currencies with the same symbols. For e.g. Assume you have created two companies (ABC & XYZ) in Tally.ERP 9. ABC andXYZ have different set of currencies. ABC uses symbol \$ for Australian Dollars and XYZ uses the symbol \$ for U.S. Dollars. The formal name distinguishes two different currencies with the same symbol, when you compare Books of Accounts of the two companies.

The company that is loaded first retains the original symbol for display purposes. The other company's currency symbol will be prefixed with the first letter/first few letters (to make it unique) of the formal name. Here, if ABC is loaded first then the symbol \$ is for Australian



Dollars and in XYZ (loaded next) the symbol \$ is prefixed with the letter U (first letter of its formal name).

Note: You cannot assign a duplicate Formal Name for a currency in Tally.ERP 9.

4. Enter the number of decimal places for the currency in Number of Decimal Places. E.g. Currencies with 2 decimal places like paisa and currencies with three decimal places like dinar. There are currencies that do not have decimal places, e.g., Vietnamese Dong.

5. Tally.ERP 9 has two formats for displaying an amount, viz., in millions and in lakhs. 1000000 (one followed by six zeroes) in millions format would appear as 1,000,000 and lakhs would appear as 10,00,000.

Select the required parameter in Show Amounts in Millions field. If you select No, the amounts will appear in Lakhs, by default.

Note: You can always specify the appearance of numbers in specific reports, e.g. In Profit & Loss Account display, press F12: Configure to change scale factors for values.

6. Set Is Symbol SUFFIXED to Amounts to Yes for the symbol to appear after the amount. Set it to No, for the symbol to be prefixed to the amount.

7. Set Put a SPACE between Amounts and symbol? to Yes to apply a space between amounts and symbol.

8. Enter the Symbol for Decimal portion of currency in Symbol for Decimal Portion of Amount field. Eg., Ps. for Paise.

9. Enter the number of decimal places for printing the amounts in words in Decimal Places for Printing Amounts in Words field. This number should be equal to or lesser than the number specified in Number of Decimal Places field.

Note: The Currency cannot be translated or transliterated but will appear in the Language created.

Buttons available in the Currency creation/alteration screen:

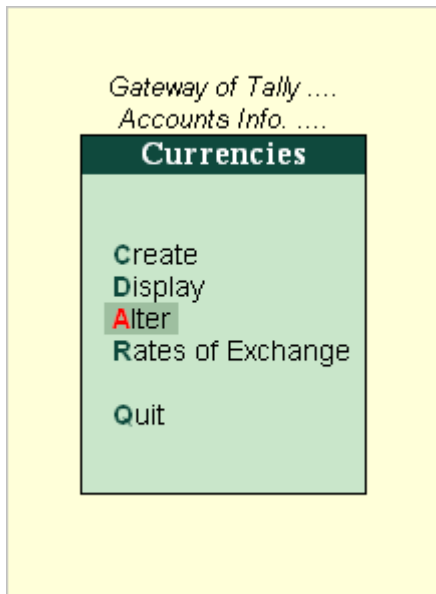
Buttons	Keys	Description and usage
<b>G: Groups</b>	Ctrl+G	User is allowed to create <b>Accounting Group</b> from the <b>Currency Creation/Alteration</b> screen.
<b>L: Ledgers</b>	Ctrl+L	User is allowed to create <b>Accounting Ledgers</b> from the <b>Currency Creation/Alteration</b> screen.
<b>S: Cst Cat</b>	Ctrl+S	User is allowed to create <b>Cost Category</b> from the <b>Currency Creation/Alteration</b> screen.
<b>C: Cst Ctr</b>	Ctrl+C	User is allowed to create <b>Cost Centre</b> from the <b>Currency Creation/Alteration</b> screen.
<b>B: Budget</b>	Ctrl+B	User is allowed to create <b>Budget</b> from the <b>Currency Creation/Alteration</b> Screen.
<b>V: Vch Types</b>	Ctrl+V	User is allowed to create <b>Voucher Type</b> from the <b>Currency Creation/Alteration</b> screen.

## Altering a Currency in Tally.ERP 9

You can modify or delete a **currency** master using the Alter option. Rates of Exchange can also be altered from here.

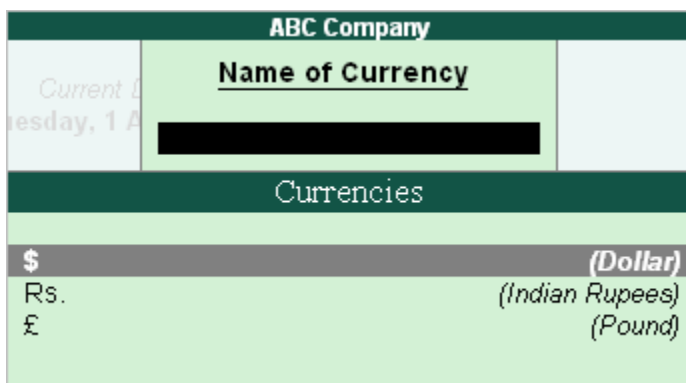
To alter a currency master:

1. Go to **Gateway of Tally > Accounts Info. > Currencies > Alter**



[Img-83]

2. Select a **Currency** from the Currencies list (displayed if there is more than 1 currency)



[Img-84]

3. In the Currency Alteration screen, alter details as required. For more information refer [Creating a Currency](#)

Standard		Rates of Exchange			Buying		
Date	Specified Rate	Date	Last Voucher Rate	Specified Rate	Date	Last Voucher Rate	Specified Rate

[Img-85]

### Displaying a Currency

The Currency Display screen displays the details and rates of exchange for a selected currency.

To display the Currency screen:

1. Go to **Gateway of Tally > Accounts Info. > Currencies > Display**
2. Select a **Currency** from Currencies list (displayed, if there is more than 1 currency)
3. **Enter** to view the details

### Deleting a Currency

To delete a Currency:

1. Go to **Gateway of Tally > Accounts Info. > Currencies > Alter**
2. Select a currency from the Currencies list (displayed, if there is more than 1 currency)
3. Press **Alt + D** in the Currency Alteration screen to delete

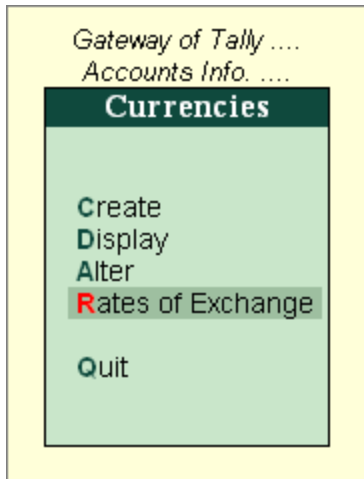
**Note:** You cannot delete a Currency, if it is used in any transaction.

## Defining Rates of Exchange in Tally.ERP 9

In the **Rates of Exchange** menu, you can specify the rate of foreign currency for a specific date. Foreign exchange variations occur every day with different selling and buying rates. Rates of Exchange feature helps you record rate of Currency for particular date and apply in your transactions.

To **Display/Alter** Rates of Exchange:

Go to **Gateway of Tally > Accounts Info > Currencies > Rates of Exchange**



[Img-86]

Enter to view the **Multi Currency** Alteration screen as shown :

Multi Currency Alteration		ABC Company		Ctrl + M		
Date for Rate of Exchange : 1-Apr-2008						
S.No.	Currency	Std. Rate	Selling Rate		Buying Rate	
			Last Voucher Rate	Specified Rate	Last Voucher Rate	Specified Rate
1.	\$ (Dollar)			Rs. 600/\$		Rs. 500/\$
2.	A\$ (Australian Dollar)	Rs. 100/A\$		Rs. 250/A\$		Rs. 200/A\$
3.	¥ (Yen)	Rs. 160/¥		Rs. 400/¥		Rs. 250/¥

[Img-87]

1. Enter the **date** for which the exchange rate is applicable
2. Enter the **Standard Rate (optional)** which is used to calculate variances from the actual transaction rates
3. Enter the **Selling Rate** (your selling rate)
4. Enter the **Buying Rate** (your buying rate)
5. Accept to **Save**

**Note:** Last Voucher Rate is displayed, if any voucher has been entered earlier.

### **Selling Rate – Specified Rate**

Selling rate is your selling rate (as opposed to bank's selling rate) used for receipt voucher entry where you receive foreign exchange.

This is the rate obtained from your banker or also available in the daily newspaper. Once the Selling Rate is specified in the Rates of Exchange menu, while entering a foreign exchange transaction, the rates are defaulted automatically. However, you can alter the rate as required.

The **actual rate** at which the currency was last used is displayed and cannot be changed.

The **specified rate** is used for calculating foreign exchange variances only in case where there is no standard rate.

### **Buying Rate – Specified Rate**

**Buying Rate** is your buying rate (as opposed to bank's buying rate) used in payment vouchers.

The **actual rate** at which the currency was last used is displayed and cannot be changed.

The **specified rate** is used for calculating foreign exchange variances only in case where there is no **standard rate**.

**Note:** Tally.ERP 9 automatically calculates Forex Gain or Loss for **foreign exchange transactions** using the standard rates, specified rates and actual transaction rates specified in the **Rates of Exchange** menu.

**Buttons available in the Rates of Exchange screen:**

Buttons	Keys	Description and usage
<b>G :Groups</b>	Ctrl+G	User is allowed to create <b>Accounting Group</b> from the <b>Rates of Exchange</b> screen.
<b>L: Ledgers</b>	Ctrl+L	User is allowed to create <b>Accounting Ledgers</b> from the <b>Rates of Exchange</b> screen.
<b>S: Cst Cat</b>	Ctrl+S	User is allowed to create <b>Cost Category</b> from the <b>Rates of Exchange</b> screen.
<b>C: Cst Ctr</b>	Ctrl+C	User is allowed to create <b>Cost Centre</b> from the <b>Rates of Exchange</b> screen.

## Using Multi-Currency' in Tally.ERP 9

Tally.ERP9 provides you the facility of entering vouchers in any other currency (Foreign Currency) along with base currency (specified during Company Creation), i.e., a voucher can be created either with base currency or with Multi- Currency.

### **Recording a Purchase voucher with Multi-Currency**

To record a purchase voucher using the Multi-Currency feature in Tally.ERP 9,

Go to **Gateway of Tally > Accounting Vouchers / Inventory Vouchers > Click F9: Purchase** button or press **F9** key

- Select the party ledger in the **Party's A/c Name** field
- Select the Stock Item in the **Name of Item** field and enter the quantity
- Specify the price in the currency other than base currency in the **Rate** field and press **Enter**

Tally.ERP 9 will automatically prompt you to enter the Rate of Exchange for Base Currency as shown:

Rate in Forex	Rate of Exchange	Rate in ₹
\$100.00/nos	@ ₹ 54.01/\$	₹ 5,401.00/nos

[Img-25]

- Enter the rate of exchange and press **Enter** to navigate to the **Accounting Voucher Creation** screen

Accounting Voucher Creation		ABC Company		Ctrl + M
Purchase	No. 1			1-Apr-2013
Supplier Invoice No. : 1.4	Date : 1-Apr-2013			Monday
Party's A/c Name : Supplier A				
Current Balance :				
Name of Item	Quantity	Rate per	Amount	
Item Import	100 nos	\$100.00 nos	\$10,000.00	
↓ End of List				
Narration:			100 nos \$10,000.00 @ ₹ 54.01/\$ = ₹ 5,40,100.00	

[Img-26]

- Press **Enter** to accept

### Recording a Sales voucher with Multi-Currency

Go to **Gateway of Tally > Accounting Vouchers / Inventory Vouchers >** Click **F8: Sales** button or press **F8** key

- Select the party ledger in the **Party's A/c Name** field
- Select the Stock Item in the **Name of Item** field and enter the quantity
- Specify the price in the currency other than base currency in the **Rate** field and press **Enter**

- Enter the Rate of Exchange for the base currency and press **Enter**

Accounting Voucher Creation		ABC Company		Ctrl + M
<b>Sales</b> No. 1				2-Apr-2013
Ref. : 001				Tuesday
Party's A/c Name : Customer X				
Current Balance :				
Name of Item	Quantity	Rate per	Amount	
Chocolates	20 nos	\$30.00 nos	\$600.00	
J End of List				
Narration:			20 nos \$600.00 @ ₹ 54.50/\$ = ₹ 32,700.00	

[Img-27]

- Press **Enter** to accept

To print the sales invoice,

- Press **Alt+P** key or click **P: Print** button

The **Voucher Printing** screen appears

- Press **F12** key or click **F12: Configure** button

The **Invoice Printing Configuration** screen appears

- Set the option **Print Base & Foreign Currency** for Total to **Yes**. Enabling this option will print the **Total** amount in both Base Currency and the Foreign Currency

<b>Invoice Printing Configuration</b>			
Title of Document	:	<b>INVOICE</b>	
(for Optional Voucher)	:	<b>PROFORMA INVOICE</b>	
Sub Title (if any)	:		
Height of Normal Invoice (inches)	:	<b>10</b>	Simple: <b>10</b>
Width of Normal Invoice (inches)	:	<b>7.50</b>	Simple: <b>7.50</b>
Space to leave on top (default 0.25)	:	<b>0.25</b>	Simple: <b>0.25</b>
Space to leave on left (default 0.5)	:	<b>0.50</b>	Simple: <b>0.50</b>
Print E-sugam No	? Yes	Print Serial No.	? Yes
Print in Simple Format	? No	Print Part No.	? No
Print Voucher Reference	? Yes	Print Quantity Column	? Yes
Print Order Details	? Yes	Print Alternate Quantity	? Yes
Print Terms of Payment and Delivery	? Yes	Print as separate Column	? No
Print details of Despatch	? Yes	Print Actual Quantity Column	? No
Print Tax Analysis of Items	? No	Print Rate Column	? Yes
Print Company's PAN / Income Tax No.	? Yes	Print Batch Details	? Yes
Print Company's Tax Regn. Numbers	? Yes	Print Godown Name	? No
Print Buyer's Tax Regn. Number	? Yes	Print Godown Address	? No
Print Buyer's CST Regn. Number	? Yes	Print Rate of Duty with Items	? No
Print Declaration	? Yes	Print Sub-Totals after each line	? No
Print Customer's Signature	? No	Print Narration	? No
		Print Narration for each entry	? No
		Print Base & Foreign Currency for Total	? <b>Yes</b>
		Print Base Currency Symbol for Total	? Yes
Method to use for Party Name : <b>Name Only</b>			
Method to use for Stock Item Name : <b>Name Only</b>			
Print Bank Details	? No		
Jurisdiction	:	<b>Bangalore</b>	
Generated by	:	<b>This is a Computer Generated Invoice</b>	

[Img-28]

The print preview of Sales Invoice appears as shown:



INVOICE					
<b>ABC Company</b> 9/1, Mahalaxmi Chambers M G Road Bangalore E-Mail : mail@abc.com		Invoice No. <b>1</b>		Dated <b>2-Apr-2013</b>	
		Delivery Note		Mode/Terms of Payment	
		Supplier's Ref. <b>001</b>		Other Reference(s)	
Buyer <b>Customer X</b>		Buyer's Order No.		Dated	
		Despatch Document No.		Dated	
		Despatched through		Destination	
		Terms of Delivery			
Sl No.	Description of Goods	Quantity	Rate	per	Amount
1	Chocolates	20 nos	\$30.00	nos	\$600.00
Total		20 nos			<b>\$600.00</b>
Total Invoice Amount in ₹ <b>\$600.00 @ ₹ 54.50/\$ = ₹ 32,700.00</b>					
Amount Chargeable (in words) <b>INR Thirty Two Thousand Seven Hundred Only</b>					
Declaration We declare that this invoice shows the actual price of the goods described and that all particulars are true and correct.		for ABC Company  _____ Authorised Signatory			
SUBJECT TO BANGALORE JURISDICTION This is a Computer Generated Invoice					

[Img-29]

## Interest Calculation based on Bank Date/Voucher Date in Tally.ERP 9

The interest calculation feature is enhanced with the facility to calculate interest on ledger balance as per Bank balance provided in Bank Reconciliation Statement using simple and advanced parameters based on bank/reconciliation date. However, to allow users to predefine auto-calculation of interest based on voucher date, the Date Type - **Voucher Date** is also made available along with **Bank/Reconciliation Date** in the bank ledger master.

**Note:** In all releases of Tally.ERP 9, the interest was being calculated, by default, on **Voucher Date**. In **Tally.ERP 9 release 4.8**, the option to calculate interest on **Bank/Reconciliation Date** has been provided. Hence, only the newly provided feature will be explained here.

To capture the transaction details of reconciled vouchers and provide flexibility to drill-down to the last level of voucher entry, a new report - **Bank Reconciled Transactions** has been introduced.

The option to calculate interest based on either Bank reconciliation date or voucher date will be displayed for ledgers grouped under **Bank Accounts**, **Bank OCC A/c** and **Bank OD A/c**. The interest calculated on:

- **Voucher date** will be displayed in the **Ledger Interest** report
- **Reconciliation date** will be displayed in **Bank Reconciled Transactions** report.

### **Bank Master - Interest Calculation on Bank/Reconciliation Date using Simple Parameters**

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

Ensure the option - **use advanced parameters** below **Activate Interest Calculation of F11: Features > F1: Accounts** is set to **No**.

Create the ledger Canara Bank A/c by grouping it under **Bank Accounts** and set the option - **Activate Interest Calculation** to **Yes**.

Ledger Creation		ABC Company		Ctrl + M
Name : Canara Bank A/c (alias) :			Total Op. Bal.	
Under	: Bank Accounts (Current Assets)	Name	: Canara Bank A/c	
Activate Interest Calculation	? Yes	Address	:	
Effective Date for Reconciliation	? 1-Apr-2013	State	:	
Set/Alter Bank Details	? No	PIN Code	:	
Opening Balance ( on 1-Apr-2013 ) :				

[Img-40]

In the **Interest Parameters** screen, select the **Bank/Reco Date** as the **Date Type** in the **Calculate Interest Based on** field. Provide the other parameters as shown and accept the **Interest Parameters** and the bank **Ledger Creation** screen:

Interest Parameters		Date Type
Calculate Interest Based on	? <b>Bank/Reco Date</b>	Bank/Reco Date
Rate : 10 % per 30-Day Month		Voucher Date

[Img-41]

**Bank Master - Interest Calculation on Bank/Reconciliation Date using Advanced Parameters**

In the Ledger Creation screen, click **F11: Features** > **F1: Accounts** set the option - **use advanced parameters** below **Activate Interest Calculation** to **Yes**.

In the **Ledger Alteration** screen of Canara Bank A/c ledger, set the option - **Activate Interest Calculation** to **Yes** and press Enter key. In the **Interest Parameters** screen, select the **Bank/Reco Date** as the **Date Type** in the **Calculate Interest Based on** field. Provide the other parameters as shown and accept the **Interest Parameters** and the bank **Ledger Creation** screen:

<u>Interest Parameters</u>	
Calculate Interest Based on	? Bank/Reco Date
Rate : 10 % per 30-Day Month	on All Balances
<i>Applicable From: 1-May-2013 To: 31-May-2013</i>	
<i>Rounding : - Not Applicable</i>	
Rate : 20 % per 30-Day Month	on All Balances
<i>Applicable From: 1-Jun-2013 To: 30-Jun-2013</i>	
<i>Rounding : - Not Applicable</i>	
Rate : % per	on

[Img-42]

### **Voucher Entry**

Let us record payment voucher on 1-5-2013. Go to **Gateway of Tally > Accounting Vouchers > F5: Payment**

#### **Recording Payment Voucher in Single Entry Mode**

Click **F12: Configure** and set the option - **Use Single Entry mode for Pymt/Rcpt/Contra** to **Yes** and accept the **Voucher Configuration** screen. Record the payment voucher and provide the bank details.

Bank Allocations		ABC Company		Ctrl + M		
Payment	No. ABC201011-00001			1-May-2013 Wednesday		
Account : Canara Bank A/c Cur Bal: 10,000.00 Cr						
Particulars					Amount	
RK Traders					10,000.00	
Cur Bal: 25,000.00 Cr Agst Rel RK001                      10,000.00 Dr						
Bank Allocations for : Canara Bank A/c For: 10,000.00						
Ledger Name	Nickname	Favouring Name	Transaction Type	Remarks	Amount	
RK Traders	RKT	RK Trading Corporation	Cheque	Cheque Payment	10,000.00	
<i>Cheque Range</i>	: Not Applicable	<i>Inst. No.</i>	: 002345	<i>Inst. Date</i>	: 2-May-2013	<i>Cross Using</i> : A/c Payee
<i>Bank Date</i>	:					

[Img-43]

**Note:** To provide bank details with remarks, click **F12: Configure** in the Payment voucher and set the options as shown:

<u>Payment Configuration</u>	
Skip Date field in Create Mode (faster entry!)	? Yes
Use Single Entry mode for Pymt/Rcpt/Contra	? No
Show Bank Allocation details	? No
Use Payment as Contra	? No
Use Cr/Dr instead of To/By during entry	? Yes
Warn on Negative Cash Balance	? Yes
Pre-Allocate Bills for Payment/Receipt/Journal	? No
Show Inventory Details	? Yes
Show Table of Bill Details for Selection	? Yes
Show Bill-wise Details	? Yes
Expand into multiple lines	? Yes
Show Ledger Current Balances	? Yes
Show Balances as on Voucher Date	? Yes
Confirm each Cheque before Print	? Yes
<u>Bank Allocations Configuration</u>	
Use Defaults for Bank Allocations	? No
Use Auto Cheque Numbering	? Yes
Allow Selection of Cheque Range	? Yes
Show Remarks	? <b>Yes</b>
Show E-mail	? No
Set Ledger-wise bank allocations	? No

[Img-44]

The Payment voucher appears as shown:

Accounting Voucher Creation		ABC Company	Ctrl + M
<b>Payment</b> No. ABC201011-00001		1-May-2013 Wednesday	
Account : Canara Bank A/c Cur Bal: 10,000.00 Cr			
Particulars			Amount
<b>RK Traders</b>			10,000.00
Cur Bal: 25,000.00 Cr			
Agst Ref RK001                      10,000.00 Dr			
Narration:			
First instalment of payment to RK Traders			
			10,000.00
			Accept ? Yes or No

[Img-45]

**Recording payment Voucher in Double Entry Mode**

In the Accounting Voucher Creation screen, click **F12: Configure** and set the option - **Use Single Entry mode for Pymt/Rcpt/Contra to No** and accept the **Voucher Configuration** screen. Record the payment voucher and provide bank details.

Bank Allocations		ABC Company	Ctrl + M		
<b>Payment</b> No. ABC201011-00002		10-May-2013 Friday			
Particulars		Debit	Credit		
<b>Dr RK Traders</b>		20,000.00			
Cur Bal: 5,000.00 Cr					
Agst Ref RK001                      20,000.00 Dr					
<b>Cr Canara Bank A/c</b>			20,000.00		
Cur Bal: 30,000.00 Cr					
Bank Allocations for : Canara Bank A/c For: 20,000.00					
Ledger Name	Nickname	Favouring Name	Transaction Type	Remarks	Amount
RK Traders	RKT	RK Trading Corporation	Cheque	Cheque payment	20,000.00
Cheque Range : Not Applicable		Inst. No. : 002346	Inst. Date : 11-May-2013	Cross Using : A/c Payee	
Bank Date :					

[Img-46]

The Payment voucher appears as shown:

Accounting Voucher Creation		ABC Company	Ctrl + M
<b>Payment</b> No. ABC201011-00002		10-May-2013 Friday	
Particulars	Debit	Credit	
Dr RK Traders Cur Bal: 5,000.00 Cr Agst Ref RK001	20,000.00 Dr	20,000.00	
Cr Canara Bank A/c Cur Bal: 30,000.00 Cr		20,000.00	
Narration: Payment of balance amount to RK Traders		20,000.00	20,000.00
		Accept ? Yes or No	

[Img-47]

**Note:** To display Dr/Cr instead of To/By in the voucher, click **F12: Configure** and set the option - **Use Cr/Dr instead of To/By during entry** to **Yes**.

### **Interest Calculation Report**

Since the bank ledger is configured to calculate interest based on reconciliation date, interest will be calculated only if the transactions are reconciled.

To view the **Interest Calculation** report, go to **Gateway of Tally > Display > Statement of Accounts > Interest Calculation > Ledger > Canara Bank A/C**

#### **Scenario 1: Reconciling the Payment Vouchers and Viewing Interest Calculated on Simple Parameters**

To reconcile the payment voucher, go to **Gateway of Tally > Banking > Bank Reconciliation > Canara Bank A/c**

For the payment vouchers recorded in the previous section, enter the reconciliation dates as shown and accept the Bank Reconciliation screen:



Bank Reconciliation		ABC Company				Ctrl + M		
Ledger: Canara Bank A/c		(Reconciliation - All Vouchers)				1-May-2013 to 31-May-2013		
Date	Particulars	Vch Type	Transaction Type	Instrument No.	Instrument Date	Bank Date	Debit	Credit
1-5-2013	RK Traders	Payment	Cheque	002345	1-5-2013	5-5-2013		10,000.00
10-5-2013	RK Traders	Payment	Cheque	002346	10-5-2013	20-5-2013		20,000.00
							Balance as per Company Books :	30,000.00
							Amounts not reflected in Bank :	
							<b>Balance as per Bank :</b>	<b>30,000.00</b>

[Img-48]

To view the **Interest Calculation** report after reconciling the payment vouchers, go to **Gateway of Tally > Display > Statement of Accounts > Interest Calculation > Ledger > Canara Bank A/C**

Click **F2: Period** and enter the From and To dates as 1-5-2013 and 31-5-2013 respectively. The **Interest Ledger** report appears as shown:

Ledger Interest		ABC Company				1-May-2013 to 31-May-2013		
Ledger: Canara Bank A/c								
Balance	From:	To:	Total Days	Rate %	Interest			
10,000.00 Cr	5-May-2013	20-May-2013	15 days	10 %	500.00 Cr			
30,000.00 Cr	20-May-2013	31-May-2013	11 days	10 %	1,100.00 Cr			
							Grand Total	1,600.00 Cr

[Img-49]

Depending on the dates entered for reconciliation, the interest gets calculated and displayed here.

**Scenario 2: Reconciling the Payment Vouchers and Viewing Interest Calculated on Advanced Parameters**

In the **Interest Calculation** report, click **F2: Period** and enter the From and To dates as 1-5-2013 and 30-6-2013 respectively to view the interest for the period of June as defined in the advanced interest parameters. The **Interest Ledger** report appears as shown:

Ledger Interest		ABC Company			
Ledger : Canara Bank A/c			1-May-2013 to 30-Jun-2013		
Balance	From:	To:	Total Days	Rate %	Interest
10,000.00 Cr	5-May-2013	20-May-2013	15 days	10 %	500.00 Cr
30,000.00 Cr	20-May-2013	31-May-2013	11 days	10 %	1,100.00 Cr
30,000.00 Cr	31-May-2013	30-Jun-2013	30 days	20 %	6,000.00 Cr
<b>Grand Total</b>					<b>7,600.00 Cr</b>

[Img-50]

Depending on the dates entered for reconciliation, the interest gets calculated and displayed here.

**Bank Reconciled Transactions**

To view the Bank Reconciled Transactions report, press Enter on any one of the balances displayed in the **Ledger Interest** report.

(Go to **Gateway of Tally > Display > Statement of Accounts > Interest Calculation > Ledger > Canara Bank A/C** > Press Enter on any one of the balances)

Click **F2: Period** and change the From and To dates as 1-5-2013 to 30-6-2013 respectively. Click **F12: Configure** and set the options as shown to choose the required sorting option and capture the narration, remarks and favouring name in the **Bank Reconciled Transactions** report:

<u>Configuration</u>	
Select transactions to show	: All Transactions
Show Narrations also	? Yes
Show Remarks also	? Yes
Show Payment Favouring/ Received From	? Yes
Include Opening Balances (set as 'no' to remove from filtered reports)	? Yes
Appearance of Names	: Name Only
Scale Factor for Values	: Default
Sorting Method	: <b>Instrument Date (Increasing)</b>

Sorting Methods	
Amount-wise (Decreasing)	
Amount-wise (Increasing)	
Date (Decreasing)	
Date (Increasing)	
Default	
Instrument Date (Decreasing)	
<b>Instrument Date (Increasing)</b>	
Instrument No. (Decreasing)	
Instrument No. (Increasing)	
4 more ... ↓	

[Img-51]

The **Bank Reconciled Transactions** report appears as shown below:

Bank Reconciled Transactions		ABC Company		Ctrl + M					
Ledger: Canara Bank A/c		1-May-2013 to 30-Jun-2013							
Bank Date	Vch Date	Particulars	Favouring Name /Received From	Vch Type	Transaction Type	Instrument No.	Instrument Date	Debit	Credit
5-5-2013	1-5-2013	RK Traders Cheque Payment First installment of payment to RK Traders	RK Trading Corporation	Payment	Cheque	002345	2-5-2013		10,000.00
20-5-2013	10-5-2013	RK Traders Cheque payment Payment of balance amount to RK Traders	RK Trading Corporation	Payment	Cheque	002346	11-5-2013		20,000.00
								Opening Balance as per Bank	10,000.00
								Current Total as per Bank	30,000.00
								Closing Balance as per Bank	40,000.00

[Img-52]

The Bank Reconciled Transactions report provides columnar details on reconciled transactions. The description of each column is given below:

**Bank Date:** The Bank Date provided in the Bank Reconciliation screen is captured here.

**Vch Date:** The date on which the transaction is recorded is captured here.

**Particulars:** The remarks and narration entered in the payment/receipt voucher are captured under the name of the ledger:

- Debited while recording a payment transaction.
- Credited while recording a receipt voucher.

**Favouring Name/Received From:** The details entered in the Favouring Name/Received From field in the **Bank Allocation** screen of payment/receipt voucher is captured here.

**Note:** To provide details in these field, ensure the relevant information is provided in the **Bank Details** (displayed on setting the option - **Provide Bank Details toYes**) in the party ledger master.

**Vch Type:** The voucher type used to record transaction is captured here.

**Transaction Type:** The transaction type selected in the Bank Allocations screen of the payment or receipt voucher is captured here.

**Instrument No.:** The instrument number entered in the payment or receipt voucher is captured here.

**Instrument Date:** The instrument date entered in the payment or receipt voucher is captured here.

**Debit:** The amount debited to the bank ledger in the voucher is captured here.

**Credit:** The amount credited to the bank ledger in the voucher is captured here.

## Interest Calculation in Simple Mode in Tally.ERP 9

To calculate Interest in the **Simple Mode**:

1. Go to **Gateway of Tally> F11: Features> Accounting Features > Set Activate Interest Calculation to Yes. > Set Use Advanced Parameters to No.**
2. In the **Ledger Creation** screen set **Activate Interest Calculation** to **Yes**.
3. The **Interest Parameters** sub screen is displayed. Enter the Rate and select the interest style from the list.

### ***Interest calculations on outstanding balances***

Enter **Interest details** in Vouchers (only in case of transaction by transaction/Bill-by-bill) and view Interest reports.

You will have to alter existing ledger accounts to permit interest calculations on them. The same operation will apply when creating a new ledger account.

Interest calculation on outstanding balances is allowed for any ledger account. You simply specify the interest rate and style of calculation. Nothing is required to be done for interest during voucher entry.

Let's take an example: Interest calculated on Outstanding Balances.

1. Go to **Gateway of Tally> Accounts Info.> Ledgers> Alter (Single)> XY Bank (bank account)**
2. Set **Activate interest Calculation** to **Yes**.
3. On activation, the **Interest Parameters** must be set. It is the basis on which interest will be calculated for this Ledger account.
4. **Rate**: This is the rate at which the interest has to be calculated. In this case, specify 15%.
5. **Interest Style**: It is the basis on which the rate is applied. Of the four options, select **365-Day Year**.
6. **Accept** the screen.

You can now view the amount of interest that could be charged by the Bank.

### ***Report on Interest Calculated on outstanding balances***

The **Interest Calculations Report** can be displayed and printed.

Go to **Gateway of Tally> Display> Statements of Accounts> Interest Calculations> Ledger> XY Bank (Bank Account)**

### ***Interest calculation transaction by transaction***

#### **Activate and specify interest calculations in ledger masters.**

Transaction by transaction or Bill-by-Bill interest calculation is permitted for 'Party' accounts like accounts falling under the groups Sundry Debtors and Sundry Creditors. For example:

1. Alter a **Customer account** (under the group Sundry Debtors or one of its sub-groups).
2. Set **Activate Interest Calculation** to **Yes**. In the Interest Parameters now you have three lines to answer.
3. Set **Calculate Interest Transaction-by-transaction** to **Yes**.
4. Set **Over-ride Parameters for each transaction** to **No**.

If set to **No**, you are not allowed to change interest parameters in voucher/invoice entry. If set to **Yes**, you can change the interest parameters during entry.

### ***Report on Interest Calculated on outstanding transactions/bills***

To view the Interest calculated

Go to **Gateway of Tally> Display> Statements of Accounts> Interest Calculations> Ledger> CP Ltd**

The report is similar to the Bill-wise Outstanding Statement. The last column gives the interest amount on the transaction. Select the line to be viewed in detail for its calculations.

## **Interest Calculation in Advance Mode in Tally.ERP 9**

The **advanced parameters** are particularly useful where interest rates change from time to time.

- Go to **Gateway of Tally> F11: Features > Accounting Features > Set Activate Interest Calculation to Yes. > Set Use Advanced Parameters to Yes.**
- The **Interest Parameters** sub-screen is displayed

For Ledgers created under the **Group Sundry Debtors/Sundry Creditors**, the Interest Parameters sub-screen is displayed as shown below:

<u>Interest Parameters</u>	
Calculate Interest Transaction-by-Transaction	? <b>Yes</b>
Override Parameters for each Transaction	? <b>No</b>
Rate : <b>15</b> % per <b>365-Day Year</b> on <b>All Balances</b>	
Applicability : <b>Always</b> Calculate From : <b>Due Date of Invoice/Ref</b>	
Rounding : <b>Normal Rounding</b> Limit : <b>1</b>	
Rate :	% per on

[Img-26]

- Set **Calculate Interest Transaction-by-Transaction** to **Yes**, if you want to calculate interest for each transaction.
- Set **Override Parameters for each Transaction** to **Yes**, if you want to override the interest rates and parameters set here during voucher entry.
- Enter the **interest rate** in the Rate field.
- Select the interest rate calculation period from the **Interest Style** list in the Per field.
- Select the choice of **balances** for which the interest has to be calculated from the Interest Balances list in the On field. The balances are All Balances, Credit Balances only and Debit balances only. Interest can be calculated on all outstanding balances, whether debit or credit. You would like to select only credit balances in case of accounts like Bank accounts, if you want to know the interest that the bank might charge on overdrawn balances.
- Select the **rounding method** applicable from the **Rounding Methods** list. The amount can be rounded off normally or upward or downward. If you do not want any rounding method, select **Not Applicable**.

For Ledgers created under the Group **Bank Accounts**, or if the option **Calculate Interest Transaction by Transaction** is set to **No**, then the Interest Parameters sub-screen is displayed as shown below.

<u>Interest Parameters</u>	
Rate : <b>15</b> % per <b>365-Day Year</b> on <b>All Balances</b>	
Applicable From: <del>1-Apr-2008</del> To: <del>31-Mar-2009</del>	
Rounding : <b>Normal Rounding</b> Limit : <b>1</b>	
Rate : <b>15.50</b> % per <b>365-Day Year</b> on <b>Debit Balances Only</b>	
Applicable From: <b>1-Apr-2009</b> To:	
Rounding : <del>#</del> <b>Not Applicable</b>	
Rate :	% per on

[Img-27]

Enter the interest rate in the **Rate** field.

- Select the interest rate calculation period from the Interest Style list in the **Per** field.
- Select the choice of **balances** for which the interest has to be calculated from the Interest Balances list in the On field. The balances are All Balances, Credit Balances only and Debit balances only. Interest can be calculated on all outstanding balances, whether debit or credit. You would like to select only credit balances in case of accounts like Bank accounts, if you want to know the interest that the bank might charge on overdrawn balances.
- Specify the interest rate applicable period from the Applicable **From:** and **To:** fields.
- Select the rounding method applicable from the **Rounding Methods** list. The amount can be rounded off normally or upward or downward. If you do not want any rounding method, select **Not Applicable**.

### Display Report – Interest on Outstanding Balances

To view the report on Outstanding balances:

Go to **Gateway of Tally> Display> Statements of Accounts.> Interest Calculations> Ledgers> XY Bank**

Ledger Interest		ABC Company			
Ledger : XY Bank		1-Apr-2008 to 2-Apr-2008			
Balance	From:	To:	Total Days	Rate %	Interest
20,00,000.00 Dr	31-Mar-2008	2-Apr-2008	2 days	15 %	1,644.00 Dr
20,00,000.00 Dr	31-Mar-2008	2-Apr-2008	2 days	15.50 %	1,698.63 Dr
Grand Total					3,342.63 Dr

[Img-28]

### Advanced Parameters - Interest calculation transaction by transaction

**Activate and specify interest calculations in ledger masters.**

The following extra options now become available:

- You can now have Multiple **Rates of Interest**.
- You can **Override Advanced Parameters** during voucher entry. Hence, each entry could have different parameters.



- Choice of **Balances – All Balances, Credit Balances** only, **Debit Balances** only.
- **Applicability** - This actually applies to the viewing of the statement and not the levy of interest.
- **Calculate from** - You can decide whether interest is to be levied from the Due Date or from the Effective Date of the transaction (or the voucher date if effective date is not activated) or even Date ranges specified during Voucher Entry.
- Choice of methods for **Rounding off of interest amounts**.

<u>Interest Parameters</u>	
Calculate Interest Transaction-by-Transaction	? <b>Yes</b>
Override Parameters for each Transaction	? <b>No</b>
Rate : <b>15 % per 365-Day Year</b>	on <b>All Balances</b>
<i>Applicability : Always</i>	<i>Calculate From : Due Date of Invoice/Ref</i>
<i>Rounding : Normal Rounding</i>	<i>Limit : 1</i>
Rate : <span style="background-color: black; color: black;">████</span> % per	on

[Img-29]

**Note:** To obtain the option **Calculate from Date Specified during Entry**, you must have Override advanced parameters set to Yes. The option is required if you want to specify interest to be calculated at different rates for different periods. If you choose to override parameters then information would be asked during voucher/invoice entry. The interest information is required after the bill-wise details have been entered.

### **Report on Interest Calculated on outstanding transactions/bills**

Go to **Gateway of Tally > Display > Statements of Accounts > Interest Calculations > Ledger > CP Ltd**

Press the button **F1: Detailed** on the Button bar to see the calculation and the period. Previous transactions are calculated from **Effective date of Transaction** as default. Date Specified during Entry has not been used.

**Note:** Part monies received have been accounted for and interest calculated on the balance.

Ledger Interest		ABC Company		Ctrl + M	
Ledger: CP Ltd				1-Apr-2008 to 1-Dec-2008	
Date	Ref. No.	Opening Amount	Pending Amount	Interest	
2-Apr-2008	CP/0049325				
	44,000.00 Dr 1-Jun-2008 31-Jul-2008 60 days 15 %	44,000.00 Dr			1,085.00 Dr
2-Apr-2008	CP/00489				
	1,20,000.00 Dr 2-May-2008 2-Jun-2008 31 days 15 %	1,20,000.00 Dr			2,022.00 Dr
	40,000.00 Dr 2-Jun-2008 2-Jul-2008 30 days 15 %				493.00 Dr
2-Apr-2008	CP/00466993				
	40,000.00 Dr 2-May-2008 2-Jul-2008 61 days 15 %	40,000.00 Dr	27,565.00 Dr		2,565.00 Dr
	25,000.00 Dr 2-Jul-2008 1-Dec-2008 152 days 15 %				1,562.00 Dr
2-May-2008	CP/005662				
	27,000.00 Dr 1-Jun-2008 1-Dec-2008 183 days 15 %	27,000.00 Dr	27,000.00 Dr		2,031.00 Dr
		2,31,000.00 Dr	54,565.00 Dr		7,703.00 Dr

[Img-30]

### A look at Calculate From Dates Specified during Voucher Entry

You have set up the **Interest Parameters** for **CP Ltd** to calculate on Dates specified during Voucher Entry.

We will take one invoice and put in the interest information.

<u>Interest Parameters</u>	
Rate : 15 % per 365-Day Year	on Debit Balances Only
Applicability : Always	
From: Date Specified During Entry	Date: 31-Dec-2008 To: 31-Jan-2009
Rounding : # Not Applicable	
Rate : 18 % per 365-Day Year	on Debit Balances Only
Applicability : Always	
From: Date Specified During Entry	Date: 31-Jan-2009 To: [REDACTED]
Rounding : # Not Applicable	
Rate : 0 % per	on

[Img-31]

To view the **interest amount**:

**Go to Gateway of Tally> Display> Statements of Accounts> Interest Calculations> Ledger> CP Ltd**

Ledger Interest		ABC Company		Ctrl + M	
Ledger: CP Ltd				1-Jan-2009 to 28-Feb-2009	
Date	Ref. No.	Opening Amount	Pending Amount	Interest	
30-Nov-2008	CP/005662				
27,000.00 Dr	31-Dec-2008	31-Jan-2009	31 days	15 %	343.97 Dr
27,000.00 Dr	31-Jan-2009	28-Feb-2009	28 days	18 %	372.82 Dr
		27,000.00 Dr	27,000.00 Dr	716.79 Dr	

[Img-32]

### Book Entries and adjustment of interest

We have seen the reports on interest amounts calculated in different ways but these have not been brought into books! They simply give you the interest implications. You must book them now.

### How to enter the calculated interest amounts?

#### Use Debit Notes and Credit Notes with Voucher Classes

**Use Debit notes for Interest receivable** and **Credit Notes for Interest Payable**. Interest is calculated on **Simple** or **Compound** basis and separate classes should be used for them.

#### Set-up Debit/Credit Note Classes for interest entries

Set up **Debit Notes**. **Credit Notes** will behave the same way.

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

- **Alter** the Voucher Type Debit Note.
- Tab down to the field **Class**.
- Type the name of the **Class**.
- Type **Interest - Simple**

<u>Class : Interest - Simple</u>	
Use Class for Interest Accounting	? Yes
Amounts to be treated as Compound Interest	? <b>No.</b>

[Img-33]

Likewise, create a Class – **Compound Interest** and set **Yes** to **Amounts to be treated as Compound Interest**.

**Accept** the Voucher Type and return to the **Gateway of Tally**. Create a ledger account Interest Received under Group Indirect Income.

### Voucher Entry for booking Interest

1. Go to **Gateway of Tally> Accounting Voucher**
2. Select **Ctrl+F9: Debit Note**
3. There are two situations for interest adjustment:-
  - **Simple Interest** – Interest amounts are not debited onto the same bills. Create a fresh reference for it.
  - **Compound Interest** – Amounts are auto-debited to the selected bills. Bill-wise details will not appear in this case.
- Interest on balances only

### Bill-wise interest entry

- Debit **CP Ltd**
- Credit **Interest Received**

When you debit the party account, a list of bills for which interest is applicable pops up. Select the bills to adjust. Note that even cleared bills appear.

Interest Details for: CP Ltd		List of Interest Bills		
Name				
	CP/0043325	2-Apr-2008 (120 days)	Cleared	Intr. 2,170.00 Dr
	CP/00466993	1-Dec-2008 (89 days)	Balance27,565.00 Dr	Intr. 1,008.00 Dr
	CP/00489	2-Apr-2008 (91 days)	Cleared	Intr. 3,501.00 Dr
	<b>CP/005662</b>	<b>31-Dec-2008 (31 days)</b>	<b>Balance27,000.00 Dr</b>	<b>Intr. 716.79 Dr</b>

[Img-34]

Select the respective interest bills from the list . The debit amount is filled up with the total. Select **New Ref** in the bill-wise allocation. In the **interest sub-screen**, ensure that the rate of interest is **0**. Now, **Credit** Interest Received. The amount is already filled in.

Your voucher will resemble the one below:

Accounting Voucher Creation		ABC Company		Ctrl + M	
<b>Debit Note</b> No. 2		Voucher Class : Interest - Simple		28-Feb-2009	
Ref. :				Saturday	
Particulars			Debit	Credit	
Dr	CP Ltd		716.79		
	Cur Bal: 55,281.79 Dr				
	New Ref 2	716.79 Dr			
Cr	Interest Received			716.79	
	Cur Bal: 3,281.79 Cr				
Narration:				716.79	716.79

[Img-35]

Entries for **compound interest** are exactly the same as for Simple Interest where all you do is select the Voucher Class Compound Interest. Also the Bill-wise details popup sub-screen does not come up as the amounts are added onto the bills.

Select the required bill from the list and complete a **Debit Note**.

Now display **Outstandings for CP Ltd**

Ledger Outstandings		ABC Company		Ctrl + M	
Ledger: CP Ltd				1-Apr-2008 to 28-Feb-2009	
Date	Ref. No.	Opening Amount	Pending Amount	Due on	Overdue by days
2-Apr-2008	CP/00466993	40,000.00 Dr	27,565.00 Dr	2-May-2008	302
	2-Apr-2008 Sales	3	40,000.00 Cr		
	20 Nos CD Writer	2,000.00 Nos			
	2-Jul-2008 Receipt	3	15,000.00 Cr		
	1-Dec-2008 Debit Note	1	2,565.00 Cr (Interest -Compound)		
30-Nov-2008	CP/005662	27,000.00 Dr	27,000.00 Dr	30-Dec-2008	60
	30-Nov-2008 Sales	4	27,000.00 Cr		
	3 Nos Laser Printer	9,000.00 Nos			
28-Feb-2009	2	716.79 Dr	716.79 Dr	28-Feb-2009	0
	28-Feb-2009 Debit Note	2	716.79 Cr (Interest -Simple)		
		67,716.79 Dr	55,281.79 Dr		

[Img-36]

The Bill reference CP/00466993 is the invoice onto which interest has been compounded.

A new Reference no 2 has been created for Simple Interest due from CP Ltd.

**Entries for Interest on Balances only**

Again, the issues are Simple and Compound Interest

### **Compound Interest**

Make the following entries in a Debit note with Compound Interest Voucher Class

- Debit **Bank Ltd** (the amount is automatically filled up with the calculated interest)
- Credit **Interest Received**

And nothing needs to be done! The Bank Account has been increased by the amount of interest due and the Income account of Interest Received also credited.

### **Simple Interest**

Make the same entry as above.

However, since it has the effect of increasing the Bank Ltd account with the amount due (compound effect), you must make a journal entry to reverse it. The reversal entry would be something like this:

- Debit **Interest Receivable** (a current asset account)
- Credit **Bank Ltd**

Use a normal Journal voucher for this entry.

We have to necessary go this route to take advantage of the auto filling of the interest amount which can appear only when we use the Bank Ltd account in Debit Note in the first place.

## **Interest Calculation Reports in Tally.ERP 9**

**Interest Calculation reports** are automatically produced if the feature is activated In **F11: F1: Accounting Features** and the parameters are set for individual ledger accounts.

There are two types of reports, one pertaining to interest on balances of accounts like loans, and the other interest on overdue invoices.

Interest reports are available for individual ledger accounts as well as for Groups

## **Interest Calculation on Group in Tally.ERP 9**

The **Group Interest Calculation** statement is a list of all accounts and sub-groups belonging to the selected group that displays the current balance in each account or sub-group and the total interest.

Go to **Gateway of Tally > Display > Statements of Accounts > Interest Calculations > Group**

Select a **Group**, E.g. **Loans (Liability)**

Group Interest Calculations		ABC Company		Ctrl + M
Particulars	Loans (Liability)			
	ABC Company			
	1-Apr-2008 to 31-Mar-2009			
		Interest Calculation		
		Cl. Balance	Interest	
Bank Loan Account		4,80,000.00 Cr	65,023.23 Cr	
<b>Grand Total</b>			<b>4,80,000.00 Cr</b>	<b>65,023.23 Cr</b>

[Img-37]

The **Cr** in the interest amount should not be confused to mean an Income. It only means that it is payable and is a liability.

To ease interest recording, Tally.ERP 9 has an interest template, a special voucher class in **Debit Note** and **Credit Notes**.

**Drill down** to the Ledger level Interest report.

## Interest Calculation on Ledger Balances in Tally.ERP 9

You can get a report on the **Ledger balances** for the interest calculated.

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

Select **Account** E.g. **Bank Loan Account**.

Interest is re-calculated with every change in balance outstanding. The Cr in the interest amount should not be confused to resemble an Income. It only means that it is payable and is a Liability.

To ease interest recording, Tally.ERP 9 has an interest template, a special voucher class in Debit Note and Credit Notes.

The interest screen will appear similar to the one below:

Interest calculation on **Bank Loan** account

Ledger Interest			ABC Company			
Ledger : <b>Bank Loan Account</b>			1-Apr-2008 to 28-Feb-2009			
Balance	From:	To:	Total Days	Rate %	Interest	
50,000.00 Cr	31-Mar-2008	18-Apr-2008	18 days	12 %	295.89 Cr	
41,500.00 Cr	18-Apr-2008	1-Oct-2008	166 days	12 %	2,264.88 Cr	
30,000.00 Cr	1-Oct-2008	31-Dec-2008	91 days	13.50 %	1,009.73 Cr	
30,000.00 Cr	31-Dec-2008	28-Feb-2009	59 days	20 %	969.86 Cr	
Grand Total					4,540.36 Cr	

[Img-38]

## Statement of Interest Due on Invoices in Tally.ERP 9

You can calculate interest on each **invoice** for the period it is outstanding, wholly or partly. Transaction by transaction or bill-by-bill interest calculation is permitted for 'Party' accounts like accounts falling under the groups Sundry Debtors and Sundry Creditors. Bill-wise details should be active for the company and the party.

The report is similar to the Bill-wise Outstandings Statement. The last column gives the interest amount on the transaction. Press **F1: Detailed** to see the calculation.

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

Select the ledger Account **XYZ Agency**

Ledger Interest			ABC Company			
Ledger : <b>XYZ Agency</b>			1-Apr-2008 to 30-Sep-2008			
Date	Ref. No.		Opening Amount	Pending Amount	Interest	
2-Apr-2008	PUR/01					
1,30,000.00 Cr	2-May-2008	30-Sep-2008	151 days	9 %	4,840.27 Cr	
5-May-2008	PUR/02					
88,000.00 Cr	4-Jul-2008	30-Sep-2008	88 days	9 %	1,909.48 Cr	
6-Jun-2008	PUR/03					
36,000.00 Cr	16-Jul-2008	30-Sep-2008	76 days	9 %	674.63 Cr	
7-Jul-2008	PUR/04					
70,000.00 Cr	26-Aug-2008	30-Sep-2008	35 days	9 %	604.11 Cr	
3,24,000.00 Cr					3,24,000.00 Cr	
					8,028.49 Cr	

[Img-39]

Interest is re-calculated with every change in balance outstanding. The **Cr** in the interest amount should not be confused to mean an Income. It only means that it is payable and is a liability. The figure is illustrative only and you will need to account for the interest expense and liability through a journal entry.

To ease interest recording, Tally.ERP 9 has an interest template, a special voucher class in **Debit Note** and **Credit Notes**.

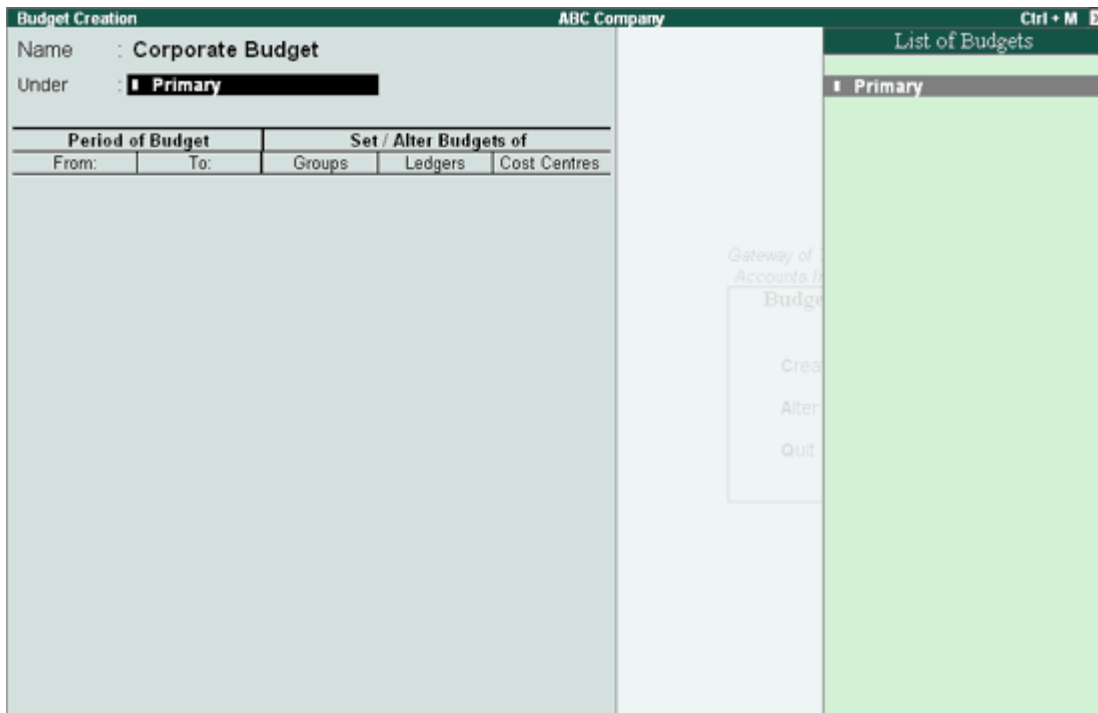


## Creating a Budget in Tally.ERP 9

To create a **Budget** in Tally.ERP 9

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

1. In the **Budget Creation** screen enter a **Name** for your budget.
2. Select from the List of Budgets for Under field. You can have a hierarchical setup for budgets. In the List of Budgets, Primary is at the top of the hierarchy and you can create more primary budgets. Sub-budgets can be created under Primary budgets.
3. Enter the period of the budget in the **From** and **To** fields. The period entered can be a month, a year or any other period.
4. In **Set/Alter Budgets of**, select
  - **Groups** - To create a budget for a Group of ledger accounts.
  - **Ledgers** - To create a budget for Ledgers.
  - **Cost Centres** - To create a budget for Cost Centres.
5. **Accept** to save.



Period of Budget		Set / Alter Budgets of		
From:	To:	Groups	Ledgers	Cost Centres

## Altering a Budget in Tally.ERP 9

You can modify a budget, using the alter option.

Go to **Gateway of Tally > Accounts Info > Budgets > Alter**

1. In the **Budget Alteration** screen, modify the fields as required. Change the period or change budgets of Groups, Ledgers and Cost Centres.

Period of Budget		Set / Alter Budgets of		
From:	To:	Groups	Ledgers	Cost Centres
1-Apr-2008	31-Mar-2009	<b>Yes</b>	No	No

[Img-

Note: By default, Set/Alter Budgets is set to No. Set this option to Yes to **alter**.

### Deleting a Budget

To **delete** a budget:

Go to **Gateway of Tally > Accounts Info > Budgets > Alter**

- Press **Alt+D**.

## Creating Budget for Groups in Tally.ERP 9

In the **Budget Creation/Alteration screen**, set **Yes** in the **Groups** field, to set budgets for a group or group of ledgers.

Period of Budget		Set / Alter Budgets of		
From:	To:	Groups	Ledgers	Cost Centres
1-Apr-2008	31-Mar-2009	<b>Yes</b>	No	No

[IMG-15]

In the **Group Budget** screen, select a **Group** from the List of Groups and enter Account Name.

Enter the cost centre for a group in **Cost Centres** field, select **Not Applicable**, if the budget is not for a particular cost center.

ABC Company			
Group Budgets Under 'Corporate Budget' (From 1-Apr-2008 to 31-Mar-2009)			
Account Name	Cost Centre	Type of Budget	Amount
Indirect Expenses	I Not Applicable	On Nett Transactions	Budget Transaction Table
Bank Accounts	I Not Applicable	On Closing Balance	On Closing Balance
			On Nett Transactions

[IMG-16]

In **Type of Budget**, select from the following two types.

### 1. On Nett Transactions

Select this option to monitor the transaction amounts and not the balances. Nett is net of debits and credits for the specified period. Nett transactions Budgets specified for a period automatically gets apportioned over the period. i.e., When On Nett transactions Budgets are defined, the debit amount for the specified period after reducing the credits for the same period is considered without taking into account opening and closing balances. For example to compare transactions against budgets, especially revenue income and expenses On Nett Transactions can be selected.

### 2. On Closing Balance

Select this option to monitor the balances of the Accounts and the not the transactions. i.e., each month will have the same budget value except that the actual Opening Balance is also taken into account. Budgets on Closing balances can be set for Bank Account Ledgers, Debtors Ledger balances and so on. For example to compare closing balance figures in final statements, especially Balance Sheet items like assets and liabilities, select Closing Balances.

Enter the budget amount in the Amount field.

ABC Company			
Group Budgets Under 'Corporate Budget' (From 1-Apr-2008 to 31-Mar-2009)			
Account Name	Cost Centre	Type of Budget	Amount
Indirect Expenses	I Not Applicable	On Nett Transactions	5,00,000.00
Bank Accounts	I Not Applicable	On Closing Balance	20,00,000.00
Fixed Assets	I Not Applicable	On Closing Balance	50,00,000.00

[IMG-17]

**Note :** Group Budgets do not get apportioned whereas Ledger Budgets get apportioned for each month.

## Creating Budget for Ledger Accounts in Tally.ERP 9

In the **Budget Creation/Alteration** screen, set **Yes** in the Ledgers field, to set budgets for ledgers.

Period of Budget		Set / Alter Budgets of		
From:	To:	Groups	Ledgers	Cost Centres
1-Apr-2008	31-Mar-2009	Yes	<b>Yes_</b>	No

[Img-18]

In the **Ledger Budget** screen, select a **Ledger** from the List of Ledgers and enter Account Name.

ABC Company				Ctrl + M
Ledger Budgets Under 'Corporate Budget'				List of Ledgers
(From 1-Apr-2008 to 31-Mar-2009)				End of List
Account Name	Cost Centre	Type of Budget	Amount	Advertisement
Advertisement		On Nett Transactions		Audit Fees
				Cash
				Electricity
				Entry Tax Paid
				Freight Charges
				Interest
				Profit & Loss A/c
				Purchase
				Refund Claim
				Salary
				Salary Payable
				Sales

[Img-19]

Budgets can also be defined for **Cost Centres** pertaining to Ledger Accounts wherein you can repeat the same ledger with another Cost Centre.

Enter the **cost centre** for the Ledger Account in the Cost Centre field. Select Not Applicable if the budget is not for a particular cost centre, but for the company.

ABC Company				Ctrl + M
Ledger Budgets Under 'Corporate Budget'				List of Cost Centres
(From 1-Apr-2008 to 31-Mar-2009)				Not Applicable
Account Name	Cost Centre	Type of Budget	Amount	Financial Department
Advertisement	Marketing Department	On Nett Transactions	5,00.	Marketing Department
Printing & Stationery	Financial Department	On Closing Balance		Sales Man A
				Sales Man B

[Img-20]

In Type of Budget, select from the following two types.

### 1. On Nett Transactions

Select this option to monitor the transaction amounts and not the balances. Nett is net of debits and credits for the specified period. Nett transactions Budgets specified for a period automatically gets apportioned over the period. i.e., When On Nett transactions Budgets are defined, the debit amount for the specified period after reducing the credits for the same period is considered without taking into

account opening and closing balances. For example to compare transactions against budgets, especially revenue income and expenses On Nett Transactions can be selected.

## 2. On Closing Balance

Select this option to monitor the balances of the Accounts and the not the transactions. i.e., each month will have the same budget value except that the actual Opening Balance is also taken into account. Budgets on Closing balances can be set for Bank Account Ledgers, Debtors Ledger balances and so on. For example to compare closing balance figures in final statements, especially Balance Sheet items like assets and liabilities, select Closing Balances.

Enter the budget amount in the Amount field.

ABC Company			
Ledger Budgets Under 'Corporate Budget' (From 1-Apr-2008 to 31-Mar-2009)			
Account Name	Cost Centre	Type of Budget	Amount
Advertisement	Marketing Department	On Nett Transactions	5,00,000.00
Printing & Stationery	Financial Department	On Nett Transactions	50,000.00

[Img-21]

**Note :** Ledger Budgets get apportioned for each month.

## Creating Budgets for Cost Centres in Tally.ERP 9

The purpose of a budget is to control expenditure. You can create multiple budgets in Tally.ERP 9, each for a specific purpose such as for the Bank, for the Head Office, Marketing budgets, Finance budgets, and so on.

1. In the **Cost Centres** field in the **Budget Creation/Alteration** screen, set **Yes** to set budgets for cost centres.

Budget Creation		ABC Co		
Name	Corporate Budget			
Under	Primary			
Period of Budget		Set / Alter Budgets of		
From:	To:	Groups	Ledgers	Cost Centres
1-Apr-2008	31-Mar-2009	Yes	Yes	<b>Yes</b>

[Img-22]

2. In the **Cost Centre Budget** screen, select a **Cost Centre** from the List of Cost Centres and enter Cost Centre.

3. Enter a budget figure in **Expenses** for the cost centre.
4. Enter a budget figure in Income for the cost centre.
5. Enter **Closing Balance**.
6. **Accept** to save.

ABC Company			
Cost Centre Budgets Under 'Corporate Budget'			
<i>(From 1-Apr-2008 to 3-Apr-2008)</i>			
Cost Centre	Expenses	Income	Closing Balance
Financial Department	15,000.00	5,000.00	10,000.00
Marketing Department	25,000.00	4,000.00	21,000.00

[Img-23]

## Viewing Budget Variance in Tally.ERP 9

Budget Variance report can be viewed from Trial Balance, Group Summary, monthly summary etc. The **Budget Variance** button (**Alt+B**) is active, if Budgets feature is enabled and at least one budget created. **Budget Variance** displays **Budgets, Actuals** with percentage and Variance from the budget with percentage.

1. **Budget Variance** can be accessed from:
  - **Gateway of Tally > Display > Trial Balance** to display the **Trial Balance** screen.
  - **Gateway of Tally > Display > Account Books > Group Summary** and select a group from List of Groups to display the **Group Summary** screen.
2. Click on **Budget Variance (Alt+B)** from the toolbar to display the **Budget Analysis** screen.



Trial Balance		ABC Company		Ctrl + M
Particulars	ABC Company		1-Apr-2008 to 31-Mar-2009	
	Closing Balance			
	Debit	Credit		
Fixed Assets	10,00,000.00			
Current Assets	1,60,000.00			
Direct Incomes			15,00,000.00	
Indirect Expenses		3,40,000.00		
<b>Grand Total</b>			<b>15,00,000.00</b>	<b>15,00,000.00</b>

[Img-24]

- Select from the List of Budgets for Budgets/Scenario.
- Three columns display **Budget**, **Actuals** and **Budget Variance**, respectively.

**Note :** Use **Column** functionality to **add/ remove** columns for **Multi-period** or **Multi-budget Comparative Variance report**.

Trial Balance		ABC Company		ABC Company		ABC Company		Ctrl + M
Particulars	ABC Company		ABC Company		ABC Company		1-Apr-2008 to 31-Mar-2009	
	1-Apr-2008 to 31-Mar-2009		1-Apr-2008 to 31-Mar-2009		1-Apr-2008 to 31-Mar-2009			
	Corporate Budget		Actuals		Corporate Budget Variance			
	Closing Balance		Closing Balance		Closing Balance			
	Debit	Credit	Debit	Credit	Debit	Credit		
<b>Fixed Assets</b>	<b>50,00,000.00</b>		<b>16,00,000.00</b>	20.00%	<b>40,00,000.00</b>	80%		
Building			10,00,000.00					
<b>Current Assets</b>	<b>20,00,000.00</b>		<b>1,60,000.00</b>	8.00%	<b>18,40,000.00</b>	92%		
Bank Accounts	20,00,000.00		1,60,000.00	8.00%	18,40,000.00	92%		
<b>Direct Incomes</b>				<b>15,00,000.00</b>				
Income Received				15,00,000.00				
<b>Indirect Expenses</b>	<b>5,00,000.00</b>		<b>3,40,000.00</b>	68.00%	<b>1,60,000.00</b>	32%		
Advertisement			3,00,000.00					
Printing & Stationery			40,000.00					
Profit & Loss A/c		5,00,000.00					(-)	5,00,000.00 (-)100%
<b>Grand Total</b>	<b>75,00,000.00</b>	<b>5,00,000.00</b>	<b>15,00,000.00</b>	20.00%	<b>15,00,000.00</b>	30.00%	<b>60,00,000.00</b>	<b>(-)5,00,000.00</b>

[Img-25]

**Corporate budget Column** displays the values of the Budget, which is defined.

**Actuals Column** displays the value of **Actual Expenditure** incurred.

**Corporate Budget Variance** displays the values of the Variance of the Actuals and Budgets. i.e.,  
 $\text{Budgets} - \text{Actuals} = \text{Variance}$  .

**Note:** If the **Budget Variance** shows the **negative** value, then the actual expenditure value has exceeded the Budgeted values.

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## Scenario Management in Tally.ERP 9

**Scenario management** is a management tool that enables different displays of accounts and inventory related information, by selectively including certain types of vouchers without affecting the source data. It is useful in generating provisional reports, where entries are not actually made in the main books. It is also a useful forecasting tool i.e. you can forecast the expenses using provisional Vouchers and include them in your reports.

The vouchers that are used in **Scenario Management** are:

- Optional Vouchers
- Memorandum Vouchers
- Reversing Journals

This section shows you how to use the above-mentioned vouchers in Reports. You can create a number of scenarios each including and/or excluding one or more types of voucher entry.

### **More:**

Create a Scenario

Alter or Display Scenario Information

Using Reversing Journals in Scenarios

Using Scenarios in Statements and Reports

## Creating a Scenario in Tally.ERP 9

Set **Use Reversing Journals & Optional Vouchers** in **F11:F1: Accounting Features** to **Yes**.

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

Scenario Creation		ABC Company	
Name	: <b>Provisional</b>	Date	Feb, 2009
Include Actuals	? <b>Yes</b>	Date of Last Entry	28-Feb-2009
EXCLUDE Forex Gain/Loss Calculations	? <b>Yes</b>		
EXCLUDE Inventory Tracking Calculations	? <b>Yes</b>		
<b>Include :</b>			
Reversing Journal			
<b>Exclude :</b>			
<input type="checkbox"/> End of List			

List of Voucher Types	
<b>End of List</b>	
Attendance	Optional Vouchers Only
Contra	Optional Vouchers Only
Credit Note	Optional Vouchers Only
Debit Note	Optional Vouchers Only
Delivery Note	Optional Vouchers Only
Journal	Optional Vouchers Only
Memorandum	All Vouchers
Payment	Optional Vouchers Only
Payroll	Optional Vouchers Only
Physical Stock	Optional Vouchers Only
Purchase	Optional Vouchers Only
Purchase Order	Optional Vouchers Only
Receipt	Optional Vouchers Only
Receipt Note	Optional Vouchers Only
Rejections In	Optional Vouchers Only
Rejections Out	Optional Vouchers Only
Reversing Journal	All Vouchers
Sales	Optional Vouchers Only
Sales Order	Optional Vouchers Only
Stock Journal	Optional Vouchers Only

[Img-109]

1. Give a suitable **name** to the scenario. In this case, it is **Provisional**.
2. Set **Include Actuals** to **Yes**
3. Set **Exclude Forex Gains/Losses Calculations** to **Yes** if you do not want the Unadjusted Forex Gain/Loss element to appear in the scenario
4. Set **Exclude Inventory Tracking Calculations** to **Yes** if you do not want the Sales/Purchase Bills Pending element to appear in the scenario
5. **Include** - From the list of vouchers, include the type of vouchers required. Notice that it picks up the Voucher Types created for this company. Provisional Vouchers and Regular vouchers that are marked Optional are permitted for selection.
6. **Exclude** - Exclude from the list of vouchers already included in the type of vouchers that you do not want to affect this scenario. This option is used in **Alter** mode and hence is discussed under **Alter/Display** Scenario Information.
7. **Accept** to create this scenario.

## Altering a Scenario in Tally.ERP 9

Go to **Gateway of Tally > Accounts Info > Scenario > Alter**

- Select the scenario to **alter** from the List of Scenarios

The information given while creating the scenario displays and you can alter it.

### Exclude

Use the **Alter** mode, when you do not want a selected included voucher to affect the scenario, anymore. It is easier to put the selected voucher in the Exclude List, rather than to remove it from the Include List.

## Using Reversing Journals in Scenarios in Tally.ERP 9

Create a **Reversing Journal Entry** for the scenario as follows.

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

1. Select **Reversing Journals** from the list.
2. Debit **Depreciation** and enter the **amount**
3. Credit **Provision for Depreciation**

Accounting Voucher Creation		ABC Company		Ctrl + M
Reversing Journal No. 1				1-May-2008 Thursday
Particulars	Debit	Credit		
Dr Depreciation Cur Bal: 15,000.00 Dr	15,000.00			
Cr Provision for Depreciation Cur Bal: 15,000.00 Cr		15,000.00		
Applicable Upto : 1-May-2008				
Narration:				
Depreciation for the whole month HO reporting purposes. Actual depreciation for the whole year to be provided at the end of the year.				
		15,000.00	15,000.00	

**[Img-110]**

4. Enter **Narration** if any.
5. **Accept** the Voucher.

**More:**

Display/Alter a Reversing Journal

Using Scenarios in Statements and Reports

## Display / Alter Reversing Journals in Tally.ERP 9

View or **alter** the **reversing journal** through the Reversing Journals Book under **Exceptional Reports**.

Go to **Gateway of Tally > Display > Exception Reports > Reversing Journals**

1. Select a month to list all the reversing journals for that month. **Drill-down** to view/alter the entry.

## Using Scenarios in Statements and Reports in Tally.ERP 9

You can use scenarios in **statements** (not registers) that have the New Column button active.

1. Display the **Balance Sheet**.
2. Select **New Column**.
3. In the column details, tab down to **Types of Values to Show**.
4. Select the **scenario** named **Provisional**.

The **Balance sheet** displays as shown with two columns for the same date.

Balance Sheet ABC Company Ctrl + M		
	ABC Company Actuals as at 1-May-2008	ABC Company Provisional as at 1-May-2008
<b>Sources of Funds :</b>		
<b>Capital Account</b>	15,00,000.00	15,00,000.00
Reserves & Surplus		
Capital Account	15,00,000.00	15,00,000.00
<b>Loans (Liability)</b>	24,41,500.00	24,41,500.00
Bank OD A/c		
Secured Loans	19,50,000.00	19,50,000.00
Unsecured Loans		
Bank Loan Account	4,91,500.00	4,91,500.00
<b>Current Liabilities</b>	1,48,250.00	1,63,250.00
Duties & Taxes		
Provisions		
Sundry Creditors	1,30,000.00	1,30,000.00
Provision for Depreciation	18,250.00	33,250.00
Branch / Divisions		
Suspense A/c		
<b>Profit &amp; Loss A/c</b>	1,86,466.79	1,71,466.79
Opening Balance	2,04,000.00	2,04,000.00
Current Period	(-)17,533.21	(-)32,533.21
<b>Total</b>	42,76,216.79	42,76,216.79
<b>Application of Funds :</b>		
<b>Fixed Assets</b>	3,60,000.00	3,60,000.00
Computers	3,60,000.00	3,60,000.00
<b>Investments</b>	(-)19,00,000.00	(-)19,00,000.00
Tax Saving Bonds	(-)19,00,000.00	(-)19,00,000.00

[Img-111]

**Note:** the Provision for Depreciation figures in both the columns. The actual column shows 18250 while the Provisional column shows 33250. This is on account of the reversing journal entry in the Scenario. To view, go through the Exceptional Reports Display Menu.

Use the same procedure to create another scenario for Sales Forecasts.

1. Create a new **Scenario** and call it **Sales Forecasts**.
2. Include **Sales Vouchers Optional Only**.
3. Create 12 Sales Vouchers, one in each month. Remember to mark them **Optional**.
4. View the **Sales Accounts** by drilling-down the **Profit & Loss A/c**.
5. Bring up **New Columns** and limit each column date range to the following month.

The Sales forecast figures must display.

**Note:** You could even use **Memorandum Vouchers** for this purpose, instead of the **Optional vouchers**. **Memorandum Vouchers** is discussed in the next section.



# Banking In Tally.Erp9

Attitude Academy



# Intro of Banking

- All businesses need to connect with their banks. Today, even small businesses will have thousands of banking transactions per month and these are usually carried out on a daily basis. Tally.ERP 9 ensures a seamless banking experience.



The banking feature of Tally.ERP 9 gets all bank - related chores to your fingertips.

## Cheque Management

You get to maintain multiple cheque books with cheque range and use it to auto-increment cheque number during voucher entry. This, along with duplicate cheque number validation, will reduce manual error and increase the speed of data entry. Other than this, you also get to manage cheques through their life-cycle - from issue to reconciliation - with the help of the cheque register. This is that feature which shows the status of all cheques, along with a quick search for instant validation. You also have other conveniences like issuing blank cheque and cheque cancellation.





# Cheque Printing

- It is not just cheque management, you can also print your cheques without doing any manual configuration. Simply select your cheque format by viewing its image and print. Its that simple! There are more than 350 cheque formats that are currently available.



# Payment Advice Printing

- A system-generated payment advice (covering letter for payments) can be printed for both single and multiple vouchers.



# Printing Deposit Slips

- Deposit slips can be printed for cash or for single/multiple cheques.



# Benefits

- Saves time
- Reduces errors
- Simplifies banking
- Improves productivity
- Improves traceability

## Banking - in Tally.ERP 9

Banking Module has been enhanced in Tally.ERP 9 to simplify the overall banking experience. A separate menu **Banking** has been provided under **Utilities** in the **Gateway of Tally**. The user need not go to different menus to operate the banking related operations in Tally.ERP 9, such as Printing **Cheques (pre-Configured)**, **BRS (Bank Reconciliation Statement)**, Printing **Cheque/Cash Deposit Slips**, printing **Payment Advices**, managing **Cheques**, Import Bank Statement for **Auto BRS**, etc.

The banking transactions can now be provided with **Bank Allocation** details such as the **Transaction Type, Instrument No, Date**, etc. A single bank amount can also be allocated to **multiple transaction types** such as **Cheque, Electronic Cheque, Electronic DD/PO, Inter Bank Transfer, Others** and **Same Bank Transfer** based on the requirement.

The **BRS** screen now provides detailed information with regard to transaction types, instrument no., instrument date, cheque favouring, etc. The user can also provide **Opening BRS** for **unreconciled transactions**.

### **Features of Banking in Tally.ERP 9**

The salient features of Banking in Tally.ERP 9 are as follows:

#### **Cheque Printing:**

- Allows user to configure cheques for banks using sample formats provided, which come along with images.
- Supports multiple Cheque formats for a single bank.
- Allows user to print the pending or already printed or the required cheques continuously from a single screen.
- Also allows user to update the cheque details and have track of cheques to be printed, of a selected or all banks.
- Vertical Cheque Printing is an enhanced feature in cheque printing.
- Configurations can be stored on Tally.NET for easy maintenance and update.

#### **Cheque Register**

- Allows user to configure cheque number ranges for Auto cheque numbering based on cheque range.
- Duplicate cheque number validation
- Report for cheques issued (like the issue log slip in the cheque books)

- Inventory of cheques available (not used)
- Stale/cancelled cheque management
- Filters based on Cheque range

**Bank Reconciliation:**

- The BRS screen allows user to reconcile the bank account.
- This screen will now provide detailed information with regard to transaction types, instrument no., instrument date, cheque favouring, etc.
- User can also provide **Opening BRS** for unreconciled transactions.
- Allows user to import bank statements to perform **Auto Bank Reconciliation**.

**Deposit Slips:**

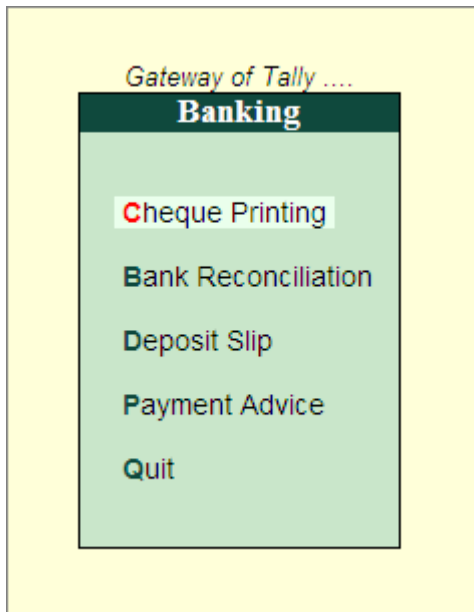
- Bank-wise Cash Deposit Slips for the Cash being deposited can be generated automatically along with cash denominations.
- Cash Deposit Slips that are required to accompany Cash that is being deposited to the Bank can be generated automatically along with cash denominations.

**Payment Advice:**

- The payment advice sent to the suppliers / other parties along with the cheques/other instruments may be generated quickly from the voucher itself.

To access Banking, go to **Gateway of Tally > Banking**.

Attitude



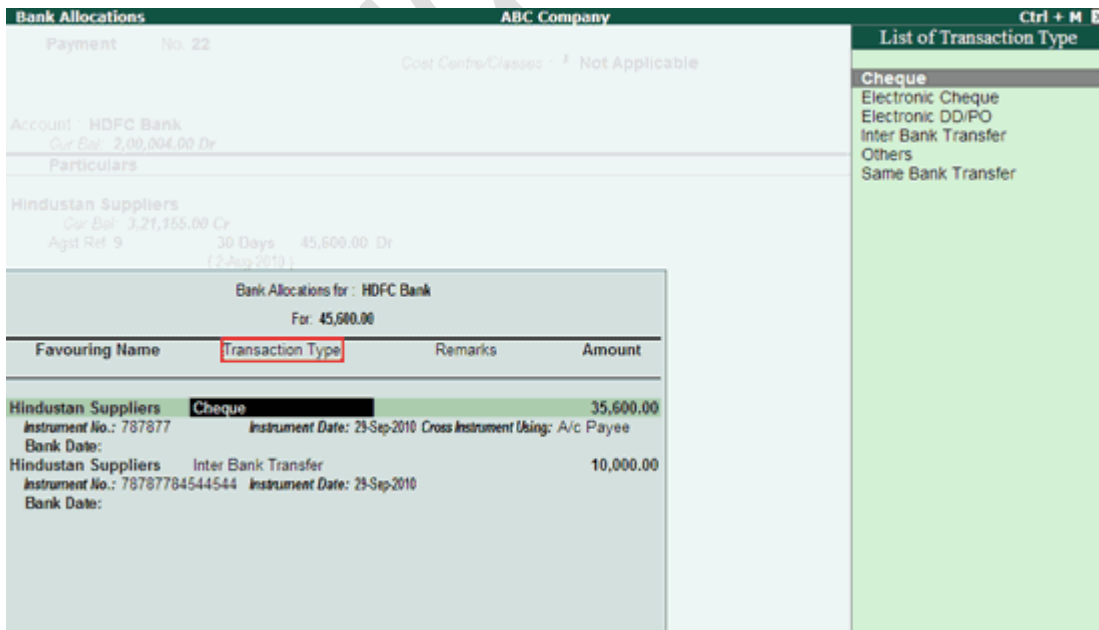
[Img-1]

**Migrating Banking Vouchers for Existing Data**

When the existing users of Tally.ERP 9 access their company data using Tally.ERP 9 Release 3.0 for the first time, will migrate the Banking vouchers.

On completion of migration, the following has to be considered for Bank Reconciliation:

- The **Transaction Type** row in the **Bank Reconciliation** screen will be blank. The user may **alter** the **vouchers** and select the appropriate **transaction type** (Cheque/DD) in the **Bank Allocation** table and **accept** the vouchers, in case required.



[Img-2]

- The **Instrument Date** displayed in the Bank Reconciliation screen will be the **Voucher Date**. The reconciliation will be based on the **Instrument Date** provided in the Bank Allocation table and not on the **Voucher date**.

Bank Reconciliation									
ABC Company									
Ctrl + M									
Ledger: HDFC Bank									
1-Apr-2010 to 5-Dec-2010									
(Reconciliation)									
Date	Particulars	Favouring Name / Received From	Vch Type	Transaction Type	Instrument No.	Instrument Date	Bank Date	Debit	Credit
25-3-2010	Universal Suppliers		Opening BRS	Cheque/DD	123487	25-3-2010			93,354.00
26-3-2010	Transtronics Limited		Opening BRS	Cheque/DD	123495	26-3-2010			80,000.00
31-3-2010	Q-Base Technologies		Opening BRS	Cheque	009654	31-3-2010		21,000.00	
5-7-2010	Other Incomes		Receipt	Cheque/DD	837433	5-7-2010		10,000.00	
5-8-2010	Rent	Ramlal Nikhanj	Payment	Cheque	A/c Payee	5-8-2010			15,000.00
5-8-2010	Other Incomes		Receipt	Cheque/DD	564647	5-8-2010		10,000.00	
25-8-2010	A-One Traders		Receipt	Cheque/DD	423428	25-8-2010		25,000.00	
25-8-2010	A-One Traders		Receipt	Inter Bank Transfer	234235333433	25-8-2010		25,000.00	
24-9-2010	Banglora Chemicals & Fertilizers		Payment	Inter Bank Transfer	123456789012	24-9-2010			20,000.00
25-9-2010	Banglora Chemicals & Fertilizers		Payment	Cheque	676460	25-9-2010		10,000.00	
26-9-2010	Hindustan Suppliers		Payment	Cheque	100006	26-9-2010			8,650.00
26-9-2010	State Bank of India	ABC Company	Contra	Inter Bank Transfer	001000098983	26-9-2010		10,000.00	
27-9-2010	Virupaksha Traders		Payment	Cheque	453452	27-9-2010			30,000.00
27-9-2010	Virupaksha Traders		Payment	Cheque	453453	30-9-2010			10,000.00
28-9-2010	Computer Kraft	Computer Zone	Receipt	Cheque/DD	234211	28-9-2010		5,000.00	
28-9-2010	Computer Kraft	Computer Zone	Receipt	Cheque/DD	435778	28-9-2010		45,000.00	
28-9-2010	Computer Kraft	Computer Zone	Receipt	Inter Bank Transfer	3424675676766	28-9-2010		25,000.00	
29-9-2010	Hindustan Suppliers		Payment	Cheque	787877	29-9-2010			35,600.00
29-9-2010	Hindustan Suppliers		Payment	Inter Bank Transfer	78787794544544	29-9-2010			10,000.00
29-9-2010	Bhavish Trading Co.,	Courier	Receipt	Cheque/DD	786555	29-9-2010		30,000.00	
29-9-2010	Unique Traders		Receipt	Cheque/DD	983222	29-9-2010		25,000.00	
29-9-2010	Manba Finance Limited		Receipt	Cheque/DD	900099	29-9-2010		15,000.00	
								6 more ...	
Balance as per Company Books								1,85,004.00	
Amounts not reflected in Bank								2,76,000.00	3,57,604.00
<b>Balance as per Bank :</b>								<b>2,66,608.00</b>	

[Img-3]

- The Bank Reconciliation screen lists the **transactions** on the basis of each **transaction type** selected in the voucher.

**Example:** A single banking voucher having **Cheque/DD** and **Electronic Cheque** as **Transaction type** will be considered as two transactions in the Bank Reconciliation screen.

**More:**

Banking Features

**Cheque Printing**

Auto Bank Reconciliation

**Manual Bank Reconciliation**

**Cheque Deposit Slip**

Cash Deposit Slip

**Payment Advice**

Cheque Management

## Banking Features - in Tally.ERP 9

Default features for Banking can be altered from the **F11: Features > F1: Accounting Features** screen

Set the option **Alter Banking Features** to **Yes**



Company: ABC Company

**Accounting Features**

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

F1: Accounts   F2: Inventory   F3: Statutory   F4: Tally.NET   F5: Audit   F6: Add-Ons

[Img-4]

The **Banking Features** screen appears as shown below:

**Banking Features**

Alter List of Transaction Types	? <b>No</b>
Show Additional Bank details for <i>(Eg: A/c. No. &amp; IFS code during voucher entry)</i>	: <b>None</b>
Allow to enter Beneficiary Code	? <b>Yes</b>
Show Transfer Mode <i>(NEFT/RTGS for Inter Bank Transfer)</i>	? <b>Yes</b>
Enable Bank Details for Cost Centres	? <b>Yes</b>
Import Beneficiary/Employee Bank A/c Details	? <b>No</b>

[Img-5]

The fields in the screen are explained below:

**Alter List of Transaction Types:** On setting this option to **Yes**, the Alteration of Transaction Types screen opens. In this the user can include or exclude Transaction Types, as required

<b>Alteration (Include/Exclude) of Transaction Types</b>		
<b>Transaction Type</b>	<b>Payments</b>	<b>Receipts</b>
ATM	No	No
Cash	NA	Yes
Cheque/DD	Yes	Yes
Card	No	No
ECS	No	NA
Electronic Cheque	Yes	Yes
Electronic DD/PO	Yes	Yes
Inter Bank Transfer	Yes	Yes
Same Bank Transfer	Yes	Yes
Others	Yes	Yes

[Img-6]

**Note:** At-least one **Transaction Type** should be enabled for **Payments** and **Receipts**.

**Show Additional Bank Details For:** Banking Details include **Account Number, IFS Code, Bank Name for Inter Bank Transfers** and **Account Number for Same Bank Transfer**. On enabling this option, all these Additional Details will get displayed during Voucher entry. If the user doesn't want to display these details during entry, the option **None** can be selected.

**Allow to Enter Beneficiary Code:** On enabling this option, a button **B:Show Beneficiary Code/Hide Beneficiary Code** is available in the **Ledger Master Creation/Alteration** screens. This will help the user enter **Beneficiary Code**, specific to the Bank selected in the Company

**Note:** All Ledger Creation/Alteration screens have the option **Allow to Enter Beneficiary Code**, except **Cash, P & L** and **Bank**

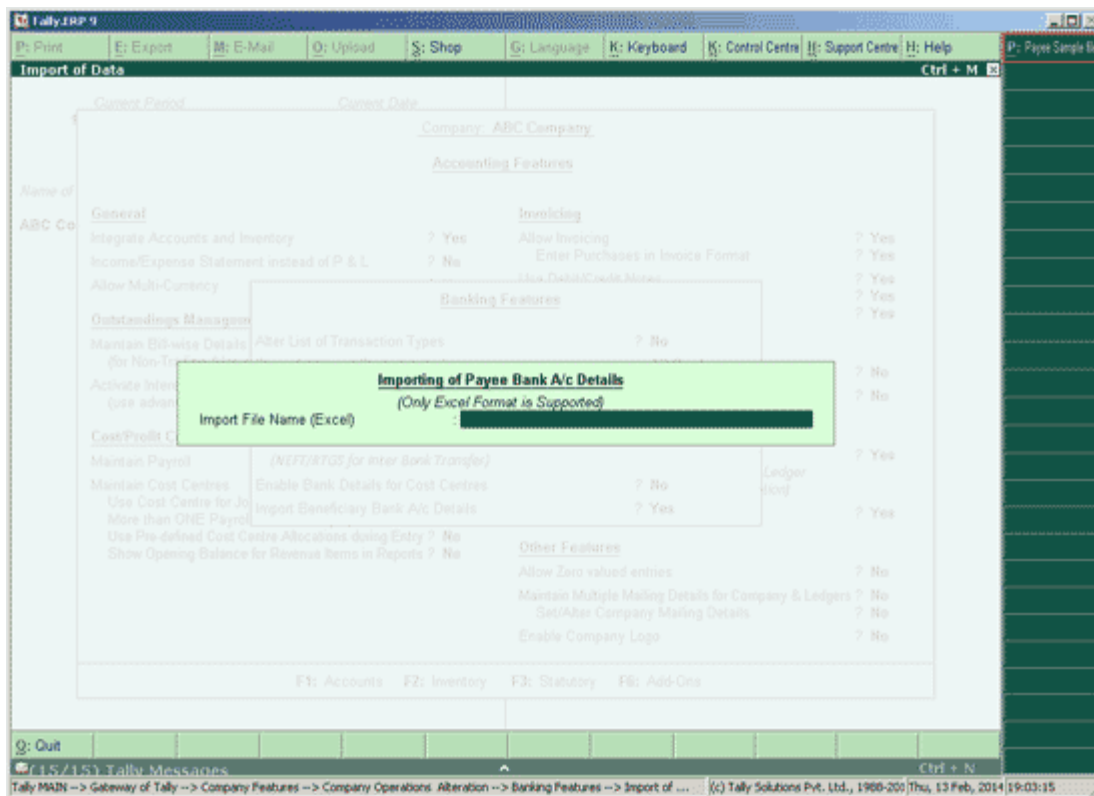
**Show Transfer Mode:** Enabling this option, will display the Mode of Transfer (NEFT/RTGS) in the **Bank Allocations** screen for **Inter Bank Transfers** transaction type while passing **Payments** and **Receipts** voucher entry. This will get picked up during voucher entry using **Voucher Class**

**Enable Bank Details for Cost Centres:** This option is available only if Cost Centres and Cost Categories are enabled for the Company. On setting this to Yes, the Cost Centre Creation screen will have the option Provide Bank Details.

**Import Beneficiary Bank Account Details:** Bank Account Details of the beneficiary can be imported in Excel Format, if this option is set to **Yes**

If this option is set to **Yes**, the **Import of Data** screen appears as shown below:





[Img-7]

Enter the **Import File Name**, along with the **location path** to import the required **Excel File**

To view a sample file, click the button, **P: Payee Sample File**

**Note:** If Payroll is enabled, the button, **E: Employee Sample File** is available, which is used to import **Employee Bank Details**

The **Exporting Sample File** screen appears. On accepting this screen, the **Ledger Bank Details** file opens

## Cheque Printing - in Tally.ERP 9

The **Cheque Printing** option in the **Banking** menu allows the user to print all the pending, already printed or the required cheques continuously from a single screen. It also allows to update the **cheque details** of a transaction, i.e., the instrument no, instrument date, cheque favouring, etc. The bank ledger needs to be enabled for cheque printing from ledger creation or alteration mode.

Click the links given below for details.

**Accessing Cheque Printing**

**Printing Cheques / Cheque Printing Reports**

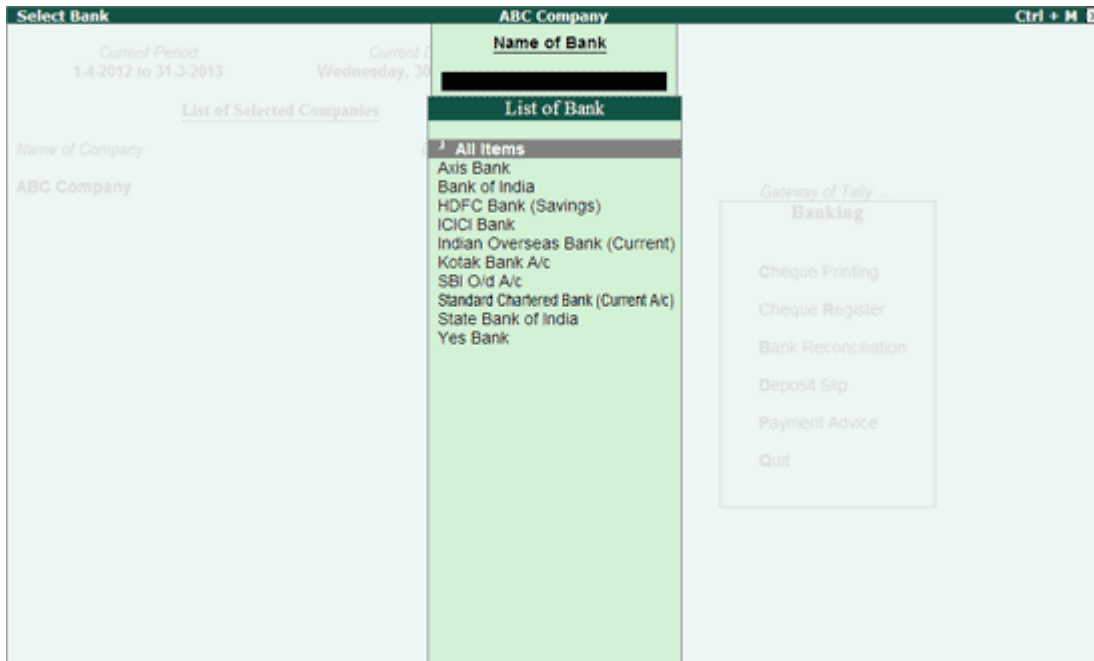
**Configuring Cheque Printing**

### **Accessing Cheque Printing**

To access Cheque Printing screen,

- Go to **Gateway of Tally > Banking > Cheque Printing**.

The Select Bank screen displaying the **List of Bank** appears as shown:



[Img-8]

- Select **All** or the required **Bank account** from the **List of Bank**.
- Press **Enter**.

The **Cheque Printing** screen of the selected Bank is displayed as shown:

Attitude

Cheque Printing		ABC Company			Ctrl + M		
Ledger: All Items		(Cheque Printing - Pending Cheques)			1-May-2012 to 31-May-2012		
Date	Particulars	Favouring Name	Bank Name	Instrument No.	Instrument Date	Printed ?	Amount
9-5-2012	Electrical Expenses	ELECTRICAL EXP.	ICICI Bank	002113	9-5-2012	No	2,102.00
16-5-2012	ABB Enterprises	Aditya Prakash	ICICI Bank	002115	16-5-2012	No	8,500.00
18-5-2012	Courier Charges	DHl Bangalore	Standard Chartered Bank (Current A/c)	024186	18-5-2012	No	1,260.00
24-5-2012	Cash	Self	Standard Chartered Bank (Current A/c)	024187	24-5-2012	No	1,200.00
28-5-2012	Map Systems	Mr. Anirudh	ICICI Bank	002114	28-5-2012	No	16,500.00
30-5-2012	ACC Corp		ICICI Bank	002112	30-5-2012	No	25,000.00
1-5-2012	Communication Exp	Airtel India Ltd.	ICICI Bank	002116	1-5-2012	No	1,000.00
<b>Selected Total</b>							
<b>Grand Total</b>							<b>55,562.00</b>

[Img-9]

- By default, this screen displays list of **pending** cheques of the current date's month.
- Press **F6: Show All** to display all the cheques.

Cheque Printing		ABC Company			Ctrl + M		
Ledger: All Items		(Cheque Printing - All Cheques)			1-May-2012 to 31-May-2012		
Date	Particulars	Favouring Name	Bank Name	Instrument No.	Instrument Date	Printed ?	Amount
9-5-2012	Electrical Expenses	ELECTRICAL EXP.	ICICI Bank	002113	9-5-2012	No	2,102.00
16-5-2012	ABB Enterprises	Aditya Prakash	ICICI Bank	002115	16-5-2012	No	8,500.00
18-5-2012	Courier Charges	DHl Bangalore	Standard Chartered Bank (Current A/c)	024186	18-5-2012	No	1,260.00
23-5-2012	Map Systems	Mr. Anirudh	ICICI Bank	221270	23-5-2012	Yes	11,500.00
24-5-2012	Cash	Self	Standard Chartered Bank (Current A/c)	024187	24-5-2012	No	1,200.00
28-5-2012	Map Systems	Mr. Anirudh	ICICI Bank	002114	28-5-2012	No	16,500.00
30-5-2012	ACC Corp		ICICI Bank	002112	30-5-2012	No	25,000.00
29-5-2012	Cash	Self	ICICI Bank	22130	29-5-2012	Yes	1,250.00
1-5-2012	Communication Exp	Airtel India Ltd.	ICICI Bank	002116	1-5-2012	No	1,000.00
<b>Selected Total</b>							
<b>Grand Total</b>							<b>68,312.00</b>

[Img-10]

**Note:** This button toggles between **Show All / Hide Printed**.

### Bank Not Configured for Cheque Printing

The cheque printing screen will prompt with a message **Bank not configured for Cheque Printing** when the bank ledger not configured for cheque printing is selected, as shown:

Cheque Printing		ABC Company		Ctrl + M	
Ledger: Canara Bank				1-May-2012 to 31-May-2012	
<i>(Bank not configured for Cheque Printing)</i>					
Date	Particulars	Instrument No.	Instrument Date	Printed ?	Amount
Selected Total					
Grand Total					

[Img-11]

The bank needs to be enabled for cheque printing from **ledger alteration** screen.

In the Cheque Printing screen of the ledgers configured for it,

- **Select** the required row from the **Cheque Printing** list to open the voucher in **alteration** mode.
- **F2: Period:** Allows to change the period.
- **F4: Bank:** Allows to select **All** / Other required **Bank** from the list.
- **F7: Edit Ch Details:** Allows to edit/update the **Favouring Name, Instrument No** and **Instrument Date** columns, as shown:

Cheque Printing		ABC Company			Ctrl + M		
Ledger: All Items		(Cheque Printing - Pending Cheques)			1-May-2012 to 31-May-2012		
Date	Particulars	Favouring Name	Bank Name	Instrument No.	Instrument Date	Printed ?	Amount
9-5-2012	Electrical Expenses	ELECTRICAL EXP.	ICICI Bank	002113	9-5-2012	No	2,102.00
16-5-2012	ABB Enterprises	Aditya Prakash	ICICI Bank	002115	16-5-2012	No	8,500.00
18-5-2012	Courier Charges	DHL Bangalore	Standard Chartered Bank (Current A/c)	024186	18-5-2012	No	1,260.00
24-5-2012	Cash	Self	Standard Chartered Bank (Current A/c)	024187	24-5-2012	No	1,200.00
28-5-2012	Map Systems	Mr. Anirudh	ICICI Bank	002114	28-5-2012	No	16,500.00
30-5-2012	ACC Corp	ACC Corp PM, Ltd.	ICICI Bank	002112	30-5-2012	No	25,000.00
1-5-2012	Communication Exp	Airtel India Ltd.	ICICI Bank	002116	1-5-2012	No	1,000.00
<b>Selected Total</b>							
<b>Grand Total</b>							<b>55,562.00</b>

[Img-12]

- **Accept** the screen to save the settings.
- **F12: Range:** Allows to filter the Cheque printing screen. The user can filter the transactions based on the **Amount, Bank Date, Date, Favouring Name, Instrument Date, Instrument No., Ledgers, Narration, Remarks** and **Transaction Type** as shown:

Filters		ABC Company			Ctrl + M		
Ledger: All Items		(Cheque Printing - Pending Cheques)			1-May-2012 to 31-May-2012		
Date	Particulars	Favouring Name	Bank Name	Instrument No.	Instrument Date	Printed ?	Amount
9-5-2012	Electrical Expenses	ELECTRICAL EXP.	ICICI Bank	002113	9-5-2012	No	2,102.00
16-5-2012	ABB Enterprises	Aditya Prakash	ICICI Bank	002115	16-5-2012	No	8,500.00
18-5-2012	Courier Charges	DHL Bangalore	Standard Chartered Bank (Current A/c)	024186	18-5-2012	No	1,260.00
24-5-2012	Cash	Self	Standard Chartered Bank (Current A/c)	024187	24-5-2012	No	1,200.00
28-5-2012	Map Systems	Mr. Anirudh	ICICI Bank	002114	28-5-2012	No	16,500.00
30-5-2012	ACC Corp	ACC Corp PM, Ltd.	ICICI Bank	002112	30-5-2012	No	25,000.00
1-5-2012	Communication Exp	Airtel India Ltd.	ICICI Bank	002116	1-5-2012	No	1,000.00
<b>Selected Total</b>							
<b>Grand Tot</b>							<b>55,562.00</b>

**Range of Information in Report**  
 (show only those lines satisfying the given conditions)

Transactions having

Particulars
Amount
Bank Date
Date
Favouring Name
Instrument Date
Instrument No.
Ledgers
Narration
Range
Remarks
Transaction Type

[Img-13]

## Printing Cheques / Cheque Printing Reports

The user may print All or selected cheque from the Cheque Printing list.

### Printing All Cheques

To Print All Cheque from the list,

- Go to **Gateway of Tally > Banking > Cheque Printing**.
- Select the required **Bank** account from **List of Bank**. To change the selection made, press **F4: Bank** button to select another bank.
- The Cheque Printing screen is displayed.
- Click **Print** or Press **Alt+P**.

The **Print Report** screen appears. Set the option Print Cheque to Yes as shown:

Printing	
Printer	: Microsoft XPS Document Writer (Ne03:)
No. of Copies	: 1
Print Language	: English
Method	: Neat Mode
Page Range	: All
Paper Type	: Letter
	(Printing Dimensions)
Paper Size	: (8.50" x 10.98") or (216 mm x 279 mm)
Print Area	: (8.50" x 10.98") or (216 mm x 279 mm)
Report Titles	
ICICI Bank	
Cheque Printing	
(with Print Preview)	
Without Company Phone No.	
Print Cheque	? Yes ←
Include Printed Cheques also	? No
Show Payment Favours	? No
Show Remarks also	? No
<div style="border: 1px solid black; padding: 5px; display: inline-block;"> <b>Print ?</b>            Yes or No         </div>	

[Img-14]

**Note:** The option - **Print Cheque** appears only if a particular bank is selected for printing cheques. On selecting **All Items** for displaying pending cheques of different banks in cheque printing screen, this option will not appear.

- **Accept** to Print all the cheques.
- The **Cheque Printing** proceeds and displays confirmation for each cheque with **Cheque Details**, as shown:



Cheque Printing	
<b>Printer</b> : Microsoft XPS Document Writer (Ne03:)	<b>Paper Type</b> : A4
<b>No. of Copies</b> : 1	
<b>Print Language</b> : English	(Printing Dimensions)
<b>Method</b> : Neat Mode	<b>Paper Size</b> : (8.27" x 11.69") or (210 mm x 297 mm)
<b>Page Range</b> : All	<b>Print Area</b> : (8.27" x 11.69") or (210 mm x 297 mm)
	<b>Orientation</b> : Vertical - Left
Cheque Details	
Favouring Name: ELECTRICAL EXP. Inst. No.: 002113 Inst. Date: 9-5-2012 Amount: 2,102.00	
(with Print Preview)	
<div style="border: 1px solid black; padding: 5px; display: inline-block;"> <p><b>Print ?</b></p> <p><b>Yes or No</b></p> </div>	

[Img-15]

- **Confirm** to print cheque one by one before printing. Additionally the facility to change the **orientation** and adjust the distance of top edge and left edge with flexibility to avoid printing the date on cheque is provided.

### Printer Selection

Press **S**: **Select Printer** button to select the printer and the paper size. Select the paper size as **A4**.

### Orientation

In the Sample Cheque Printing screen, press **N**: **Orientation** button (Alt+N) to select the orientation. The orientations - Vertical and Horizontal gets listed.

Cheque Printing Orientation		Orientation
Cheque Printing Orientation	? <b>Vertical - Left</b>	Horizontal
Print From(for Vertical Only)	: Front	Vertical - Centre
		<b>Vertical - Left</b>
		Vertical - Right

[Img-16]

On selecting **Vertical - centre/left/right** the cheque gets printed in vertically (oriented as portrait). Using these options, the cheque can be printed by setting the orientation to:

- **Vertical Left**: On inserting the paper in the printer tray, the cheque gets printed vertically on the **left hand side** of the paper.
- **Vertical Centre**: On inserting the paper in the printer tray, the cheque gets printed vertically at the **centre** of the paper.
- **Vertical Right**: On inserting the paper in the printer tray, the cheque gets printed

vertically on the **right hand side** of the paper.

Additionally for printing the cheque **face up** or **face down** with vertical orientation, the field - **Print From (for Vertical Only)** gets displayed. Depending on the printer, the front or rear can be selected.

- **Front:** In printers which print **face up** select **Front**.
- **Rear:** For printers which print **face down** place the paper in reverse order and select **Rear**.

On selecting **Horizontal** the cheque gets printed horizontally (oriented as landscape).

### Overall Adjustment

Using the configuration provided for overall adjustment:

- The cheque dimensions pre-configured on selecting the cheque format can be adjusted such that the overall dimensions get shifted by the required 'mm' from top and left edge of cheque.
- While printing the cheque, date field can be left blank if it is not required to be printed.

From the Sample Cheque Printing screen, click on **F12: Configure** button and change/retain the dimensions in 'mm' as per requirement.

<u>Cheque Printing Configuration</u>	
Adjust Distance From Top Edge(in mm) :	5
Adjust Distance From Left Edge(in mm) :	5
Print Amount in Foreign Currency	? Yes
Print Date	? <b>Yes</b>

[Img-17]

- **Adjust Distance From Top Edge (in mm):** To adjust the distance from **top edge** such that the overall measurements defined in Cheque Dimensions screen get shifted as per the 'mm' entered here.
- **Adjust Distance From Left Edge (in mm):** To adjust the distance from **left edge** such that the overall measurements defined in Cheque Dimensions screen get shifted as per the 'mm' entered here.
- **Print Amount in Foreign Currency:** Set this option to **Yes**, to print cheques for foreign currency transactions in the respective currency.
- **Print Date:** By default the date gets printed on the cheque. If the date is not to be printed on the cheque set this field to **No**.

Accept the configuration and print the cheque. The adjustments done for overall adjustment using **F12: Configuration** of cheque printing screen does not affect the settings of **Cheque Dimensions** pre-configured for the selected cheque format.

The Printed Cheque displays as shown:

<u>A/c Payee</u>	0 9 0 5 2 0 1 2
ELECTRICAL EXP.	
Two Thousand One Hundred Two Only	
**₹ 2,102.00	
for ABC Company	
Signatory One Signatory Two	

[Img-18]

### Printing Selected Cheques

To Print selected Cheques from the list,

- Go to **Gateway of Tally > Banking > Cheque Printing**.
- Select **All** or required **Bank** account from **List of Bank**.
- The **Cheque Printing** screen is displayed.
- Press **spacebar** to select the required **row(s)**.
- Click **Print** or Press **Alt+P**.
- The **Cheque Printing** screen appears.
- **Accept** to print the cheque(s).

### Cheque Report Printing

To print the Cheque report,

- Go to **Gateway of Tally > Banking > Cheque Printing**.
- Select **All** or required **Bank** account from **List of Bank**.
- The **Cheque Printing** screen is displayed.
- Click **Print** or Press **Alt+P**.
- Cheque Report Printing screen appears confirming to print.
- Click **No** or Press **N** or **Esc**.

- **Print Cheque:** This option appears on selecting a particular bank. Set it to **No**.
- **Include Printed Cheques also:** Set this option to **Yes** to display the printed cheques also in the report.
- **Show Forex Transactions only:** Set this option to **Yes** in case you need only the **forex transactions** to be displayed in the report.

**Note:** This option appears only in case **Multi Currency** feature is enabled for the company.

- **Show Payment Favouring:** Set this option to **Yes** to display Favouring Name details in the report.
- **Show Remarks also:** Set this option to **Yes** to display the Remarks in the report.

On setting Print Cheque it to **Yes**, the options - **Include Printed Cheques also, Show Payment Favouring** and **Show Remarks also** gets set to **No** automatically as the user has opted to print cheque. If **Print Cheque** is set to **No**, a statement displaying all entries including details of printed cheques can be generated with information about favouring name and remarks as entered in the Bank Allocation sub-screen of payment voucher.

The Cheque Report Printing screen is displayed as shown:

Printing	
Printer : Microsoft XPS Document Writer (Ne03:)	Paper Type : Letter
No. of Copies : 1	
Print Language : English	<i>(Printing Dimensions)</i>
Method : Neat Mode	Paper Size : (8.50" x 10.98") or (216 mm x 279 mm)
Page Range : All	Print Area : (8.50" x 10.98") or (216 mm x 279 mm)
Report Titles	
<b>ICICI Bank</b> Cheque Printing (with Print Preview) <i>Without Company Phone No.</i>	
Print Cheque	? No
Include Printed Cheques also	? Yes
Show Forex Transactions only	? No
Show Payment Favouring	? Yes
Show Remarks also	? No
<div style="border: 1px solid black; padding: 5px; display: inline-block;"> <b>Print ?</b>            Yes or No         </div>	

[Img-19]

- **Accept** to Print.

The Cheque Report Printing is displayed as shown:

ABC Company Nice Building Clean Street Bangalore						
ICICI Bank Cheque Printing						
1-May-2012 to 31-May-2012						
						Page 1
Date	Particulars	Favouring Name	Instrument No.	Instrument Date	Printed ?	Amount
9-5-2012	Electrical Expenses	ELECTRICAL EXP.	002113	9-5-2012	Yes	2,102.00
16-5-2012	ABB Enterprises	Aditya Prakash	002115	16-5-2012	No	8,500.00
23-5-2012	Map Systems	Mr. Anirudh	221270	23-5-2012	Yes	11,500.00
28-5-2012	Map Systems	Mr. Anirudh	002114	28-5-2012	No	16,500.00
30-5-2012	ACC Corp	ACC Corp Pvt. Ltd.	002112	30-5-2012	No	25,000.00
28-5-2012	Cash	Self	22130	28-5-2012	Yes	1,250.00
1-5-2012	Communication Exp	Airtel India Ltd.	002116	1-5-2012	No	1,000.00
<b>Grand Total</b>						<b>65,852.00</b>

[Img-20]

### Configuring Cheque Printing

The user may configure the Cheque Printing screen based on his requirement.

To configure,

- Press **F12: Configure**, the **Configuration** screen is displayed as shown:

<u>Configuration</u>	
Confirm each Cheque before Print	? <b>Yes</b>
Include Printed Cheques also	? No
Show Forex Transactions only	? No
Show Payment Favouring	? Yes
Show Remarks also	? No
Appearance of Names	: Name Only
Scale Factor for Values	: Default
Sorting Method	: Default

[Img-21]

#### Confirm each Cheque before Print

By default this is set to **Yes**. The cheque printing will confirm for each cheque before printing.

#### Include Printed Cheques also

By default, this option is set to **No**. Set it to **Yes** to display the **Printed Cheques** also

**Note:** This option is similar to the function key **F6: Show All / Hide Printed**.

#### Show Forex Transactions only

By default, this option is set to **Yes**. The cheque printing screen displays only the forex transaction.

**Note:** This option appears only in case the company is enabled with **multi currency** feature.

### **Show Payment Favouring**

By default, this option is set to **Yes**. The cheque printing screen displays the **Favouring Name** column.

**Note:** The **Favouring Name** column displays only those names which are different from the **Party/Ledger** account names.

### **Show Remarks also**

By default, this option is set to **No**. Set it to **Yes** to display the **Remarks** also.

### **Appearance of Name**

Select the required **Display Name Style** from the list to display in cheque printing screen.

### **Scale Factor for Values**

Select the required **Scale Factors** from the list.

### **Sorting Method**

Select the required **Sorting Methods** from the list.

## **Auto Bank Reconciliation - in Tally.ERP 9**

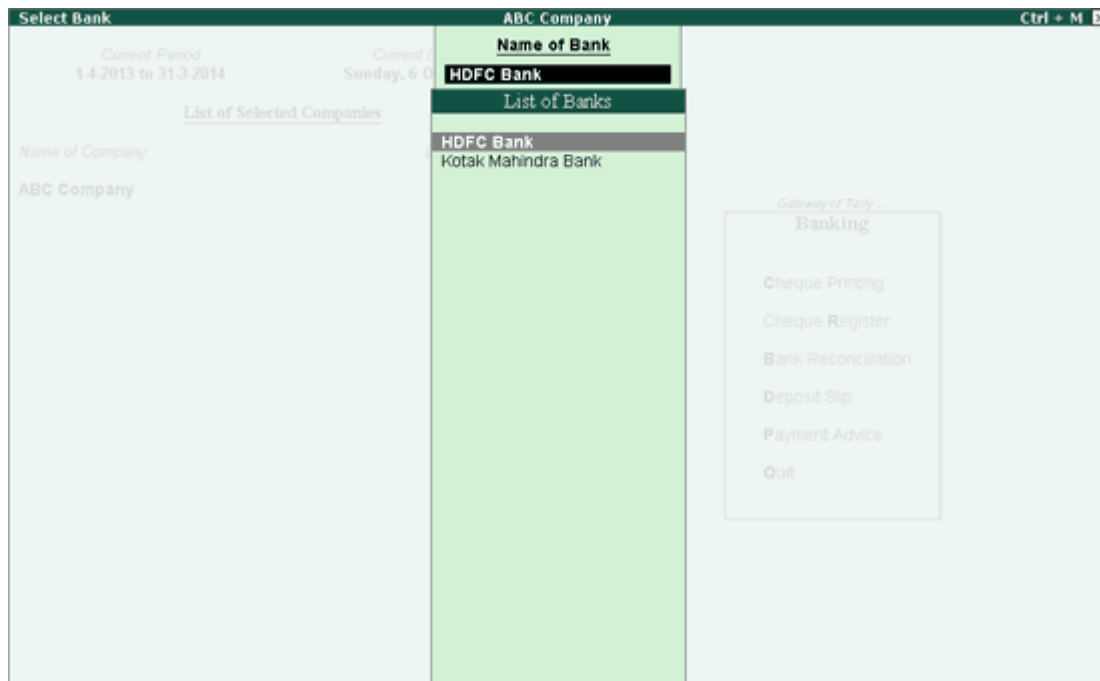
For the benefit of business entities and users, Tally.ERP 9 has provided the facility of selecting the formats which include configurations and output file type for printing the cheques. Currently, the formats of many banks with supporting file types - **Excel**, **CSV** and **MT940** are made available. Depending on the formats pre-filled in the ledger master of the bank selected in payment/contra voucher and the output file types supported for it, the cheques can be printed.

In Tally.ERP 9, Bank Reconciliation capability is enhanced to **view**, **import** the bank statements and to **Auto Reconcile** the transactions.

For Auto Bank Reconciliation (importing Bank Statement), valid **Tally.NET Subscription** and **Internet Connectivity** are required for performing auto reconciliation. To know how to enable Auto Bank Reconciliation,

To view, import and auto reconcile the banking transactions:

Go to **Gateway of Tally > Banking > Bank Reconciliation > select the Bank > Bank Reconciliation** statement appears



[Img-22]

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

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

**Note:** The facility to Import and View Bank Statements will get enabled only for banks enabled with auto reconciliation feature in bank ledger creation / alteration mode.

### Bank Statement

Bank Statement button with the facility to view and import is provided to meet the customers requirement. There could be cases where the user just want to view it and not import the statement directly or wants to view it before it is imported, mainly to confirm that it's the same file that has to be imported.

### Reconcile Unlinked

Once the transactions are imported and reconciled, if there are any entries appearing under the section **Amount not reflected in Company Books** the **Reconcile Unlinked** button needs to be used to reconcile it.

### Delete Unlinked

**Delete Unlinked** button is provided to delete the unlinked vouchers.

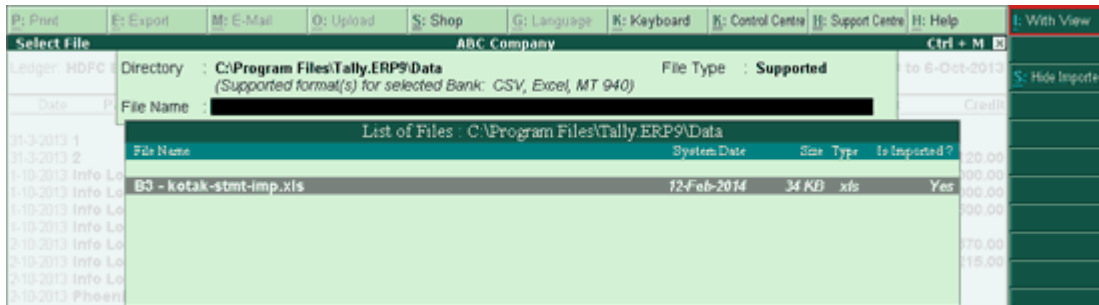
### View Bank Statement

Tally.ERP 9 makes it possible for the user to view the Excel, MT940 or .CSV files in a readable format, with an option of choosing to import or not to.

Click on **B: Bank Statement** button or press **Alt+B** key.

On pressing the button, the **Bank Statement File** screen displays the **Directory** which was specified as the **Location** of Bank Statements in **F12: Configuration > Banking Configuration**. Select the required file format in **File Type** field based on the format of bank statement being imported.

In **File Name** field, a **list of Excel files** will get displayed. To view the **Bank Statement** which would be imported, click the button **I: With View** or press **Alt+I**.



[Img-23]

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

The Bank Statement appears as shown:

Sl. No.	Date	Particulars	Instrument No.	Debit	Credit	Balance
<b>Opening Balance</b>						
1	1-10-2013	0214/1273604/Harjit Singh	001	5,000.00		5,000.00 Cr
2	1-10-2013	Funds Transfer to Kotak Securities	002	3,000.00		300.00 Cr
3	1-10-2013	Demat Charges for Jan-2011	003	2,500.00		2,500.00 Cr
4	1-10-2013	KS 3in1 SP N URRND 0000890213	004		3,500.00	1,000.00 Cr
5	2-10-2013	IB Funds Transfer CR 02140120001274	005	1,570.00		2,570.00 Cr
6	2-10-2013	KS 3in1 SP N URRND 0000894113	006	3,215.00		5,785.00 Cr
7	2-10-2013	NEFT AXIS11054008840 HARJIT SINGH	AXIS111054008840		3,500.00	2,285.00 Cr
8	2-10-2013	KS 3in1 SP N URRND 0000905892	008		1,485.00	800.00 Cr
9	4-10-2013	0214/1273604/Harjit Singh	009		8,500.00	9,300.00 Cr
10	4-10-2013	0214/1273604/Harjit Singh	010		3,254.00	12,554.00 Cr
11	4-10-2013	0214/1273604/Harjit Singh	011		1,780.00	14,334.00 Cr
12	5-10-2013	0214/1273604/Harjit Singh	012		1,500.00	15,834.00 Cr
13	5-10-2013	0214/1273604/Harjit Singh	013		1,780.00	17,614.00 Cr
14	5-10-2013	0214/1273604/Harjit Singh	014		3,650.00	21,264.00 Cr
15	5-10-2013	0214/1273604/Harjit Singh	015		2,500.00	18,764.00 Cr
16	5-10-2013	0214/1273604/Harjit Singh	016		1,500.00	17,264.00 Cr
17	5-10-2013	0214/1273604/Harjit Singh	017		1,500.00	15,764.00 Cr
18	5-10-2013	0214/1273604/Harjit Singh	018		1,500.00	14,264.00 Cr
19	5-10-2013	0214/1273604/Harjit Singh	019		500.00	13,764.00 Cr
20	5-10-2013	0214/1273604/Harjit Singh	020		1,000.00	12,764.00 Cr
21	5-10-2013	0214/1273604/Harjit Singh	021		1,000.00	11,764.00 Cr
22	5-10-2013	0214/1273604/Harjit Singh	022		2,250.00	9,514.00 Cr
23	5-10-2013	0214/1273604/Harjit Singh	023	1,300.00		10,814.00 Cr
24	6-10-2013	0214/1273604/Harjit Singh	024	1,790.00		12,604.00 Cr
<b>Current Total :</b>				<b>38,839.00</b>	<b>20,235.00</b>	
<b>Closing Balance :</b>						<b>12,604.00</b>

[Img-24]

- Users can either import the statement using **Import** button or **Quit** the **Bank Statement** screen by pressing **Escape** key or click on **Ctrl+Q: Quit** button (where the user is not intending to import the file).



### Import Bank Statement

In the Bank Statement screen which is previewed press **I**: **Import** button. Users must ensure that the bank statements being imported haven't been edited or altered in any way. If any changes are made, the error message - **Not a valid format** will be displayed while importing the statement.

During import, the **Import progress bar** gets displayed followed by the **Success** message with count of **Total Entries in Bank Statement**, transactions **Reconciled** and **Additional Bank Entries**.

Sl. No.	Date	Particulars	Instrument No.	Debit	Credit	Balance
<b>Opening Balance</b>						
1	1-10-2013	0214/1273604/Harjit Singh	001	5,000.00		5,000.00 Cr
2	1-10-2013	Funds Transfer to Kotak Securities	002	3,000.00		300.00 Cr
3	1-10-2013	Demat Charges for Jan-2011	003	2,500.00		2,500.00 Cr
4	1-10-2013	KS 3in1 SP N URRNO 0000890213	004		3,500.00	1,000.00 Cr
5	2-10-2013	IB Funds Transfer CR-02140120001274	005	1,570.00		2,570.00 Cr
6	2-10-2013	KS 3in1 SP N URRNO 0000894113	006	3,215.00		5,785.00 Cr
7	2-10-2013	NEFT AXIS11054008840 HARJIT SINGH	AXIS11054008840		3,500.00	2,285.00 Cr
8	2-10-2013	KS 3in1 SP N URRNO 0000905892	008		1,485.00	800.00 Cr
9	4-10-2013	0214/1273604/Harjit Singh	009	8,500.00		9,300.00 Cr
10	4-10-2013	0214/1273604/Harjit Singh	010	3,254.00		12,554.00 Cr
11	4-10-2013	0214/1273604/Harjit Singh	011	1,700.00		14,334.00 Cr
12	5-10-2013	0214/1273604/Harjit Singh	012	1,500.00		15,834.00 Cr
13	5-10-2013	0214/1273604/Harjit Singh	013	1,700.00		17,614.00 Cr
14	5-10-2013	0214/1273604/Harjit Singh	014	3,650.00		21,264.00 Cr
15	5-10-2013	0214/1273604/Harjit Singh	015		2,500.00	18,764.00 Cr
16	5-10-2013	0214/1273604/Harjit Singh	016		1,500.00	17,264.00 Cr
17	5-10-2013	0214/1273604/Harjit Singh	017		1,500.00	15,764.00 Cr
18	5-10-2013	0214/1273604/Harjit Singh	018		1,500.00	14,264.00 Cr
19	5-10-2013	0214/1273604/Harjit Singh	019		500.00	13,764.00 Cr
20	5-10-2013	0214/1273604/Harjit Singh	020		1,000.00	12,764.00 Cr
21	5-10-2013	0214/1273604/Harjit Singh	021			
22	5-10-2013	0214/1273604/Harjit Singh	022			
23	5-10-2013	0214/1273604/Harjit Singh	023	1,300.00		
24	6-10-2013	0214/1273604/Harjit Singh	024	1,790.00		
<b>Current Total :</b>				<b>38,839.00</b>		
<b>Closing Balance :</b>				<b>12,604.00</b>		

Total Entries in Bank Statement: 24  
Reconciled: 18  
Additional Bank Entries: 6  
(press any key)

[Img-25]

The Bank Reconciliation Statement with Imported Bank Statement details appears as shown:



Bank Reconciliation		ABC Company		Ctrl + M					
Ledger: HDFC Bank		(Reconciliation)		1-Apr-2013 to 6-Oct-2013					
Date	Particulars	Vch Type	Transaction Type	Instrument No.	Instrument Date	Bank Date	Debit	Credit	
31-3-2013 1	Opening BRS		Electronic DD/PO		31-3-2013	1-4-2013	100.00		
31-3-2013 2	Opening BRS		Inter Bank Transfer		31-3-2013			120.00	
1-10-2013	Info Logistics	Payment	Cheque	001	1-10-2013	1-10-2013	5,000.00		
1-10-2013	Info Logistics	Payment	Cheque	002	1-10-2013	1-10-2013	3,000.00		
1-10-2013	Info Logistics	Payment	Cheque	003	1-10-2013	1-10-2013	2,500.00		
1-10-2013	Info Logistics	Receipt	Cheque/DD	AXIS11054003840	1-10-2013	2-10-2013	3,500.00		
2-10-2013	Info Logistics	Journal	Inter Bank Transfer	005	2-10-2013	2-10-2013		1,570.00	
2-10-2013	Info Logistics	Journal	Inter Bank Transfer	006	2-10-2013	2-10-2013		3,215.00	
2-10-2013	Info Logistics	Receipt	NEFT		2-10-2013		3,500.00		
2-10-2013	Phoenix Services	Receipt	NEFT	008	2-10-2013	2-10-2013	1,485.00		
4-10-2013	Phoenix Services	Payment	Inter Bank Transfer	009	4-10-2013	4-10-2013		8,500.00	
4-10-2013	Phoenix Services	Payment	Electronic DD/PO	010	4-10-2013	4-10-2013		3,254.00	
4-10-2013	RBZee Enterprises	Journal	Others	011	4-10-2013	4-10-2013		1,780.00	
5-10-2013	Expense	Purchase	Inter Bank Transfer	012	5-10-2013	5-10-2013		1,500.00	
5-10-2013	Info Logistics	Payment	Electronic DD/PO	013	5-10-2013	5-10-2013		1,780.00	
5-10-2013	Phoenix Services	Payment	Same Bank Transfer	014	5-10-2013	5-10-2013		3,650.00	
5-10-2013	Phoenix Services	Receipt	Inter Bank Transfer	015	5-10-2013	5-10-2013	2,500.00		
5-10-2013	Phoenix Services	Receipt	Same Bank Transfer	016	5-10-2013	5-10-2013	1,500.00		
5-10-2013	Phoenix Services	Receipt	Cheque/DD	017	5-10-2013	5-10-2013	1,500.00		
5-10-2013	Phoenix Services	Receipt	Cash	018	5-10-2013	5-10-2013	1,500.00		
5-10-2013	Phoenix Services	Receipt	Others	019	5-10-2013	5-10-2013	500.00		
5-10-2013	Phoenix Services	Receipt	Electronic DD/PO		5-10-2013		1,000.00		
5-10-2013	Phoenix Services	Receipt	Electronic Cheque		5-10-2013		1,000.00		
5-10-2013	Ketak Mahindra Bank	Journal	Inter Bank Transfer		5-10-2013		2,250.00		
5-10-2013	Phoenix Services	Journal	Cheque		5-10-2013			1,300.00	
6-10-2013	Info Logistics	Journal	Cheque		6-10-2013			1,790.00	
							<b>8 more ... ↓</b>		
Balance as per Company Books :								18,604.00	
Amounts not reflected in Bank :							7,850.00	3,210.00	
Amounts not reflected in Company Books :							7,750.00	3,090.00	
<b>Balance as per Bank :</b>								18,584.00	
<b>Balance as per imported Bank Statement :</b>							12,604.00		
Difference :							5,980.00		

[Img-26]

The Reconciliation found at the bottom of the screen shows:

4.
  - Balance as per Company Books
  - Amounts not reflected in Bank
  - Amount not reflected in Company Books
  - Balance as per Bank

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

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

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

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

**Note:** Some discrepancies may persist due to entries made in the bank statement, which may not have been entered in the books of accounts.

**Auto Reconciliation of e-Banking Transactions**

After Importing the file, the bank dates will get filled in **Bank Dates** field automatically in **Bank Reconciliation** screen.

However, there may be transactions which have been executed at the bank's end (example, bank charges, interest credit etc.) but not yet reflected in the books of accounts. Such transactions will appear under the **Amount Not Reflected in Company Books** in BRS statement with the required details.

Bank Reconciliation		ABC Company		Ctrl + M				
Ledger: HDFC Bank		(Reconciliation)		1-Apr-2013 to 6-Oct-2013				
Date	Particulars	Vch Type	Transaction Type	Instrument No.	Instrument Date	Bank Date	Debit	Credit
2-10-2013	Phoenix Services	Receipt	NEFT	008	2-10-2013	2-10-2013	1,485.00	
4-10-2013	Phoenix Services	Payment	Inter Bank Transfer	009	4-10-2013	4-10-2013		8,500.00
4-10-2013	Phoenix Services	Payment	Electronic DD/PO	010	4-10-2013	4-10-2013		3,254.00
4-10-2013	RBZee Enterprises	Journal	Others	011	4-10-2013	4-10-2013		1,780.00
5-10-2013	Expense	Purchase	Inter Bank Transfer	012	5-10-2013	5-10-2013		1,500.00
5-10-2013	Info Logistics	Payment	Electronic DD/PO	013	5-10-2013	5-10-2013		1,780.00
5-10-2013	Phoenix Services	Payment	Same Bank Transfer	014	5-10-2013	5-10-2013		3,650.00
5-10-2013	Phoenix Services	Receipt	Inter Bank Transfer	015	5-10-2013	5-10-2013	2,500.00	
5-10-2013	Phoenix Services	Receipt	Same Bank Transfer	016	5-10-2013	5-10-2013	1,500.00	
5-10-2013	Phoenix Services	Receipt	Cheque/DD	017	5-10-2013	5-10-2013	1,500.00	
5-10-2013	Phoenix Services	Receipt	Cash	018	5-10-2013	5-10-2013	1,500.00	
5-10-2013	Phoenix Services	Receipt	Others	019	5-10-2013	5-10-2013	500.00	
5-10-2013	Phoenix Services	Receipt	Electronic DD/PO		5-10-2013	5-10-2013	1,000.00	
5-10-2013	Phoenix Services	Receipt	Electronic Cheque		5-10-2013	5-10-2013	1,000.00	
5-10-2013	Kotak Mahindra Bank	Journal	Inter Bank Transfer		5-10-2013	5-10-2013	2,250.00	
5-10-2013	Phoenix Services	Journal	Cheque		5-10-2013	5-10-2013		1,300.00
6-10-2013	Info Logistics	Journal	Cheque		6-10-2013	6-10-2013		1,790.00
<b>Amounts not reflected in Company Books</b>								
	KS 3in1 SP N URRND 0000890213		Deposit	004	1-10-2013	1-10-2013	3,500.00	
	0214/1273604/Harjit Singh		Deposit	020	5-10-2013	5-10-2013	1,000.00	
	0214/1273604/Harjit Singh		Deposit	021	5-10-2013	5-10-2013	1,000.00	
	0214/1273604/Harjit Singh		Deposit	022	5-10-2013	5-10-2013	2,250.00	
	0214/1273604/Harjit Singh		Withdrawal	023	5-10-2013	5-10-2013		1,300.00
	0214/1273604/Harjit Singh		Withdrawal	024	6-10-2013	5-10-2013		1,790.00
Balance as per Company Books :								18,604.00
Amounts not reflected in Bank :							7,750.00	3,210.00
Amounts not reflected in Company Books :							7,750.00	3,090.00
<b>Balance as per Bank :</b>								<b>18,484.00</b>
<b>Balance as per Imported Bank Statement :</b>							12,604.00	
Difference :							5,880.00	

[img-27]

User can either **Reconcile Unlinked** transactions to **existing transactions** or **create a new voucher** (to create vouchers click on **C: Create Vouchers** button or press **Alt+C** key) using this information or delete them.

**Note:** It is suggested to **save** the **Bank Reconciliation** before **reconciling the Unlinked Transactions** to avoid mistakes.

1. Reconcile Unlinked

In this example, there is a withdrawal of **2,500** on **23-4-2012** which is not reconciled. To reconcile the transaction select the transaction displayed under **Amount Not Reflected in Company Books** and click on **R: Reconcile Unlinked** button or press **Alt+R**.



Bank Reconciliation		ABC Company		Ctrl + M				
Ledger: HDFC Bank		(Reconciliation)		1-Apr-2013 to 6-Oct-2013				
Date	Particulars	Vch Type	Transaction Type	Instrument No.	Instrument Date	Bank Date	Debit	Credit
2-10-2013	Phoenix Services	Receipt	NEFT	008	2-10-2013	2-10-2013	1,485.00	
4-10-2013	Phoenix Services	Payment	Inter Bank Transfer	009	4-10-2013	4-10-2013		8,500.00
4-10-2013	Phoenix Services	Payment	Electronic DD/PO	010	4-10-2013	4-10-2013		3,254.00
4-10-2013	RBZee Enterprises	Journal	Others	011	4-10-2013	4-10-2013		1,780.00
5-10-2013	Expense	Purchase	Inter Bank Transfer	012	5-10-2013	5-10-2013		1,500.00
5-10-2013	Info Logistics	Payment	Electronic DD/PO	013	5-10-2013	5-10-2013		1,780.00
5-10-2013	Phoenix Services	Payment	Same Bank Transfer	014	5-10-2013	5-10-2013		3,650.00
5-10-2013	Phoenix Services	Receipt	Inter Bank Transfer	015	5-10-2013	5-10-2013	2,500.00	
5-10-2013	Phoenix Services	Receipt	Same Bank Transfer	016	5-10-2013	6-10-2013	1,500.00	
5-10-2013	Phoenix Services	Receipt	Cheque/DD	017	5-10-2013	5-10-2013	1,500.00	
5-10-2013	Phoenix Services	Receipt	Cash	018	5-10-2013	5-10-2013	1,500.00	
5-10-2013	Phoenix Services	Receipt	Others	019	5-10-2013	5-10-2013	500.00	
5-10-2013	Phoenix Services	Receipt	Electronic DD/PO		5-10-2013		1,000.00	
5-10-2013	Phoenix Services	Receipt	Electronic Cheque		5-10-2013		1,000.00	
5-10-2013	Kotak Mahindra Bank	Journal	Inter Bank Transfer		5-10-2013		2,250.00	
5-10-2013	Phoenix Services	Journal	Cheque		5-10-2013			1,300.00
6-10-2013	Info Logistics	Journal	Cheque		6-10-2013			1,790.00
<b>Amounts not reflected in Company Books</b>								
	KS 3in1 SP N URRN0 0000890213		Deposit	004	1-10-2013	1-10-2013	3,500.00	
	0214/1273604/Harjit Singh		Deposit	020	5-10-2013	5-10-2013	1,000.00	
	0214/1273604/Harjit Singh		Deposit	021	5-10-2013	5-10-2013	1,000.00	
	0214/1273604/Harjit Singh		Deposit	022	5-10-2013	5-10-2013	2,250.00	
	0214/1273604/Harjit Singh		Withdrawal	023	5-10-2013	5-10-2013		1,300.00
	0214/1273604/Harjit Singh		Withdrawal	024	6-10-2013	5-10-2013		1,790.00
Balance as per Company Books :							18,604.00	
Amounts not reflected in Bank :							7,750.00	3,210.00
Amounts not reflected in Company Books :							7,750.00	3,090.00
<b>Balance as per Bank :</b>							<b>18,484.00</b>	
<b>Balance as per Imported Bank Statement :</b>							<b>12,604.00</b>	
Difference :							5,880.00	

[Img-28]

Application will display the transaction(s) matching the Transaction amount for selection. Select the appropriate transaction using spacebar and press Enter. The Status will be displayed as **Reconciled Successfully**.

## 2. Reconcile All Unlinked

To reconcile all unlinked transactions without having to select one by one simply the reconciling process, press **R: Reconcile All Unlinked**. This option provides a simple and convenient option to reconcile transactions from the imported statement and company's book from a single screen without having to manually match the transactions.



Date	Particulars	Vch Type	Transaction Type	Instrument No.	Instrument Date	Bank Date	Debit	Credit
2-10-2013	Phoenix Services	Receipt	NEFT	008	2-10-2013	2-10-2013	1,485.00	
4-10-2013	Phoenix Services	Payment	Inter Bank Transfer	009	4-10-2013	4-10-2013		8,500.00
4-10-2013	Phoenix Services	Payment	Electronic DD/PO	010	4-10-2013	4-10-2013		3,254.00
4-10-2013	RBZee Enterprises	Journal	Others	011	4-10-2013	4-10-2013	1,780.00	
5-10-2013	Expense	Purchase	Inter Bank Transfer	012	5-10-2013	5-10-2013	1,500.00	
5-10-2013	Info Logistics	Payment	Electronic DD/PO	013	5-10-2013	5-10-2013	1,780.00	
5-10-2013	Phoenix Services	Payment	Same Bank Transfer	014	5-10-2013	5-10-2013		3,650.00
5-10-2013	Phoenix Services	Receipt	Inter Bank Transfer	015	5-10-2013	5-10-2013	2,500.00	
5-10-2013	Phoenix Services	Receipt	Same Bank Transfer	016	5-10-2013	5-10-2013	1,500.00	
5-10-2013	Phoenix Services	Receipt	Cheque/DD	017	5-10-2013	5-10-2013	1,500.00	
5-10-2013	Phoenix Services	Receipt	Cash	018	5-10-2013	5-10-2013	1,500.00	
5-10-2013	Phoenix Services	Receipt	Others	019	5-10-2013	5-10-2013	500.00	
5-10-2013	Phoenix Services	Receipt	Electronic DD/PO		5-10-2013		1,000.00	
5-10-2013	Phoenix Services	Receipt	Electronic Cheque		5-10-2013		1,000.00	
5-10-2013	Kotak Mahindra Bank	Journal	Inter Bank Transfer		5-10-2013		2,250.00	
5-10-2013	Phoenix Services	Journal	Cheque		5-10-2013			1,300.00
6-10-2013	Info Logistics	Journal	Cheque		6-10-2013			1,790.00
<b>Amounts not reflected in Company Books</b>								
	KS 3in1 SP N URRND 0000890213		Deposit	004	1-10-2013	1-10-2013	3,500.00	
	0214/1273604/Harjit Singh		Deposit	020	5-10-2013	5-10-2013	1,000.00	
	0214/1273604/Harjit Singh		Deposit	021	5-10-2013	5-10-2013	1,000.00	
	0214/1273604/Harjit Singh		Deposit	022	5-10-2013	5-10-2013	2,250.00	
	0214/1273604/Harjit Singh		Withdrawal	023	5-10-2013	5-10-2013		1,300.00
	0214/1273604/Harjit Singh		Withdrawal	024	6-10-2013	5-10-2013		1,790.00
Balance as per Company Books :							18,604.00	
Amounts not reflected in Bank :							7,750.00	3,210.00
Amounts not reflected in Company Books :							7,750.00	3,090.00
<b>Balance as per Bank :</b>							<b>18,484.00</b>	
<b>Balance as per Imported Bank Statement :</b>							<b>12,604.00</b>	
Difference :							6,880.00	

[Img-29]

An **Unreconciled Transactions** screen will display matching transactions and the amount not reflected which is about to get reconciled is shown under **Transaction from Bank Statements to be Reconciled** as shown below:

Date	Particulars	Payment Favoring	Transaction Type	Instrument/Ref No.	Bank Date	Debit	Credit
<b>Transaction from Bank Statement to be Reconciled :</b>							
1-10-2013	KS 3in1 SP N URRND 0000890213		Deposit	004	1-10-2013	3,500.00	
<b>Unreconciled Transactions from Company Books :</b>							
1-10-2013	Info Logistics	Party 3	Cheque/DD	AXIS# 1054008840		3,500.00	
2-10-2013	Info Logistics	Party 3	Inter Bank Transfer			3,500.00	

[Img-30]

- Press **Enter** to accept the transaction displayed to link and to reconcile



Unreconciled Transactions							ABC Company		Ctrl + M
Unreconciled Transactions									
Date	Particulars	Payment Favoring	Transaction Type	Instrument/RefNo.	Bank Date	Debit	Credit		
<b>Transaction from Bank Statement to be Reconciled :</b>									
1-10-2013	KS 3in1 SP N URRN0 0000890213		Deposit	004	1-10-2013	3,500.00			
<b>Unreconciled Transactions from Company Books :</b>									
1-10-2013	Info Logistics	Party 3	Cheque/DO	AXSII1054008840		3,500.00			
2-10-2013	Info Logistics	Party 3	Inter Bank Transfer			3,500.00			

Success !!!

Reconciled Successfully.

(press any key)

[Img-31]

- Press **Quit** or **Esc** to skip the current transaction and proceed to the next for reconciliation. To stop the reconciliation process, press **Alt+S:Stop**

If there are no matching transactions, then the screen will be blank and the amount not reflected will be showing the transaction on the top. In case, there are no transaction to link, a message **No unreconciled transaction exists with same amount** will be displayed as shown below:

Unreconciled Transactions							ABC Company		Ctrl + M
Unreconciled Transactions									
Date	Particulars	Payment Favoring	Transaction Type	Instrument/RefNo.	Bank Date	Debit	Credit		
<b>Transaction from Bank Statement to be Reconciled :</b>									
1-10-2013	Demat Charges for Jan-2011		Withdrawal	003	1-10-2013		2,500.00		
<b>Unreconciled Transactions from Company Books :</b>									
<i>No unreconciled transaction exists with the same amount</i>									

[Img-32]

3. Create a New Voucher

If there is any transaction which is not reflected in the books of accounts, click **C: Create Voucher** button or press **Alt+C** key to navigate to **Voucher Creation** screen.

ABC Company										1-Apr-2013 to 6-Oct-2013
(Reconciliation)										
Date	Particulars	Vch Type	Transaction Type	Instrument No.	Instrument Date	Bank Date	Debit	Credit		
31-3-2013 1	Opening BRS		Electronic DD/PO		31-3-2013		100.00			
31-3-2013 2	Opening BRS		Inter Bank Transfer		31-3-2013			120.00		
1-10-2013	Info Logistics	Payment	Cheque	001	1-10-2013	1-10-2013		5,000.00		
1-10-2013	Info Logistics	Payment	Cheque	002	1-10-2013	1-10-2013		3,000.00		
1-10-2013	Info Logistics	Receipt	Cheque/DD	AXISIT1054008840	1-10-2013	2-10-2013	3,500.00			
2-10-2013	Info Logistics	Journal	Inter Bank Transfer	005	2-10-2013	2-10-2013		1,570.00		
2-10-2013	Info Logistics	Journal	Inter Bank Transfer	006	2-10-2013	2-10-2013		3,215.00		
2-10-2013	Info Logistics	Receipt	NEFT		2-10-2013	2-10-2013	3,500.00			
2-10-2013	Phoenix Services	Receipt	NEFT	008	2-10-2013	2-10-2013	1,485.00			
4-10-2013	Phoenix Services	Payment	Inter Bank Transfer	009	4-10-2013	4-10-2013		8,500.00		
4-10-2013	Phoenix Services	Payment	Electronic DD/PO	010	4-10-2013	4-10-2013		3,254.00		
4-10-2013	RBZee Enterprises	Journal	Others	011	4-10-2013	4-10-2013		1,780.00		
5-10-2013	Expense	Purchase	Inter Bank Transfer	012	5-10-2013	5-10-2013		1,500.00		
5-10-2013	Info Logistics	Payment	Electronic DD/PO	013	5-10-2013	5-10-2013		1,780.00		
5-10-2013	Phoenix Services	Payment	Same Bank Transfer	014	5-10-2013	5-10-2013		3,650.00		
5-10-2013	Phoenix Services	Receipt	Inter Bank Transfer	015	5-10-2013	5-10-2013	2,500.00			
5-10-2013	Phoenix Services	Receipt	Same Bank Transfer	016	5-10-2013	5-10-2013	1,500.00			
5-10-2013	Phoenix Services	Receipt	Cheque/DD	017	5-10-2013	5-10-2013	1,500.00			
5-10-2013	Phoenix Services	Receipt	Cash	018	5-10-2013	5-10-2013	1,500.00			
5-10-2013	Phoenix Services	Receipt	Others	019	5-10-2013	5-10-2013	500.00			
<b>Amounts not reflected in Company Books</b>										
	Demat Charges for Jan-2011		Withdrawal	003	1-10-2013	1-10-2013		2,500.00		
	KS 3in1 SP N URRND 0000890213		Deposit	004	1-10-2013	1-10-2013	3,500.00			
Balance as per Company Books :								16,104.00		
Amounts not reflected in Bank :							3,600.00	120.00		
Amounts not reflected in Company Books :							3,500.00	2,500.00		
<b>Balance as per Bank :</b>								<b>18,584.00</b>		
<b>Balance as per imported Bank Statement :</b>							12,604.00			
Difference :							5,980.00			

[Img-33]

On recording the transaction against the **Amount Not Reflected in Company Books**, the details displayed will be removed from the **Amount Not Reflected in Company Books** section indicating that the corresponding entry is found in the books of accounts.

**Note:** You can record a **Payment/Receipt/Journal** voucher to account for those entries that are not reflected in Company Books.

4. Error on re-importing the Excel/csv file

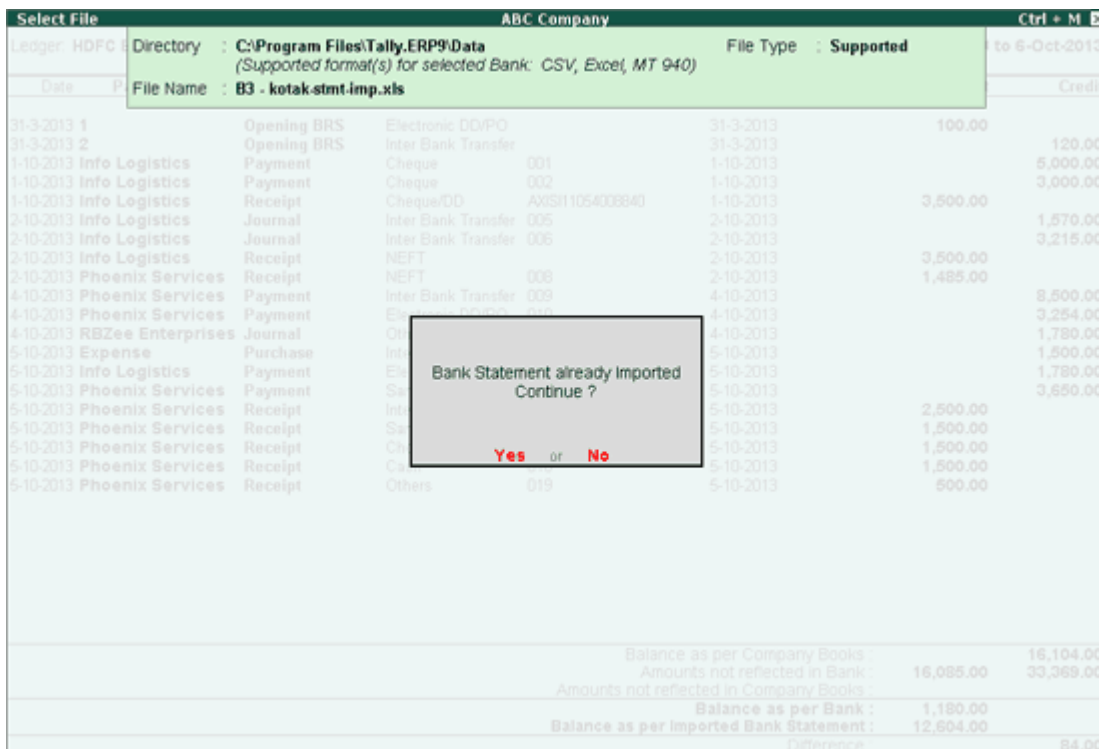
While selecting the bank statement for importing, the statement which is already imported will also appear. To hide the imported statement, click **S: Hide Imported** button. On using this button only the statement which is not yet imported gets displayed. The **Hide Imported** is a toggle button which can also be used to **Show Imported** statements.





[Img-34]

In cases where the user has already imported an **Excel/csv file** and tries to re-import it by mistake, an error message will be displayed indicating that Bank Details are reflected in your books of accounts.



[Img-35]

#### 5. View Difference in Bank Balance

To view difference in Bank Balance click on **F12: Configure** and the option **Show Difference in Bank Balance** to **Yes**



<u>Configuration</u>	
Select vouchers to show	: All Vouchers
Show Narrations also	? No
Show Remarks also	? No
Show Reconciled Transactions also	? No
Allow back dated Reconciliation	? No
Show Payment Favouring/ Received From	? No
Show Difference in Bank Balance	? Yes
Show all Unreconciled Transactions Till Date	? <b>Yes</b>
<i>(Auto Reconciliation will always happen till date)</i>	
Show all Unlinked Transactions (Amount not reflected)	? Yes
Appearance of Names	: Name Only

[Img-36]

The **difference in Bank Balance** (difference in **Balance as per Bank** and **Balance as per Imported Bank Statement**) will be shown in Bank Reconciliation Statement. In the Bank Reconciliation screen, the **Balance as per Imported Bank Statement** refers to the balance displayed on importing the bank statement for reconciliation.

Bank Reconciliation		ABC Company		Ctrl + M				
Ledger: HDFC Bank				1-Apr-2013 to 6-Oct-2013				
(Reconciliation)								
Date	Particulars	Vch Type	Transaction Type	Instrument No.	Instrument Date	Bank Date	Debit	Credit
31-3-2013	1	Opening BRS	Electronic DD/PO		31-3-2013		100.00	
31-3-2013	2	Opening BRS	Inter Bank Transfer		31-3-2013			120.00
1-10-2013	Info Logistics	Payment	Cheque	001	1-10-2013	1-10-2013		5,000.00
1-10-2013	Info Logistics	Payment	Cheque	002	1-10-2013	1-10-2013		3,000.00
1-10-2013	Info Logistics	Receipt	Cheque/DD	AXISII1054008840	1-10-2013	2-10-2013	3,500.00	
2-10-2013	Info Logistics	Journal	Inter Bank Transfer	005	2-10-2013	2-10-2013		1,570.00
2-10-2013	Info Logistics	Journal	Inter Bank Transfer	006	2-10-2013	2-10-2013		3,215.00
2-10-2013	Info Logistics	Receipt	NEFT		2-10-2013		3,500.00	
2-10-2013	Phoenix Services	Receipt	NEFT	008	2-10-2013	2-10-2013	1,485.00	
4-10-2013	Phoenix Services	Payment	Inter Bank Transfer	009	4-10-2013	4-10-2013		8,500.00
4-10-2013	Phoenix Services	Payment	Electronic DD/PO	010	4-10-2013	4-10-2013		3,254.00
4-10-2013	RBZee Enterprises	Journal	Others	011	4-10-2013	4-10-2013		1,780.00
5-10-2013	Expense	Purchase	Inter Bank Transfer	012	5-10-2013	5-10-2013		1,500.00
5-10-2013	Info Logistics	Payment	Electronic DD/PO	013	5-10-2013	5-10-2013		1,780.00
5-10-2013	Phoenix Services	Payment	Same Bank Transfer	014	5-10-2013	5-10-2013		3,650.00
5-10-2013	Phoenix Services	Receipt	Inter Bank Transfer	015	5-10-2013	5-10-2013	2,500.00	
5-10-2013	Phoenix Services	Receipt	Same Bank Transfer	016	5-10-2013	5-10-2013	1,500.00	
5-10-2013	Phoenix Services	Receipt	Cheque/DD	017	5-10-2013	5-10-2013	1,500.00	
5-10-2013	Phoenix Services	Receipt	Cash	018	5-10-2013	5-10-2013	1,500.00	
5-10-2013	Phoenix Services	Receipt	Others	019	5-10-2013	5-10-2013	500.00	
<b>Amounts not reflected in Company Books</b>								
	Demat Charges for Jan-2011		Withdrawal	003	1-10-2013	1-10-2013		2,500.00
	KS 3in1 SP N URRND 0000890213		Deposit	004	1-10-2013	1-10-2013	3,500.00	
Balance as per Company Books :								16,104.00
Amounts not reflected in Bank :							3,600.00	120.00
Amounts not reflected in Company Books :							3,500.00	2,500.00
<b>Balance as per Bank :</b>								18,584.00
<b>Balance as per Imported Bank Statement :</b>							12,604.00	
Difference :							5,980.00	

[Img-37]

## Manual Bank Reconciliation - in Tally.ERP 9

The **Bank Reconciliation** option in the **Banking** menu allows the user to perform the following operations:

- **Reconcile** Bank accounts.
- **Create** vouchers from the Bank Reconciliation screen itself.
- The user can also provide **opening BRS** for unreconciled transactions.
- **Alter** the voucher by selecting the required transaction from the Bank Reconciliation screen.
- **Filter** the report to display transactions based on Amount, Bank Date, Instrument No, Instrument Date, Party ledger, etc.

### Accessing Bank Reconciliation

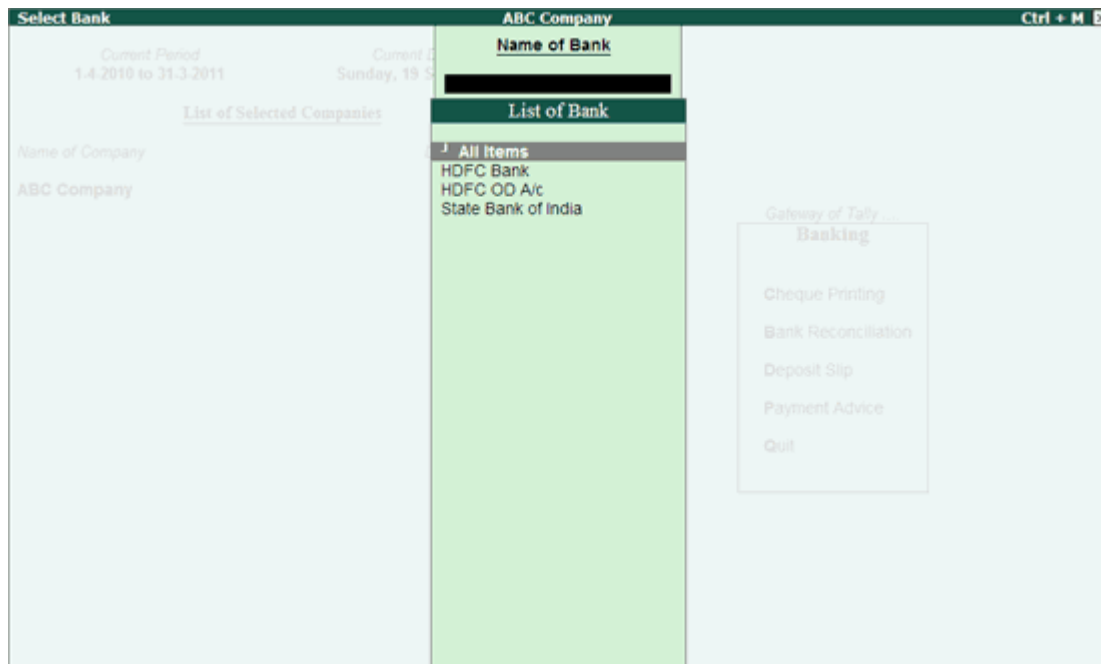
### Printing Bank Reconciliation Statement

### Configuring Bank Reconciliation Statement

### Accessing Bank Reconciliation

To access Bank Reconciliation screen,

- Go to **Gateway of Tally > Banking > Bank Reconciliation**
- The **Select Bank** screen displaying the **List of Bank** appears as shown:



[Img-38]

- Select the required **Bank account** from the **List of Bank** and press **Enter**.

The **Bank Reconciliation** screen of the selected Bank appears. By default the details in the Bank Reconciliation screen are sorted based on **Bank Date** (if bank date is already specified for the transaction). Or else, such sorting will be based on the **Instrument Date**.

ABC Company										Ctrl + M
Ledger: HDFC Bank										1-Apr-2010 to 5-Dec-2010
(Reconciliation)										
Date	Particulars	Favouring Name / Received From	Vch Type	Transaction Type	Instrument No.	Instrument Date	Bank Date	Debit	Credit	
14-2010	Conveyance		Receipt	Electronic Cheque	213467458343	1-4-2010		25,000.00		
2-4-2010	Consumables	Ranbir Singh	Payment	Cheque	857233	2-4-2010			3,000.00	
2-4-2010	Consumables	Ranbir Singh	Payment	Cheque	857234	3-4-2010			3,500.00	
26-5-2010	Conveyance	Anushil	Payment	Cheque	675656	26-5-2010			500.00	
3-7-2010	Supreme Computers		Payment	Cheque	984598	3-7-2010			1,000.00	
3-7-2010	Commission Received	Prasanna Kumar	Receipt	Cheque/DD	983232	3-7-2010		1,000.00		
5-7-2010	Rent		Payment	Cheque	A/c Payee	5-7-2010			15,000.00	
5-7-2010	Other Incomes		Receipt	Cheque/DD	837433	5-7-2010		10,000.00		
5-8-2010	Rent	Ramjal Nikhanj	Payment	Cheque	A/c Payee	5-8-2010			15,000.00	
5-8-2010	Other Incomes		Receipt	Cheque/DD	564547	5-8-2010		10,000.00		
25-8-2010	A-One Traders		Receipt	Cheque/DD	423428	25-8-2010		25,000.00		
25-8-2010	A-One Traders		Receipt	Inter Bank Transfer	234235333433	25-8-2010		25,000.00		
5-9-2010	Rent	Ramjal Nikhanj	Payment	Cheque	342423	5-9-2010			15,000.00	
5-9-2010	Rent		Receipt	Cheque/DD	123324	5-9-2010		10,000.00		
15-9-2010	Printing & Stationery	Bharat Stationers	Payment	Cheque	898443	15-9-2010			4,500.00	
19-9-2010	Conveyance	Ramjal Nikhanj	Payment	Cheque	243242	19-9-2010			3,000.00	
21-9-2010	Virupaksha Traders		Payment	Cheque	544454	21-9-2010			20,000.00	
24-9-2010	Banglan Demico & Arifan		Payment	Cheque	676456	24-9-2010			8,600.00	
24-9-2010	Banglan Demico & Arifan		Payment	Inter Bank Transfer	123456789012	24-9-2010			20,000.00	
25-9-2010	Banglan Demico & Arifan		Payment	Cheque	676460	25-9-2010			10,000.00	
26-9-2010	Hindustan Suppliers		Payment	Cheque	100006	26-9-2010			8,650.00	
26-9-2010	State Bank of India	ABC Company	Contra	Inter Bank Transfer	001000098983	26-9-2010		10,000.00		
27-9-2010	Virupaksha Traders		Payment	Cheque	453452	27-9-2010			30,000.00	
27-9-2010	Virupaksha Traders		Payment	Cheque	453453	30-9-2010			10,000.00	
28-9-2010	Computer Kraft		Receipt	Cash	234211	28-9-2010		5,000.00		
28-9-2010	Computer Kraft	Kumar (Driver)	Receipt	Cheque/DD	435778	28-9-2010			45,000.00	
28-9-2010	Computer Kraft		Receipt	Inter Bank Transfer	342457567656	28-9-2010		25,000.00		
								11 more ...		
								Balance as per Company Books : 1,85,004.00		
								Amounts not reflected in Bank : 2,91,000.00		2,58,350.00
								Balance as per Bank : 1,52,354.00		

[Img-39]

**Note:**

1. The Bank Reconciliation screen can also be accessed from **Gateway of Tally > Display > Accounts Books > Cash/Bank Books > Select Bank Ledger > Select a month > F5: Reconcile.**
2. By default, the screen displays the period range from date specified in the **Effective Date** for Reconciliation in the Bank ledger master till the **date of last entry.**
3. The **Bank Date** has to be provided based on the **Instrument Date** and not on **Voucher Date.**

**Button options in Bank Reconciliation screen**

**F2: Period**

Press **F2** key or click **F2: Period** to specify a period for which the Bank Reconciliation screen is to be displayed.

**S: Set Bank Dates**

To set a bank date for all the transactions for reconciliation, click **S: Set Bank Dates** button or press **Alt+S** key.

On pressing **Alt+S**, a **Set Bank Date** sub-screen appears as shown:

<u>Set Bank Date</u>		Bank Date Type
Bank Date Type	:	<input type="text"/>
		<b>Instrument Date</b>
		New Date
		Voucher Date

[Img-40]

- **Instrument Date:** On selecting **Instrument Date** as the **Bank Date Type**, the **Bank Date** field for all the transactions in the **Bank Reconciliation** screen is filled with the instrument date entered for that transaction in the Bank Allocations screen.
- **New Date:** On selecting **New Date** as the **Bank Date Type**, a new field **Date** appears in the **Set Bank Date** sub-screen.

<u>Set Bank Date</u>	
Bank Date Type	: <b>New Date</b>
Date	: <b>3-7-2013</b>

[Img-41]

Specify the required bank date that is to be filled for all the transactions in the Bank Reconciliation screen.

- **Voucher Date:** On selecting **Voucher Date** as the **Bank Date Type**, the **Bank Date** field for all the transactions in the Bank Reconciliation screen is filled with the **Date of Voucher**.

#### **C: Create Voucher:**

Press **Alt+C** key or click **C: Create Voucher** to create a voucher from the Bank Reconciliation screen itself.

#### **U: Opening BRS**

In Tally.ERP 9 Series A Release 3.0 onwards the user may provided opening BRS to the unreconciled transactions using this function.

The opening BRS will be used in the following scenarios:

- The BRS feature was used in the middle of the financial year by setting **Effective Date of Reconciliation** in Bank ledger master in Tally.ERP 9, or
- **Accounting** was started in Tally.ERP 9 in the middle of the financial year.
- **Opening balance** of Bank having **unreconciled transactions** brought forward to **Bank ledger** created in **Tally.ERP 9**, or for other reasons.

In these cases the user had to manually keep track of the unreconciled transaction until they are reconciled.

To provide **Opening BRS**:

- Click **U**: **Opening BRS.**
- The Opening Bank Allocation screen for the selected Bank is displayed as shown:

Opening Bank Allocations		ABC Company		Ctrl + M					
Ledger: HDFC Bank				1-Apr-2010 to 29-Sep-2010					
Date	Particulars	Favouring Name / Received From	Vch Type	Transaction Type	Instrument No.	Instrument Date	Bank Date	Debit	Credit
<b>Unreconciled Details for : HDFC Bank</b> (Effective Date of Reconciliation : 1-Apr-2010)									
Date	Particulars	Nature of Transaction	Transaction Type	Remarks	Debit	Credit			
25-3-2010	Universal Suppliers	Deposit	Cheque/DD	Cheque Issued to Supplier	93,354.00				
<i>Instrument No.: 123487 Instrument Date: 25-Mar-2010 Bank Date:</i>									
26-3-2010	Transtronics Limited	Deposit	Cheque/DD	Cheque Issued to Supplier	80,000.00				
<i>Instrument No.: 123495 Instrument Date: 26-Mar-2010 Bank Date:</i>									
31-3-2010	Q-Base Technologies	Withdrawal	Cheque	Cheque Received From Customer		21,000.00			
<i>Instrument No.: 009654 Instrument Date: 31-Mar-2010 Bank Date:</i>									
					Balance as per Company Books: 1,52,354.00				
					Amounts not reflected in Bank:				
					Balance as per Bank: 1,52,354.00				
					Balance as per Company Books: 2,00,004.00				
					Amounts not reflected in Bank: 2,61,000.00		2,13,350.00		
					Balance as per Bank: 1,52,354.00				

[Img-42]

- Provide the unreconciled transaction details based on the nature of transactions (Deposit/Withdrawal) as shown:

Unreconciled Details for : HDFC Bank						
(Effective Date of Reconciliation : 1-Apr-2010)						
Date	Particulars	Nature of Transaction	Transaction Type	Remarks	Debit	Credit
25-3-2010	Universal Suppliers	Deposit	Cheque/DD	Cheque Issued to Supplier	93,354.00	
<i>Instrument No.: 123487 Instrument Date: 25-Mar-2010 Bank Date:</i>						
26-3-2010	Transtronics Limited	Deposit	Cheque/DD	Cheque Issued to Supplier	80,000.00	
<i>Instrument No.: 123495 Instrument Date: 26-Mar-2010 Bank Date:</i>						
31-3-2010	Q-Base Technologies	Withdrawal	Cheque	Cheque Received From Customer		21,000.00
<i>Instrument No.: 009654 Instrument Date: 31-Mar-2010 Bank Date:</i>						
					Balance as per Company Books: 1,52,354.00	
					Amounts not reflected in Bank: 1,73,354.00	
					Balance as per Bank: 21,000.00	

[Img-43]

- **Save** the screen.

- When the company data is **split** the unreconciled transactions will automatically get updated in the Opening BRS details.

The **Bank Reconciliation** screen is displayed with **opening BRS** provided as shown:

Bank Reconciliation		ABC Company				Ctrl + M			
Ledger: HDFC Bank						1-Apr-2010 to 29-Sep-2010			
(Reconciliation)									
Date	Particulars	Favouring Name / Received From	Vch Type	Transaction Type	Instrument No.	Instrument Date	Bank Date	Debit	Credit
25-3-2010	Universal Suppliers		Opening BRS	Cheque/DD	123487	25-3-2010			93,354.00
25-3-2010	Transtronics Limited		Opening BRS	Cheque/DD	123495	26-3-2010			80,000.00
31-3-2010	Q-Base Technologies		Opening BRS	Cheque	009654	31-3-2010		21,000.00	
1-4-2010	Conveyance		Receipt	Electronic Cheque	213467458343	2-4-2010		25,000.00	
2-4-2010	Consumables	Ranbir Singh	Payment	Cheque	857233	2-4-2010			3,000.00
2-4-2010	Consumables	Ranbir Singh	Payment	Cheque	857234	3-4-2010			3,500.00
26-6-2010	Conveyance	Anushlal	Payment	Cheque	675656	26-6-2010			500.00
3-7-2010	Supreme Computers		Payment	Cheque	984598	3-7-2010			1,000.00
<i>Part Payment Made.</i>									
3-7-2010	Commission Received	Prasanna Kumar	Receipt	Cheque/DD	983232	3-7-2010		1,000.00	
5-7-2010	Rent	Ramlal Nikhanj	Payment	Cheque	A/c Payee	5-7-2010			15,000.00
<i>Rent for the Month of June'10</i>									
5-7-2010	Other Incomes		Receipt	Cheque/DD	837433	5-7-2010		10,000.00	
<i>Rent for the Month of June'10</i>									
5-8-2010	Rent	Ramlal Nikhanj	Payment	Cheque	A/c Payee	5-8-2010			15,000.00
<i>Rent for the Month of July'10</i>									
5-8-2010	Other Incomes		Receipt	Cheque/DD	564647	5-8-2010		10,000.00	
<i>Rent for the Month of July'10</i>									
25-8-2010	A-One Traders		Receipt	Cheque/DD	423428	25-8-2010		25,000.00	
25-8-2010	A-One Traders		Receipt	Inter Bank Transfer	234235333433	25-8-2010		25,000.00	
5-9-2010	Rent	Ramlal Nikhanj	Payment	Cheque	342423	5-9-2010			15,000.00
<i>Rent for the Month of Aug'10.</i>									
								37 more ... ↓	
								Balance as per Company Books	2,00,004.00
								Amounts not reflected in Bank	2,82,000.00
								<b>Balance as per Bank : 3,04,708.00</b>	

[Img-44]

- Provide the date of the realised transactions (the amount reflecting in the bank passbook) in the **Bank Date** field provided.
- **Save** the Bank Reconciliation screen.

**Note:** When the user tries to access **F12: Range** for filters in the **Bank Reconciliation** screen, will prompt to **Accept** the current screen before proceeding.

- Press **Ctrl+Enter** on the required **transaction** row to open the voucher in alteration mode.

### **F12: Range**

Allows to filter the Bank Reconciliation screen. The user may filter the transactions based on the Amount, **Bank Date**, **Date**, **Favouring Name**, etc as shown:





Filters		ABC Company				Ctrl + M			
Ledger: HDFC Bank		(Reconciliation)				1-Apr-2010 to 29-Sep-2010			
Date	Particulars	Favouring Name / Received From	Vch Type	Transaction Type	Instrument No.	Instrument Date	Bank Date	Debit	Credit
25-3-2010	Universal Suppliers		Opening BRS	Cheque/DD	123487	25-3-2010		93,354.00	
26-3-2010	Transtronics Limited		Opening BRS	Cheque/DD	123495	26-3-2010		80,000.00	
31-3-2010	Q-Base Technologies		Opening BRS	Cheque	009654	31-3-2010		21,000.00	
14-2010	Conveyance							25,000.00	
24-2010	Consumables	Ranbir							3,000.00
24-2010	Consumables	Ranbir							3,500.00
26-6-2010	Conveyance	Anush						500.00	
37-2010	Supreme Computers							1,000.00	
	Part Payment Made								
37-2010	Commission Received	Prasad						1,000.00	
5-7-2010	Rent	Ramla							15,000.00
	Rent for the Month of Jun								
5-7-2010	Other Incomes								
	Rent for the Month of Jun								
5-8-2010	Rent	Ramla							15,000.00
	Rent for the Month of July								
5-8-2010	Other Incomes							10,000.00	
	Rent for the Month of July								
25-8-2010	A-One Traders		Receipt			25-8-2010		25,000.00	
25-8-2010	A-One Traders		Receipt		5333433	25-8-2010		25,000.00	
5-9-2010	Rent	Ramjal Nikhanj	Payment	Cheque	342423	5-9-2010			15,000.00
	Rent for the Month of Aug'10								
								37 more ...	
								Balance as per Company Books	2,00,004.00
								Amounts not reflected in Bank	2,82,000.00
								Balance as per Bank	3,04,708.00

[Img-45]

### Configuring Bank Reconciliation

The user may configure the Bank Reconciliation screen based on his requirement.

To configure,

- Press **F12: Configure**, the **Configuration** screen is displayed as shown:

Configuration		Ledger Entries	
Select vouchers to show	: All Vouchers	All Vouchers	
Show Narrations also	? No	Credit Entries only	
Show Remarks also	? No	Debit Entries only	
Show Forex details also	? No		
Show Forex Transactions only	? No		
Show Reconciled Transactions also	? No		
Allow back dated Reconciliation	? No		45,000.00
Show Payment Favouring/ Received From	? Yes		25,000.00
Show all Unreconciled Transactions Till Date	? Yes		
Appearance of Names	: Name Only		30,000.00
			25,000.00
			15,000.00

[Img-46]

#### Select vouchers to show

By default, **all** the vouchers are displayed. Select the required **Ledger Entries** type from the list.

#### Show Narrations also

Set this option to **Yes** to display the narration in the Bank Reconciliation screen.

**Show Remarks also**

Set this option to **Yes** to display the remarks in the Bank Reconciliation screen as shown:

Bank Reconciliation		ABC Company					Ctrl + M	
Ledger: HDFC Bank							1-Apr-2010 to 5-Dec-2010	
(Reconciliation)								
Date	Particulars	Vch Type	Transaction Type	Instrument No	Instrument Date	Bank Date	Debit	Credit
26-3-2010	Transtronics Limited Opening BRS		Cheque/DD	123495	26-3-2010			80,000.00
	Cheque Issued to Supplier							
31-3-2010	Q-Base Technologies Opening BRS		Cheque	009654	31-3-2010		21,000.00	
	Cheque Received From Customer							
5-7-2010	Other Incomes	Receipt	Cheque/DD	837433	5-7-2010		10,000.00	
5-8-2010	Rent	Payment	Cheque	A/c Payee	5-8-2010			15,000.00
5-8-2010	Other Incomes	Receipt	Cheque/DD	564647	5-8-2010		10,000.00	
25-8-2010	A-One Traders	Receipt	Cheque/DD	423428	25-8-2010		25,000.00	
25-8-2010	A-One Traders	Receipt	Inter Bank Transfer	234235333433	25-8-2010		25,000.00	
24-9-2010	Bangalore Chemicals & Fertilizers	Payment	Inter Bank Transfer	123456789012	24-9-2010			20,000.00
25-9-2010	Bangalore Chemicals & Fertilizers	Payment	Cheque	676460	25-9-2010			10,000.00
26-9-2010	Hindustan Suppliers	Payment	Cheque	100006	26-9-2010			8,650.00
26-9-2010	State Bank of India	Contra	Inter Bank Transfer	001000098983	26-9-2010		10,000.00	
27-9-2010	Virupaksha Traders	Payment	Cheque	453452	27-9-2010			30,000.00
27-9-2010	Virupaksha Traders	Payment	Cheque	453453	30-9-2010			10,000.00
28-9-2010	Computer Kraft	Receipt	Cheque/DD	234211	28-9-2010		5,000.00	
	Towards Network Configuration							
28-9-2010	Computer Kraft	Receipt	Cheque/DD	435778	28-9-2010		45,000.00	
	Towards Server Setup							
28-9-2010	Computer Kraft	Receipt	Inter Bank Transfer	3424675676766	28-9-2010		25,000.00	
	Towards Hardware Designing and Installation							
29-9-2010	Hindustan Suppliers	Payment	Cheque	787877	29-9-2010			35,600.00
Balance as per Company Books :							1,85,004.00	
Amounts not reflected in Bank :							2,76,000.00	3,57,604.00
Balance as per Bank :							2,66,608.00	

[Img-47]

**Show Forex details also**

Set this option to **Yes** to display the forex details also in the report.

**Show Forex Transactions only**

By default, this option is set to **Yes**. The cheque printing screen displays only the forex transaction.

**Note:** The options **Show Forex details also** and **Show Forex Transactions only** appear only in case **Multi Currency** feature is enabled for the company.

**Show Reconciled Transactions also**

Set this option to **Yes** to display the reconciled transactions also in the Bank Reconciliation screen.

**Allow Back dated Reconciliation**

Set this option to **Yes** to allow reconciling back dated transactions also.

**Show Payment Favouring / Received From**

Set this option to **Yes** to display the **Payment Favouring / Received From** details in the Bank Reconciliation screen.

The Bank Reconciliation screen with **Narration, Remarks** and **Payment Favouring/Received From** details is displayed, as shown:



Bank Reconciliation		ABC Company		Ctrl + M					
Ledger: HDFC Bank		(Reconciliation)		1-Apr-2010 to 5-Dec-2010					
Date	Particulars	Favouring Name / Received From	Vch Type	Transaction Type	Instrument No	Instrument Date	Bank Date	Debit	Credit
... 25 more									
25-9-2010	Bangalore Chemicals & Fertilizers		Payment	Cheque	676460	25-9-2010		10,000.00	
26-9-2010	Hindustan Suppliers		Payment	Cheque	100006	26-9-2010			8,650.00
26-9-2010	State Bank of India	ABC Company	Contra	Inter Bank Transfer	001000098983	26-9-2010		10,000.00	
27-9-2010	Virupaksha Traders		Payment	Cheque	453452	27-9-2010		30,000.00	
27-9-2010	Virupaksha Traders		Payment	Cheque	453453	30-9-2010		10,000.00	
28-9-2010	Computer Kraft	Computer Zone			34211	28-9-2010		5,000.00	
	Towards Network Configuration								
	Payment Received From M/s Computer Kraft Against Bill No. 10								
28-9-2010	Computer Kraft	Computer Zone	Receipt	Cheque/DD	435778	28-9-2010		45,000.00	
	Towards Server Setup								
	Payment Received From M/s Computer Kraft Against Bill No. 10.								
28-9-2010	Computer Kraft	Computer Zone	Receipt	Inter Bank Transfer	342467567656	28-9-2010		25,000.00	
	Towards Hardware Designing and Installation								
	Payment Received From M/s Computer Kraft Against Bill No. 10.								
								33 more ...	
Balance as per Company Books								1,85,004.00	
Amounts not reflected in Bank								2,76,000.00	3,57,604.00
Balance as per Bank								2,66,608.00	

[Img-48]

**Note:**

1. The **Favouring Name** column displays only those names which are different from the **Party/Ledger** account names.
2. Bank Reconciliation capability has been enhanced, from this screen users can
  - \* View the voucher display by pressing **Alt + Enter** from **Bank Date** field
  - \* Alter the Voucher by pressing **Ctrl + Enter** from **Bank Date** field

**Show all Unreconciled Transactions Till Date**

Set this option to **Yes** to display all the **Unreconciled Transactions** till the given date, irrespective of the **From** date set in the Bank Reconciliation Statement.

**Note:**

1. This option is also available in **Gateway of Tally > F12:Configure > General**.
2. The option set will be applicable to **all** the **banks** for the selected company.

**Appearance of Name**

Select the required **Display Name Style** from the list to display in cheque printing screen.

The completed Bank Reconciliation screen is displayed as shown



Bank Reconciliation		ABC Company				Ctrl + M		
Ledger: HDFC Bank		(Reconciliation - All Vouchers)				1-Apr-2010 to 5-Dec-2010		
Date	Particulars	Vch Type	Transaction Type	Instrument No.	Instrument Date	Bank Date	Debit	Credit
1 ... 12 more								
5-8-2010	Other Incomes	Receipt	Others	564647	5-8-2010	6-8-2010	10,000.00	
25-8-2010	A-One Traders	Receipt	Cheque/DD	423428	25-8-2010	26-8-2010	25,000.00	
25-8-2010	A-One Traders	Receipt	Inter Bank Transfer	234235333433	25-8-2010	26-8-2010	25,000.00	
15-9-2010	Printing & Stationery	Payment	Cheque	888443	15-9-2010	15-9-2010		4,500.00
19-9-2010	Conveyance	Payment	Cheque	243242	19-9-2010	19-9-2010		3,000.00
21-9-2010	Virupaksha Traders	Payment	Cheque	544454	21-9-2010	21-9-2010		20,000.00
24-9-2010	Bangalore Chemicals & Fertilizers	Payment	Cheque	676456	24-9-2010	24-9-2010		25,000.00
26-9-2010	State Bank of India	Contra	Inter Bank Transfer	001000098983	26-9-2010	26-9-2010	10,000.00	
26-9-2010	Bangalore Chemicals & Fertilizers	Payment	Cheque	676460	26-9-2010	26-9-2010		10,000.00
27-9-2010	Virupaksha Traders	Payment	Cheque	453452	27-9-2010	27-9-2010		30,000.00
27-9-2010	Virupaksha Traders	Payment	Cheque	453453	30-9-2010	1-10-2010		10,000.00
24-9-2010	Bangalore Chemicals & Fertilizers	Payment	Others	123456789012	24-9-2010	28-9-2010		3,600.00
28-9-2010	Computer Kraft	Receipt	Cash	234211	28-9-2010	28-9-2010	5,000.00	
28-9-2010	Computer Kraft	Receipt	Cheque/DD	435778	28-9-2010	30-9-2010	45,000.00	
28-9-2010	Computer Kraft	Receipt	Inter Bank Transfer	3424675676766	28-9-2010	29-9-2010	25,000.00	
29-9-2010	Hindustan Suppliers	Payment	Cheque	787877	29-9-2010	30-9-2010		35,600.00
29-9-2010	Hindustan Suppliers	Payment	Inter Bank Transfer	78787784544544	29-9-2010	29-9-2010		10,000.00
29-9-2010	Bhavish Trading Co.,	Receipt	Cheque/DD	786555	29-9-2010	30-9-2010	30,000.00	
29-9-2010	Unique Traders	Receipt	Cheque/DD	983222	29-9-2010	30-9-2010	25,000.00	
29-9-2010	Manba Finance Limited	Receipt	Cheque/DD	900099	29-9-2010	30-9-2010	15,000.00	
29-9-2010	Printing & Stationery	Payment	Cheque	787878	29-9-2010	30-9-2010		5,000.00
30-9-2010	Virupaksha Traders	Payment	Cheque	787879	30-9-2010	1-10-2010		16,200.00
5-10-2010	Rent	Payment	A/c Payee		5-10-2010	5-10-2010		15,000.00
5-10-2010	Rent	Receipt			5-10-2010	8-10-2010	10,000.00	
5-11-2010	Rent	Payment	A/c Payee		5-11-2010	6-11-2010		15,000.00
5-11-2010	Other Incomes	Receipt			5-11-2010	6-11-2010	10,000.00	
5-12-2010	Rent	Payment	A/c Payee		5-12-2010	5-12-2010		15,000.00
5-12-2010	Other Incomes	Receipt			5-12-2010	6-12-2010	10,000.00	
Balance as per Company Books :							1,77,454	Accept ?
Amounts not reflected in Bank :							10,000	
Balance as per Bank :							1,87,454	Yes or No

[Img-49]

### Printing Bank Reconciliation Statement

The user may print the Bank Reconciliation statement for the required Bank.

To Print Bank Reconciliation Statement:

- Go to **Gateway of Tally > Banking > Bank Reconciliation**.
- Select the required Bank account from **List of Bank**.
- The Bank Reconciliation screen is displayed.
- Click **Print** or Press **Alt+P**.

The Print Report screen appears.

Print Report		ABC Company				Ctrl + M	
Leger: HDFC Bank		(Reconciliation)				1-Apr-2010 to 5-Dec-2010	
Date	Particulars	Vch Type	Transaction Type	Instrument No	Instrument Date	Bank Date	Credit
25-3-2010	Universal Supp						93,354.00
26-3-2010	Transtronics Li						80,000.00
31-3-2010	Q-Base Techni						
5-7-2010	Other Incomes						10,000.00
5-8-2010	Rent						15,000.00
5-8-2010	Other Incomes						10,000.00
25-8-2010	A-One Traders						25,000.00
25-8-2010	A-One Traders						25,000.00
24-9-2010	Registre Chemis & F						20,000.00
25-9-2010	Registre Chemis & F						10,000.00
25-9-2010	Hindustan Supp						8,650.00
25-9-2010	State Bank of						10,000.00
27-9-2010	Virupaksha Tra						30,000.00
27-9-2010	Virupaksha Tra						10,000.00
28-9-2010	Computer Kraf						5,000.00
28-9-2010	Computer Kraf						45,000.00
29-9-2010	Hindustan Supp						35,600.00
29-9-2010	Hindustan Supp						10,000.00
29-9-2010	Bhavishh Tradin						10,000.00
29-9-2010	Unique Trader						18,000.00
29-9-2010	Manba Finance L						15,000.00
5-10-2010	Rent						15,000.00
Balance as per Company Books :							1,85,004.00
Amounts not reflected in Bank :							2,78,000.00
Balance as per Bank :							2,66,608.00

[Img-50]

- Click **No** or Press **N** or **Esc** to set the following options:
  - **Select Vouchers to Show:** By default this is selected as **All Vouchers**, select the required option from the Ledger Entries list.
  - **Show Narrations also:** Set this option to **Yes** to display the narration in the report.
  - **Show Remarks also:** Set this option to **Yes** to display the remarks in the report.
  - **Show Forex details also:** Set this option to **Yes** to display the forex details in the report.
  - **Show Forex Transactions only:** Set this option to **Yes** to display the forex transactions only in the report.

**Note:** The options **Show Forex details also** and **Show Forex Transactions only** appear only in case **Multi Currency** feature is enabled for the company.

- **Show Reconciled Transactions also:** Set this option to **Yes** to display the reconciled transactions also in the report.
- **Show Payment Favouring/Received From:** Set this option to **Yes** to display the Payment Favouring/Received From details in the report.

- **Accept** to Print.

The Bank Reconciliation Statement appears as shown:

ABC Company 54, M.G. Road, Bangalore									
Bank Reconciliation 1-Apr-2010 to 5-Dec-2010									
Page 1									
Date	Particulars	Favouring Name / Received From	Vch Type	Transaction Type	Instrument No.	Instrument Date	Bank Date	Debit	Credit
25-3-2010	Universal Suppliers		Opening BRS	Cheque/DD	123487	25-3-2010			93,354.00
	Cheque Issued to Supplier								
26-3-2010	Transtronics Limited		Opening BRS	Cheque/DD	123495	26-3-2010			80,000.00
	Cheque Issued to Supplier								
31-3-2010	Q.Base Technologies		Opening BRS	Cheque	009654	31-3-2010		21,000.00	
	Cheque Received From Customer								
5-7-2010	Other Incomes		Receipt	Cheque/DD	837433	5-7-2010		10,000.00	
	Rent for the month of June'10								
5-8-2010	Rent	Ramlal Nikhanj	Payment	Cheque	A/c Payee	5-8-2010			15,000.00
	Rent for the month of July'10								
5-8-2010	Other Incomes		Receipt	Cheque/DD	564647	5-8-2010		10,000.00	
	Rent for the month of July'10								
25-8-2010	A.One Traders		Receipt	Cheque/DD	423428	25-8-2010		25,000.00	
25-8-2010	A.One Traders		Receipt	Inter Bank Transfer	234215333433	25-8-2010		25,000.00	
24-9-2010	Bangalore Chemicals & Fertilizers		Payment	Inter Bank Transfer	123456789012	24-9-2010			20,000.00
25-9-2010	Bangalore Chemicals & Fertilizers		Payment	Cheque	876480	25-9-2010		10,000.00	
26-9-2010	Hindustan Suppliers		Payment	Cheque	100006	26-9-2010		8,650.00	
26-9-2010	State Bank of India	ABC Company	Contra	Inter Bank Transfer	001000098983	26-9-2010		10,000.00	
27-9-2010	Virupaksha Traders		Payment	Cheque	453452	27-9-2010			30,000.00
27-9-2010	Virupaksha Traders		Payment	Cheque	453453	30-9-2010			10,000.00
28-9-2010	Computer Kraft	Ramesh	Receipt	Cash	234211	28-9-2010		5,000.00	
28-9-2010	Computer Kraft	Kumar (Driver)	Receipt	Cheque/DD	435778	28-9-2010		45,000.00	
	Ravi Kiran								
28-9-2010	Computer Kraft	Ramesh	Receipt	Inter Bank Transfer	3424675676796	28-9-2010		25,000.00	
29-9-2010	Hindustan Suppliers		Payment	Cheque	787877	29-9-2010			35,600.00
29-9-2010	Hindustan Suppliers		Payment	Inter Bank Transfer	78787784544544	29-9-2010		10,000.00	
29-9-2010	Bhavish Trading Co.,	Courier	Receipt	Cheque/DD	786555	29-9-2010			30,000.00
29-9-2010	Unique Traders		Receipt	Cheque/DD	983222	29-9-2010		25,000.00	
29-9-2010	Marba Finance Limited	Courier	Receipt	Cheque/DD	900099	29-9-2010		15,000.00	
5-10-2010	Rent	Ramlal Nikhanj	Payment		A/c Payee	5-10-2010			15,000.00
	Cheque								
	Rent for the month of Sept'10								
5-10-2010	Rent		Receipt			5-10-2010		10,000.00	
	Cheque/DD								
	Rent for the month of Sept'10								
5-11-2010	Rent	Ramlal Nikhanj	Payment		A/c Payee	5-11-2010			15,000.00
	Cheque								
	Rent for the month of Oct'10								
5-11-2010	Other Incomes		Receipt			5-11-2010		10,000.00	
	Cheque/DD								
	Rent for the month of Oct'10								
5-12-2010	Rent	Ramlal Nikhanj	Payment		A/c Payee	5-12-2010			15,000.00
	Cheque								
	Rent for the month of Nov'10.								
5-12-2010	Other Incomes		Receipt			5-12-2010		10,000.00	
	Cheque/DD								
	Rent for the month of Nov'10.								
								Balance as per Company Books : 1,85,604.00	
								Amounts not reflected in Bank : 2,76,000.00 3,57,604.00	
								Balance as per Bank : 2,66,608.00	

[Img-51]

### Alteration of Reconciled Voucher

In some cases users may alter the reconciled vouchers by changing/splitting the amount, in such cases Tally.ERP 9 will display the message asking the confirmation to continue with the alteration. Users can later a reconciled voucher from **Day Book, Bank Conciliation** or from **voucher reports**.

Here ABC company is altering the voucher dated **3-7-2010** (already reconciled) where the company has issued the cheque for **Rs. 1000** to **Supreme Computers**

**Note:** To alter a voucher from **Bank Reconciliation** report, from **Bank Date** field press Ctrl + Enter

The amount of **1000** has been split into **600** & **400**. On saving this voucher Tally.ERP 9 displays the message indicating the reconciled voucher is altered and bank balance in BRS will not Match, hence Bank Date will be removed.

Accounting Voucher Alteration (Secondary)		ABC Company		Ctrl + M	
<b>Payment</b> No. 6		Cost Centre/Classes : Not Applicable		3-Jul-2010 Saturday	
Particulars		Debit	Credit		
Dr Supreme Computers		1,000.00			
Cur Bal: 1,000.00 Cr					
Cr HDFC Bank			1,000.00		
Cur Bal: 1,70,354.00 Dr					
Supreme Computers			600.00		
Instrument No.: 984598			Cheque 3-7-2010		
Bank Date : 3-7-2010			Instrument Date : 3-Jul-2010 Cross Instrument Using: A/c Payee		
Supreme Computers			400.00		
Instrument No. :			Instru		
Bank Date :					
Narration:			1,000.00		
Part payment made.			1,000.00		

Altering Reconciled Voucher will remove the Bank Date as it may not match the Bank Balance in BRS.

Continue?

Yes or No

## Cheque Deposit Slip - in Tally.ERP 9

The **Cheque Deposit Slip** option in the **Banking** menu allows the user to generate the deposit slip for payments received through cheque/dd which need to be deposited into the bank.

Click the below links for detail.

**Accessing Cheque Deposit Slip**

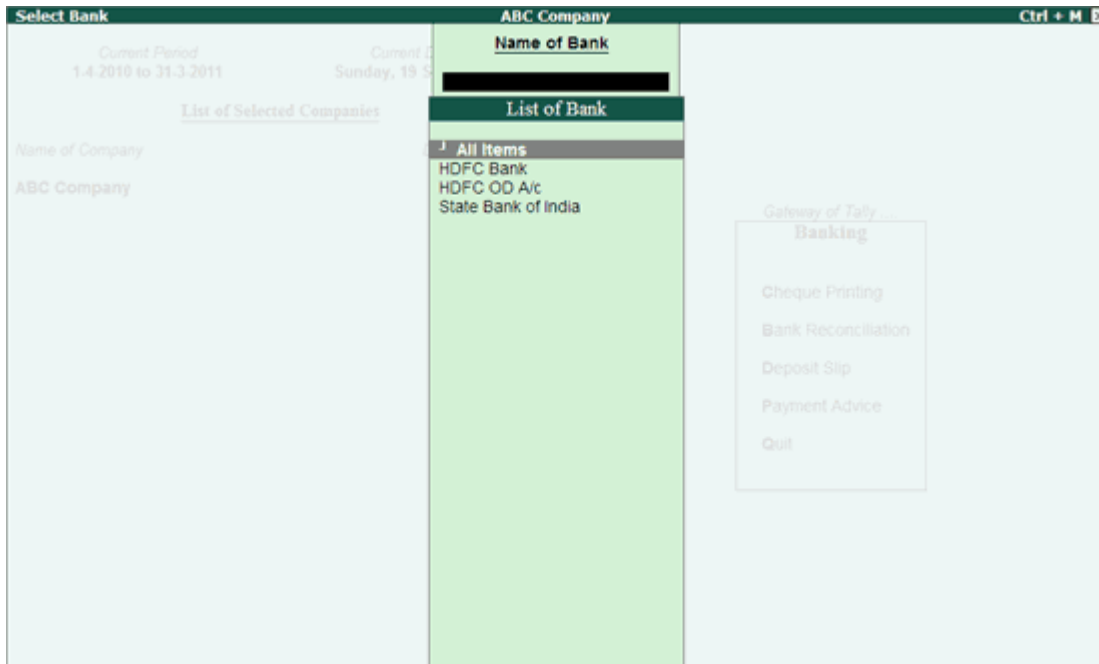
**Printing Cheque Deposit Slip / Cheque Deposit Slip Report**

**Configuring Cheque Deposit Slip**

### Accessing Cheque Deposit Slip

To access Cheque Deposit Slip screen,

- Go to **Gateway of Tally > Banking > Deposit Slip > Cheque Deposit Slip**.
- The Select Bank screen displaying the **List of Bank** appears as shown:



[Img-53]

- Select the required **Bank account** and press **Enter**.

The Cheque Deposit Slip screen of the selected Bank is displayed as shown:

Cheque Deposit Slip						ABC Company		1-Apr-2012 to 5-Nov-2012	
Date	Particulars	Instrument No.	Instrument Date	Printed ?	Amount				
18-7-2012	Creativein Ad Agency	456875	18-7-2012	No	30,000.00				
22-7-2012	Innovative Works	786592	22-7-2012	No	50,000.00				
27-9-2012	Creativein Ad Agency	456213	27-9-2012	No	50,000.00				
<b>Selected Total</b>									
<b>Grand Total</b>					<b>1,30,000.00</b>				

[Img-54]

**Note:** The Cheque Deposit Slip screen displays only those transactions which have **Cheque/DD** as **Transaction type** allocated in the **Bank Allocation** table in the **Receipt** voucher entry.

- **Select** the required row from the **Cheque Deposit Slip** list and press **Enter** to open the



voucher in **alteration mode**.

- **F2: Period** allows to change the period.
- **F4: Bank** allows to select other required Bank from the list.
- **F5:Cash** allows user to view cash transactions (for the same Bank).
- **F6: Show All** allows user to view the transactions for which cheque deposit slips haven't been printed or to view all transactions for that bank for the period mentioned.
- **F7: Edit Ch Details** allows to edit/update the **Received From Name** and **Instrument No.** as shown:

Deposit Slip		ABC Company		Ctrl + M	
Ledger: HDFC Bank		1-Sep-2010 to 30-Sep-2010			
Date	Particulars	Received From	Instrument No.	Instrument Date	Amount
28-9-2010	Computer Kraft	Kumar (Driver)	435778	28-9-2010	45,000.00
29-9-2010	Bhavish Trading Co.,	Couner	788555	29-9-2010	30,000.00
29-9-2010	Manba Finance Limited		900099	29-9-2010	15,000.00
29-9-2010	Unique Traders		983222	29-9-2010	25,000.00
<b>Selected Total</b>					
<b>Grand Total</b>					<b>1,15,000.00</b>

[Img-55]

**Note:**

The **Received From** is an addition field available in the Cheque Deposit Slip screen to specify the name of Individual / Business Organisation who has issued the cheque, to be printed in the deposit slip / report.

When the user tries to access **F12: Range** for filters in Edit Cheque Details screen, will prompt to **Accept** the current screen before proceeding.

**Accept** the screen to save the settings.

- **Ctrl+P: Mark as Printed** allows to mark all the Cheque Deposit Slips as **Printed** at once.
- **F12: Range** allows to filter the Cheque Deposit Slip screen. The user may filter the cheque details based on the **Amount, Bank Date, Date, Party Ledger**, etc as shown:

Filters		ABC Company		Ctrl + M	
Ledger: HDFC Bank				1-Sep-2010 to 30-Sep-2010	
Date	Particulars	Received From	Instrument No.	Instrument Date	Amount
28-9-2010	Computer Kraft		435778	28-9-2010	45,000.00
29-9-2010	Bhavish Trading Co.,		786665	29-9-2010	30,000.00
29-9-2010	Manba Finance Limited		500099	29-9-2010	15,000.00
29-9-2010	Unique Traders		983222	29-9-2010	25,000.00
<p><b>Range of Information in Report</b> (show only those lines satisfying the given conditions)</p> <p>Transactions having <input type="text"/></p> <p>Particulars</p> <p>Amount</p> <p>Bank Date</p> <p>Date</p> <p>Favouring Name</p> <p>Instrument Date</p> <p>Instrument No.</p> <p>Party Ledger</p> <p>Transaction Type</p>					
Selected Total					
Grand Total					1,15,000.00

[Img-56]

### **Printing Cheque Deposit Slip / Cheque Deposit Slip Report**

The user may select **All** or the required **receipts** to be included in the **Cheque Deposit Slip**. The **Cheque Deposit Slip report** prints **all** the receipts for the selected period.

#### **Printing Cheque Deposit Slip**

To Print the Cheque Deposit Slip,

- Go to **Gateway of Tally > Banking > Deposit Slip > Cheque Deposit Slip**.
- Select the required **Bank** account from **List of Bank**.
- The Cheque Deposit Slip screen is displayed with the list of receipts.

To include all the receipts in the Cheque Deposit Slip,

- Click **Print** or Press **Alt+P**.

To include selected receipts in the Cheque Deposit Slip,

- Press **Spacebar** to the required receipt **row(s)**.
- Click Print or Press **Alt+P**.

The **Printing Cheque Deposit Slip** screen appears.



Print Report		ABC Company		Ctrl + M	
Ledger: HDFC Bank		1-Sep-2010 to 29-Sep-2010			
Date	Particulars	Instrument No.	Instrument Date	Amount	
28-9-2010	Computer Kra		28-9-2010	45,000.00	
29-9-2010	Bhavish Trad		29-9-2010	30,000.00	
29-9-2010	Manba Finan		29-9-2010	15,000.00	
29-9-2010	Unique Trade		29-9-2010	25,000.00	
<b>Printing HDFC Bank</b>					
Printer : EPSON FX-2175 (LPT1:)      Paper Type : Letter No. of Copies : 1 Print Language : English      (Printing Dimensions) Method : Neat Mode      Paper Size : (8.5" x 10.98") or (216 mm x 279 mm) Page Range : All      Print Area : (8.27" x 10.71") or (210 mm x 272 mm)					
<b>Report Titles</b>					
HDFC Bank Deposit Slip (with Print Preview) Without Company Phone No.					
Print Deposit Slip ? Yes Date of Printing : 29-Sep-2011 Space to leave on Top(default 0.5 inches) ? 0.50 Show Forex Transactions only ? No Show Received From ? No Print Company's Telephone Number ? No Print Company's PAN/IT Number ? Yes					
<div style="border: 1px solid black; padding: 5px; display: inline-block;"> <b>Print ?</b> Yes or No         </div>					
Selected Total					
Grand Total				1,15,000.00	

[Img-57]

- Click **No** or Press **N** or **Esc** to set the other options as follows:
  - **Print Deposit Slip**: By default, this option is set to **Yes**.
  - **Date of Printing**: By default, the current date is displayed. Specify the required date to be printed in the Cheque Deposit Slip.
  - **Space to leave on Top (default 0.5 inches)**: Set the required space.
  - **Show Received From**: Set this option to **Yes** to print the **Received From** details in the deposit slip.
  - **Print Company's Telephone Number**: Set this option to **Yes** to print the Company's Telephone Number.
  - **Print Company's PAN/IT Number**: By default, this option is set to **Yes**.

**Note:** The option **Show Forex Transactions only** will skip when you are opting to print the **Cheque Deposit Slip**.

- **Accept** to Print.

The Cheque Deposit Slip is displayed as shown:

<u>Deposit Slip</u>						
Account No. : 00531140046000					Date : 29-Sep-2011	
Account Holder Name : ABC Company						
Company's PAN : AHWPK8766D						
Bank Name : HDFC Bank						
Branch Name : Koramangala						
Sl.No.	Received From	Cheque /DD No.	Cheque /DD Date	Bank Name	Branch	Amount
1	Computer Zone	435778	28-Sep-2010	Indian Bank	Cantonment	45,000.00
2	Bhavish Trading Co.,	786555	29-Sep-2010	State Bank of India	Richards Town	30,000.00
3	Mamba Finance Limited	900099	29-Sep-2010	Corporation Bank	M.G.Road	15,000.00
4	Unique Corporation	983222	29-Sep-2010	Canara Bank	Sadashivnagar	25,000.00
<b>Total</b>						<b>1,15,000.00</b>
Amount (in words) : INR One Lakh Fifteen Thousand Only						
Deposited by				Received by		
Signature				Signature		

[Img-58]

### Printing Cheque Deposit Slip Report

To Print the Cheque Deposit Slip Report,

- Go to **Gateway of Tally > Banking > Deposit Slip > Cheque Deposit Slip.**
- Select the required **Bank** account from **List of Bank.**
- Click **Print** or Press **Alt+P.**

The Printing Cheque Deposit Slip screen appears.

- Click **No** or Press **N** or **Esc** to set the other options as follows:
  - **Print Cheque Deposit Slip:** By default, this option is set to **Yes**. Set this option to **No** to print the report.
  - **Space to leave on Top (default 0.5 inches):** Set the required space.
  - **Show Forex Transactions only:** By default, this option is set to **No**. Set this option to **Yes** in case you need only the **forex transactions** to be displayed in the report.

**Note:** This option appears only in case **Multi Currency** feature is enabled for the company

- **Show Received From:** Set this option to **Yes** to display the **Received From** details in the report.
- **Show Bank/Branch Name also:** Set this option to **Yes** to display the **Bank** and **Branch** columns in the report.

- **Show Remarks also:** Set this option to **Yes** to display the **Remarks** in the report.
- **Accept** to Print.

The Cheque Deposit Slip Report is displayed as shown:

<b>ABC Company</b> Plot No. 113 & 114, Industrial Estate, Hongasandra, Hosur Main Road, <u>Bangalore.</u> <b>HDFC Bank</b> Deposit Slip 9, 1st Main, 1st Block, Koramangala Bangalore 1-Sep-2010 to 30-Sep-2010					
					Page 1
Date	Particulars	Received From	Instrument No.	Instrument Date	Amount
28-9-2010	Computer Kraft	Computer Zone	435778	28-9-2010	45,000.00
29-9-2010	Bhavish Trading Co.,		786555	29-9-2010	30,000.00
29-9-2010	Manba Finance Limited		900099	29-9-2010	15,000.00
29-9-2010	Unique Traders	Unique Corporation	983222	29-9-2010	25,000.00
<b>Grand Total</b>					<b>1,15,000.00</b>

[Img-59]

**Note:** The **Received From** column will display the receiver's name (provided in the **Bank Allocation**), only if it is different from the Party/Ledger Name displayed in **Particulars** column.

### **Configuring Cheque Deposit Slip**

The user may configure the Cheque Deposit Slip screen based on his requirement.

To configure,

- Press **F12: Configure**, the **Configuration** screen is displayed as shown:

<u>Configuration</u>	
Show Forex Transactions only	? <b>No</b>
Show Received From	? No
Show Bank/Branch Name also	? No
Show Remarks also	? No
Appearance of Names	: Name Only
Scale Factor for Values	: Default
Sorting Method	: Default

[Img-60]

### **Show Forex Transactions only:**

By default, this option is set to **No**. Set it to **Yes** to display only the forex transactions.

**Note:** This option appears only in case the company is enabled with **multi currency** feature.

**Show Received From:**

By default, this is set to **No**. Set it to **Yes** to display **Received From** column in the Cheque Deposit Slip screen to specify the details as shown:

Deposit Slip		ABC Company		Ctrl + M	
Ledger: HDFC Bank				1-Sep-2010 to 30-Sep-2010	
Date	Particulars	Received From	Instrument No.	Instrument Date	Amount
28-9-2010	Computer Kraft	Kumar (Driver)	435778	28-9-2010	45,000.00
29-9-2010	Bhavish Trading Co.,	Courier	786555	29-9-2010	30,000.00
29-9-2010	Manba Finance Limited	Courier	900099	29-9-2010	15,000.00
29-9-2010	Unique Traders		983222	29-9-2010	25,000.00
<b>Selected Total</b>					
<b>Grand Total</b>					<b>1,15,000.00</b>

[Img-61]

**Show Bank/Branch Name Also**

By default, this is set to **No**. Set it to **Yes** to display **Bank** and **Branch** columns in the Cheque Deposit Slip screen.

**Show Remarks also:**

By default, this is set to **No**. Set it to **Yes** to display **Remarks** column in the Cheque Deposit Slip screen.

**Appearance of Name:**

Select the required **Display Name Style** from the list to display in deposit slip screen.

**Scale Factor for Values:**

Select the required **Scale Factors** from the list.

**Sorting Method:**

Select the required **Sorting Methods** from the list

## Cash Deposit Slip - in Tally.ERP 9

Any cash received has to be deposited in the bank with relevant Cash Deposit Slip attached. Tally.ERP 9 allows users to generate cash deposit slip for depositing cash into a bank on any particular date. The **Cash Deposit Slip** option in the **Banking** menu is used to generate cash deposit slips, bank-wise.

The **Cash Deposit Slip** provided in Tally.ERP 9 has all the contents of cash deposit slip – Account Number, Account Holder Name, Bank Name, Branch Name (information is fetched automatically from Bank ledger), Company's Telephone Number, (information is fetched automatically from Company Creation screen), and Cash Denomination Details (information is fetched automatically from Contra voucher), so that user will not have to manually enter all the details.

### Accessing Cash Deposit Slip

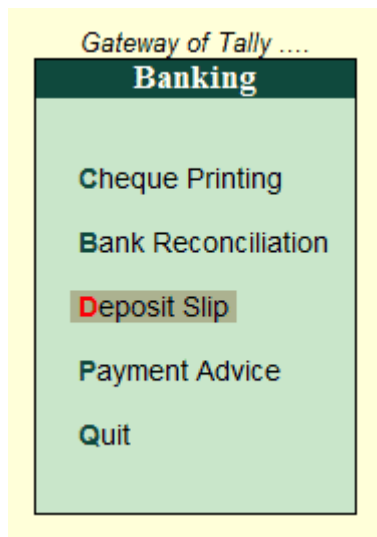
### Printing Cash Deposit Slip / Deposit Cash Slip Report

### Configuring Cash Deposit Slip

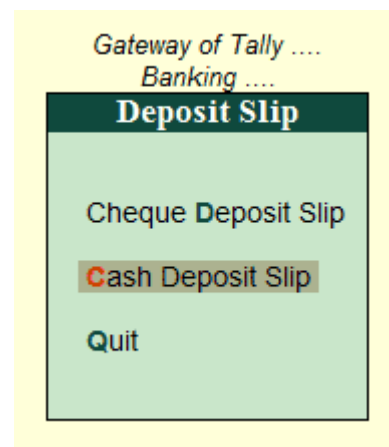
### Accessing Cash Deposit Slip

To access Cash Deposit Slip screen,

- Go to Gateway of Tally > Banking > Deposit Slip > Cash Deposit Slip.



[Img-62]



[Img-63]

- **List of Bank** will be displayed in the **Select Bank** screen as shown:



[Img-64]

- Select the required **Bank account** from the list for whose transaction you want to print **Cash Deposit Slip** and press **Enter**.

The **Cash Deposit Slip** screen of the selected Bank is displayed as shown:

Date	Particulars	Instrument Date	Printed ?	Amount
2-4-2012	Cash	2-4-2012	No	15,000.00
2-4-2012	Cash	2-4-2012	No	15,000.00
10-4-2012	Cash	10-4-2012	No	1,000.00
11-4-2012	Petty Cash	11-4-2012	No	500.00
<b>Selected Total</b>				
<b>Grand Total</b>				<b>31,500.00</b>

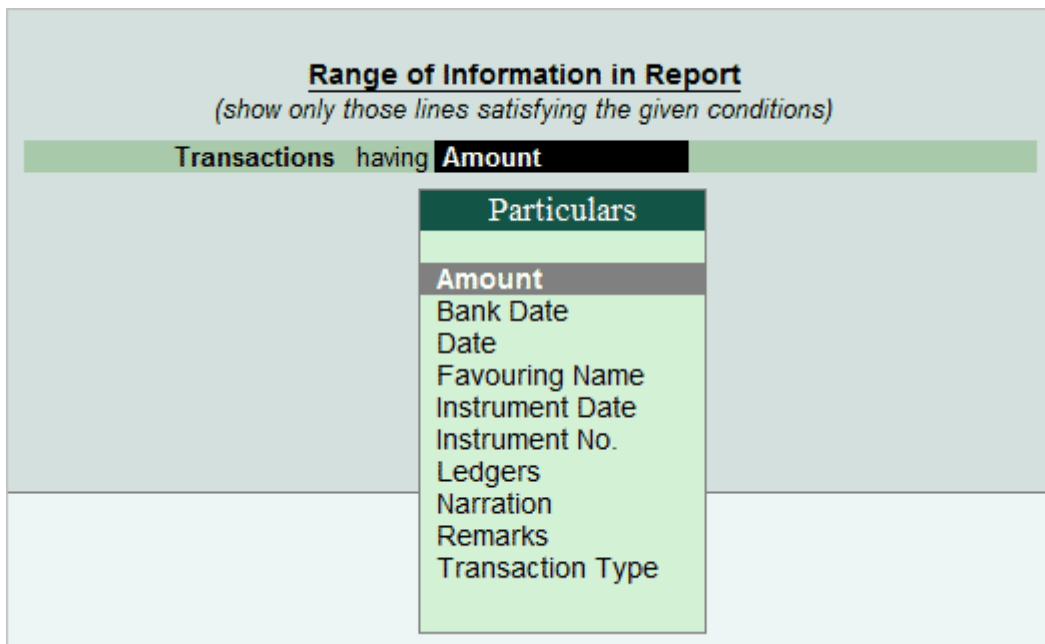
[Img-65]

**Note:** The **Cash Deposit Slip** screen displays only those transactions which have **Cash** as **Transaction Type** allocated in the **Bank Allocation** screen in the **Contra** voucher entry.

- Select required row from the **Cash Deposit Slip** list and press **Enter** to open the voucher

in **alteration mode**.

- **F2: Period** is used to view cash transactions for a particular period.
- **F4: Bank** is used to toggle between the banks from the same screen. This will reduce navigation time.
- **F5: Cheques** allows user to view transactions for which Cheques/DDs have been received (for the same Bank), and print Cheque Deposit Slip for the same.
- **F6: Show All** allows user to view the transactions for which cash deposit slips haven't been printed or to view all transactions for that bank for the period mentioned.
- **F12: Range** allows user to filter Cash Deposit Slip screen. User may filter the transactions based on the Amount, Date, Bank Date, Instrument Date, etc. as shown:



[Img-66]

This is a useful tool, as it makes the process of finding particular transactions fast, easy and simple.

### **Printing Cash Deposit Slip / Cash Deposit Slip Report**

- **Cash Deposit Slip** can be printed for all or just selected transactions.
- **Cash Deposit Slip Report** can be printed for all the transactions for the selected period

#### **Printing Cash Deposit Slip**

To Print the **Cash Deposit Slip**,

- Go to **Gateway of Tally > Banking > Deposit Slip > Cash Deposit Slip**
- Select the required **Bank** account from **List of Bank**.
- The **Cash Deposit Slip** screen displays the list of transactions for the bank selected.

To print Cash Deposit Slip for selected transactions,

- Press **Spacebar** to select required transaction(s).
- Click **Print** or Press **Alt+P**.

The Printing Cash Deposit Slip screen appears.

Printing HDFC Bank			
Printer	: Snaglt 7 (Ne00:)	Paper Type :	Letter
No. of Copies	: 1		
Print Language	: English		(Printing Dimensions)
Method	: Neat Mode	Paper Size :	(8.50" x 10.98") or (216 mm x 279 mm)
Page Range	: All	Print Area :	(8.03" x 10.63") or (204 mm x 270 mm)
Report Titles			
HDFC Bank Cash Deposit Slip (with Print Preview)			
Date of Printing	:	6-Jun-2012	
Space to leave on Top(default 0.5 inches)	?	0.50	
Print Company's Telephone Number	?	No	
Print Company's PAN/IT Number	?	No	
			<b>Print ?</b> Yes or No

[Img-67]

- **Date of Printing:** The date that has to be printed on the **Cash Deposit Slip** has to be specified in this field. By default, the current system date is displayed. Usually, this date will be the date on which the actual deposit of the cash into the bank will be made.
- **Space to leave on Top (default 0.5 inches):** This is the space between the top of the page and the Title (First Line on the page). User can specify the dimension as per requirement.
- **Print Company's Telephone Number:** Set this option to **Yes** to print the Company's Telephone Number. The Telephone Number specified in the Company Creation screen will be captured.
- **Print Company's PAN/IT Number:** The PAN or IT Number specified in the **F11: Features (F3: Statutory & Taxation)** will be captured. By default, this option is set to **No**.
- Click on **Yes** or Press **Y** or **Enter** to Accept.
- A new screen will appear where **Cash Denomination details** can be specified for individual transaction, as shown:



Printing HDFC Bank			
Printer	: Snaglt 7 (Ne00:)	Paper Type :	Letter
No. of Copies	: 1		
Print Language	: English		<i>(Printing Dimensions)</i>
Method	: Neat Mode	Paper Size :	{8.50" x 10.98"} or {216 mm x 279 mm}
Page Range	: All	Print Area :	{8.03" x 10.63"} or {204 mm x 270 mm}
Report Titles			
HDFC Bank Cash Deposit Slip (with Print Preview)			
Cash Deposit Slip Details			
Date : 2-Apr-2012	Particulars: Cash	Instrument Date: 2-Apr-2012	Amount: 15,000.00
Cash Denomination			
		<b>Denominations</b>	<b>Amount</b>
1000 X	10		10,000.00
500 X	8		4,000.00
100 X	10		1,000.00
50 X			
20 X			
10 X			
5 X			
2 X			
1 X			
Others			
<b>Total</b>			<b>15,000.00</b>
Difference			

**Print ?**  
Yes or No

[Img-68]

- By default, it will take the cash denominations specified in the Contra voucher. If the Cash Denominations are different during actual cash deposit in bank, click on **No** or press **N** or **Esc** and enter the **Cash Denomination details**.
- **Accept** to print.

The Cash Deposit Slip is displayed as shown:

ALU

(Banker's Copy)	
<u>Cash Deposit Slip/Pay-in-Slip</u>	
Bank Name	: <b>HDFC Bank</b>
Branch Name	: <b>Bangalore - M G Road</b>
Account No.	: <b>8789754876540001</b>
Account Holder Name	: <b>RamPrasad Narayanan</b>
Company's Telephone No	: <b>+91-080-66275299</b>
Company's PAN	:
Date	: <b>6-Jun-2012</b>

Denominations								
1000 X	10							10,000.00
500 X	8							4,000.00
100 X	10							1,000.00
50 X								
20 X								
10 X								
5 X								
2 X								
1 X								
Others								
<b>Total</b>								<b>₹ 15,000.00</b>

Amount (in words) : **INR Fifteen Thousand Only**

Deposited by \_\_\_\_\_ Received by \_\_\_\_\_

Signature \_\_\_\_\_ Signature \_\_\_\_\_

---

(Customer's Copy)	
<u>Cash Deposit Slip/Pay-in-Slip</u>	
Bank Name	: <b>HDFC Bank</b>
Branch Name	: <b>Bangalore - M G Road</b>
Account No.	: <b>8789754876540001</b>
Account Holder Name	: <b>RamPrasad Narayanan</b>
Company's Telephone No	: <b>+91-080-66275299</b>
Company's PAN	:
Date	: <b>6-Jun-2012</b>

Denominations								
1000 X	10							10,000.00
500 X	8							4,000.00
100 X	10							1,000.00
50 X								
20 X								
10 X								
5 X								
2 X								
1 X								
Others								
<b>Total</b>								<b>₹ 15,000.00</b>

Amount (in words) : **INR Fifteen Thousand Only**

Deposited by \_\_\_\_\_ Received by \_\_\_\_\_

Signature \_\_\_\_\_ Signature \_\_\_\_\_

[Img-69]

**Note:** If A/c Holder Name is not mentioned in the Bank ledger master, then the name of the company as mentioned in the **Company Creation** screen will be printed as **Account Holder Name** of the **Cash Deposit Slip**.

The **Cash Deposit Slip** for the first transaction will be printed.

For the next transaction selected, a new **Cash Denomination details** screen will appear. User can specify the details and print the Cash Deposit Slip.

A separate Cash Deposit Slip will be printed for all the selected transactions.

To print Cash Deposit Slips for all transactions,

- Click Print or Press **Alt+P**.

The **Printing Cash Deposit Slip** screen appears.

Printing HDFC Bank			
Printer	: Snagl 7 (Ne00:)	Paper Type :	Letter
No. of Copies	: 1		
Print Language	: English		(Printing Dimensions)
Method	: Neat Mode	Paper Size :	(8.50" x 10.98") or (216 mm x 279 mm)
Page Range	: All	Print Area :	(8.03" x 10.63") or (204 mm x 270 mm)
<u>Report Titles</u>			
HDFC Bank Cash Deposit Slip (with Print Preview)			
Print Cash Deposit Slip		?	No
Space to leave on Top(default 0.5 inches)		?	0.50
Show Remarks also		?	No
			<b>Print ?</b> <b>Yes or No</b>

[Img-70]

- Click **No** or Press **N** or **Esc** to set the other options as follows:

Attitude

Printing HDFC Bank	
Printer	: Snaglt 7 (Ne00:)
No. of Copies	: 1
Print Language	: English
Method	: Neat Mode
Page Range	: All
Paper Type	: Letter
Paper Size	: (8.50" x 10.98") or (216 mm x 279 mm)
Print Area	: (8.03" x 10.63") or (204 mm x 270 mm)
<u>Report Titles</u>	
HDFC Bank Cash Deposit Slip (with Print Preview)	
Print Cash Deposit Slip	? Yes
Date of Printing	: <b>6-Jun-2012</b>
Space to leave on Top(default 0.5 inches)	? 0.50
Print Company's Telephone Number	? Yes
Print Company's PAN/IT Number	? Yes

[Img-71]

- Print Cash Deposit Slip: When all the transactions are selected for printing, user can print a report of the Cash Deposit Slip by setting this option to No. By default, this option is set to No.
- **Date of Printing**: By default, the current date is displayed. Specify the date to be printed in the Cash Deposit Slip. This date should be the date on which the actual deposit of the cash in the bank will be made.
- **Space to leave on Top (default 0.5 inches)**: This is the space between the top of the page and the Title (First Line on the page). User can specify the dimension as per requirement.
- **Print Company's Telephone Number**: Set this option to **Yes** to print the Company's Telephone Number. The Telephone Number specified in the Company Creation screen will be captured.
- **Print Company's PAN/IT Number**: The PAN or IT Number specified in the **F11: Features (F3: Statutory & Taxation)** will be captured.
- Click on **Yes** or Press **Y** or **Enter** to Accept.
- A new screen will appear where **Cash Denomination details** can be specified for individual transaction, as shown:



Printing HDFC Bank	
Printer : Snaglt 7 (Ne00:)	Paper Type : Letter
No. of Copies : 1	
Print Language : English	<i>(Printing Dimensions)</i>
Method : Neat Mode	Paper Size : (8.50" x 10.98") or (216 mm x 279 mm)
Page Range : All	Print Area : (8.03" x 10.63") or (204 mm x 270 mm)
Report Titles	
<b>HDFC Bank</b> Cash Deposit Slip (with Print Preview)	
Cash Deposit Slip Details	
Date : 2-Apr-2012	Particulars: Cash Instrument Date: 2-Apr-2012 Amount: 15,000.00
Cash Denomination	
<b>Denominations</b>	<b>Amount</b>
1000 X 10	10,000.00
500 X 8	4,000.00
100 X 10	1,000.00
50 X	
20 X	
10 X	
5 X	
2 X	
1 X	
Others	
<b>Total</b>	<b>15,000.00</b>
Difference	

**Print ?**

**Yes or No**

[Img-72]

- By default, it will take the cash denominations specified in the Contra voucher. If the Cash Denominations are different during actual cash deposit in bank, click on No or press N or Esc and enter the Cash Denomination details.

- **Accept** to print.

The **Cash Deposit Slip** is displayed as shown:



<i>(Banker's Copy)</i>		
<b>Cash Deposit Slip/Pay-in-Slip</b>		
Bank Name	: <b>HDFC Bank</b>	
Branch Name	: <b>Bangalore - M G Road</b>	
Account No.	: <b>8789754876540001</b>	Date : <b>6-Jun-2012</b>
Account Holder Name	: <b>RamPrasad Narayanan</b>	
Company's Telephone No	: <b>+91-080-66275299</b>	
Company's PAN	:	

Denominations		Amount
1000 X	10	10,000.00
500 X	8	4,000.00
100 X	10	1,000.00
50 X		
20 X		
10 X		
5 X		
2 X		
1 X		
Others		
<b>Total</b>		<b>₹ 15,000.00</b>

Amount (in words) : **INR Fifteen Thousand Only**

Deposited by	Received by
Signature	Signature

---

<i>(Customer's Copy)</i>		
<b>Cash Deposit Slip/Pay-in-Slip</b>		
Bank Name	: <b>HDFC Bank</b>	
Branch Name	: <b>Bangalore - M G Road</b>	
Account No.	: <b>8789754876540001</b>	Date : <b>6-Jun-2012</b>
Account Holder Name	: <b>RamPrasad Narayanan</b>	
Company's Telephone No	: <b>+91-080-66275299</b>	
Company's PAN	:	

Denominations		Amount
1000 X	10	10,000.00
500 X	8	4,000.00
100 X	10	1,000.00
50 X		
20 X		
10 X		
5 X		
2 X		
1 X		
Others		
<b>Total</b>		<b>₹ 15,000.00</b>

Amount (in words) : **INR Fifteen Thousand Only**

Deposited by	Received by
Signature	Signature

[Img-73]

The **Cash Deposit Slip** for the first transaction will be printed.

For the Next transaction selected, a new **Cash Denomination details** screen will appear. User can specify the details and print the Cash Deposit Slip.

A separate Cash Deposit Slip will be printed for all the transactions.

**Note:** 1. If the option **Print Consolidated Cash Deposit Slip** is set to **Yes**, then a **blank Cash Denomination details** screen is displayed and a **combined** Cash Deposit Slip is printed for all the transactions selected.

2. On filling in the details in this screen and pressing Enter at the end, a notification is displayed – **Details entered here will not get updated in the vouchers.**

### **Printing Cash Deposit Slip Report**

To Print the **Cash Deposit Slip Report**,

- Go to **Gateway of Tally > Banking > Deposit Slip > Cash Deposit Slip**.
- Select required **Bank** account from **List of Bank**.
- Click Print or Press **Alt+P**.

The **Printing Cash Deposit Slip** screen appears.

Printing HDFC Bank			
<b>Printer</b>	: Snagit 7 (Ne00:)	<b>Paper Type :</b>	Letter
<b>No. of Copies</b>	: 1		
<b>Print Language</b>	: English		(Printing Dimensions)
<b>Method</b>	: Neat Mode	<b>Paper Size :</b>	(8.50" x 10.98") or (216 mm x 279 mm)
<b>Page Range</b>	: All	<b>Print Area :</b>	(8.03" x 10.63") or (204 mm x 270 mm)
Report Titles			
<b>HDFC Bank</b> Cash Deposit Slip (with Print Preview)			
Print Cash Deposit Slip		?	No
Space to leave on Top(default 0.5 inches)		?	0.50
Show Remarks also		?	No
			<b>Print ?</b> Yes or No

[Img-74]

- Click **No** or Press **N** or **Esc** to set the other options as follows:
- **Print Cash Deposit Slip:** Set this option to **No** to print the **Cash Deposit Slip report**.
- **Space to leave on Top (default 0.5 inches):** This is the space between the top of the page to the Title (First Line on the page). User can specify the dimension as per requirement.
- **Show Remarks also:** Set this option to **Yes** to display the **Remarks** in the report.
- **Accept** to Print.

The **Cash Deposit Slip Report** is displayed as shown:

<b>ABC Company</b>				
9/1, Mahalaxmi Chambers				
M. G Road				
Bangalore				
<b>HDFC Bank</b>				
Cash Deposit Slip				
PO Box 5106,				
25/1, M G Road				
Bangalore				
1-Apr-2012 to 30-Apr-2012				
				Page 1
Date	Particulars	Instrument Date	Printed ?	Amount
2-4-2012	Cash	2-4-2012	Yes	15,000.00
2-4-2012	Cash	2-4-2012	No	15,000.00
10-4-2012	Cash	10-4-2012	No	1,000.00
11-4-2012	Petty Cash	11-4-2012	No	500.00
<b>Grand Total</b>				<b>₹ 31,500.00</b>

[Img-75]

### Configuring Cash Deposit Slip

User may configure the **Cash Deposit Slip** screen based on requirements.

To configure,

- Press **F12: Configure**, the **Configuration** screen is displayed as shown.

<b>Configuration</b>	
Print Consolidated Cash Deposit Slip ?	<b>No</b>
Include Printed Cash Deposit Slips also ?	<b>Yes</b>
Show Remarks also ?	<b>No</b>
Appearance of Names	: <b>Name Only</b>
Scale Factor for Values	: <b>Default</b>
Sorting Method	: <b>Default</b>

[Img-76]

#### Print Consolidated Cash Deposit Slip:

This option, when enabled, is used to print a single Cash Deposit Slip for all selected transaction. By default, this is set to No. Set this option to Yes, to generate a Consolidated Cash Deposit Slip of the selected transactions.

#### Include Printed Cash Deposit Slips also:



To view all the transactions for a given period, even if Cash Deposit Slip has been printed for them, this option can be set to **Yes**.

**Note:** This option will work in accordance with the **F6: Show All** option in the Button Bar.

#### **Show Remarks also:**

To view the remarks entered in the Contra voucher, set this option to Yes. A Remarks column will appear in the Cash Deposit Slip screen. By default, this is set to No.

#### **Appearance of Name:**

In the Cash Deposit Slip screen, user can choose the **Display Style** of the name under Particulars column; Alias (Name), Alias Only, Name (Alias) or Name Only, using this option.

#### **Scale Factor for Values:**

User can choose to view the **Value** in the **Amount** column based on different factors – Crores, Hundreds, Lakhs, Millions, Ten Lakhs, Ten Millions, Ten Thousands, and Thousands.

#### **Sorting Method:**

List of transactions can be sorted by user by selecting any of the **Sorting Methods** from the list. The transactions can be sorted in ascending or descending order based on – Amount-wise, Date, Instrument Date, Instrument Number, Party-wise. By default, the transactions are sorted in ascending order based on Date.

## **Payment Advice - in Tally.ERP 9**

The Payment Advice option in the Banking menu allows the user to generate the payment advice to be sent to suppliers/other parties along with the cheques/other instruments.

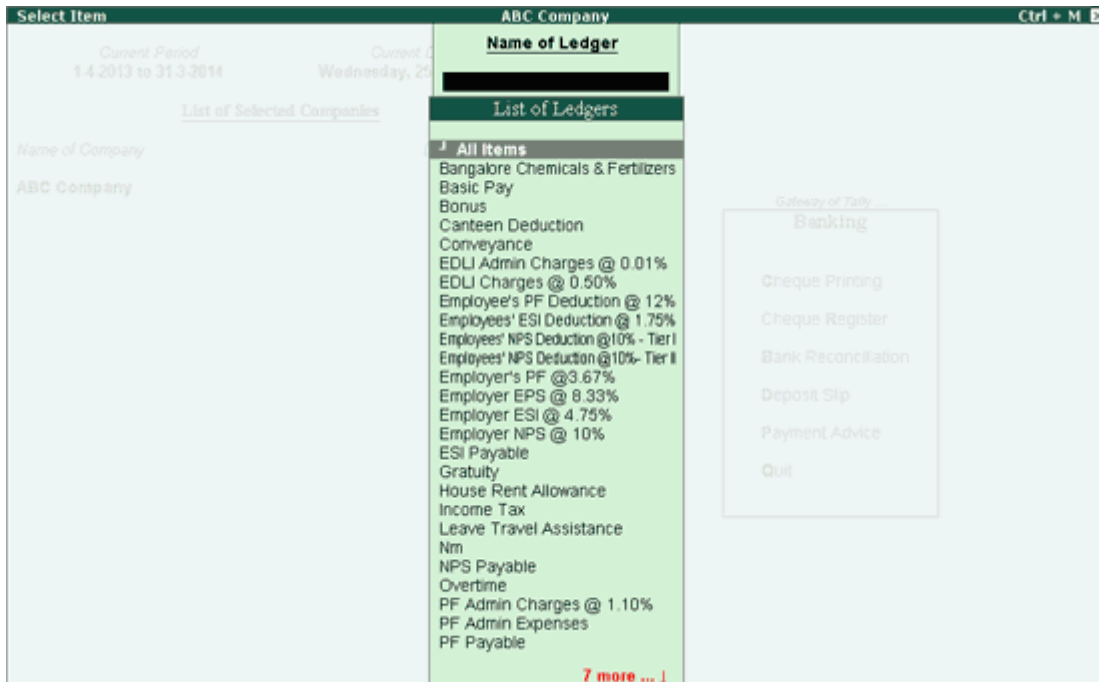
- **Accessing Payment Advice**
- **Printing Payment Advice**

### **Accessing Payment Advice**

To access Payment Advice screen,

- Go to **Gateway of Tally > Banking > Payment Advice**.

The ledger selection screen displaying the **List of Ledgers** appears as shown:



[Img-77]

- Select the required **Ledger** and press **Enter**.

**Note:** If All items is selected, the payment advice for all transactions will be displayed

The **Payment Advice** screen displays the payment list of the selected ledger as shown:

Payment Advice		ABC Company		Ctrl + M			
Ledger : All Items		1-Apr-2013 to 25-Sep-2013					
Date	Particulars	Bank Name	Vch Type	Vch No.	Reconciled	Printed / Emailed ?	Amount
30-4-2013	Ramesh Enterprises	HDFC Bank	Payment	1	No	No	1,00,247.00
30-4-2013	Ramesh Enterprises	HDFC Bank	Payment	2	No	No	8,893.00
30-4-2013	Kaltronics Ltd	HDFC Bank	Payment	3	No	No	1,560.00
30-4-2013	Loans	HDFC Bank	Payment	4	No	No	470.00
31-5-2013	Kaltronics Ltd	HDFC Bank	Payment	5	No	No	13,016.00
30-6-2013	Ramesh Enterprises	HDFC Bank	Payment	6	No	No	39,878.00
30-6-2013	Ramesh Enterprises	HDFC Bank	Payment	7	No	No	52,922.00
30-6-2013	Kaltronics Ltd	HDFC Bank	Payment	8	No	No	16,800.00
31-7-2013	Ramesh Enterprises	HDFC Bank	Payment	10	No	No	44,922.00
31-7-2013	Kaltronics Ltd	HDFC Bank	Payment	11	No	No	16,800.00
31-7-2013	House Rent	HDFC Bank	Payment	12	No	No	21,000.00
31-7-2013	Ramesh Enterprises	HDFC Bank	Payment	9	No	No	33,878.00
31-8-2013	Kaltronics Ltd	HDFC Bank	Payment	13	No	No	7,200.00
31-8-2013	Kaltronics Ltd	HDFC Bank	Payment	14	No	No	9,600.00
31-8-2013	House Rent	HDFC Bank	Payment	15	No	No	9,000.00
31-8-2013	House Rent	HDFC Bank	Payment	16	No	No	12,000.00
<b>Selected Total</b>							
<b>Grand Total</b>							<b>3,88,186.00</b>

[Img-78]

- **Select** the required row and press **Enter** to open the voucher in **Alteration mode**.

- Press **F12:Configurations** for more options as shown below:

<u>Configuration</u>	
Show Billwise Details also	? <b>No</b>
Show Bank Details also	? <b>No</b>
Show Narrations also	? <b>No</b>
Show Remarks	? <b>No</b>
Show Favouring Name	? <b>No</b>
Show E-Mail	? <b>No</b>
Show Reconciliation Status	? <b>Yes</b>
Show Status of (Print/E-Mail)	? <b>Yes</b>
Show Pending transactions only (Print/E-Mail)	? <b>Yes</b>
Appearance of Names	: <b>Name Only</b>
Sorting Method	: <b>Default</b>
<u>Print / E-Mail Configuration</u>	
Confirm each payment advice before Print/e-Mail	? <b>No</b>
Start fresh page for each transaction for Print/e-Mail	? <b>No</b>

[Img-79]

**Confirm each payment advice before Print/e-Mail:** If user selects multiple transactions for mailing/printing belonging to different Parties, then the confirmation screen will be displayed one by one for each party's payment advice. If this option is set to **No** then Confirmation screen display once.

**Note:** The option will come when user selects "All Items" and not when individual ledger is selected

**Start Fresh page for Print/e-Mail :** When this option is set to **Yes**, if user selects multiple transactions for mailing/printing belonging to same Party, then print/mail for one transaction will happen per page at a time (without combining all into one page)

**To print the Payment Advice when a single ledger is selected,**

Go to **Gateway of Tally > Banking > Payment Advice.**

- Select the required **Ledger** account from **List of Ledgers.**

The Payment Advice screen is displayed with list of payment vouchers.

*A*

Payment Advice		ABC Company			Ctrl + M	
Ledger : Bangalore Chemicals & Fertilizers		1-Apr-2013 to 25-Sep-2013				
Date	Particulars	Vch Type	Vch No.	Reconciled	Printed / Emailed ?	Amount
24-9-2013	HDFC Bank	Payment	19	No	No	3,600.00
24-9-2013	HDFC Bank	Payment	19	No	No	10,000.00
24-9-2013	HDFC Bank	Payment	19	No	No	25,000.00
24-9-2013	HDFC Bank	Payment	19	No	No	10,000.00
<b>Selected Total</b>						<b>48,600.00</b>
<b>Grand Total</b>						<b>48,600.00</b>

[Img-80]

To print each transaction or payment advice in separate page,

- Press **F12:Configure**
  - Set **Yes** to **Start fresh page for each transaction for Print/e-Mail** as shown below:

Configuration		ABC Company			Ctrl + M	
Ledger : Bangalore Chemicals & Fertilizers		1-Apr-2013 to 25-Sep-2013				
Date	Particulars	Vch Type	Vch No.	Reconciled	Printed / Emailed ?	Amount
24-9-2013	HDFC Bank	Payment	17	No	Printed	25,000.00
24-9-2013	HDFC Bank	Payment	17	No	Printed	3,600.00
24-9-2013	HDFC Bank	Payment	18	No	Printed	10,000.00
25-9-2013	HDFC Bank	Payment	19	No	Printed	10,000.00

**Configuration**

Show Billwise Details also ? **No**

Show Bank Details also ? **No**

Show Narrations also ? **No**

Show Remarks ? **No**

Show Favouring Name ? **No**

Show E-Mail ? **No**

Show Reconciliation Status ? **Yes**

Show Status of (Print/E-Mail) ? **Yes**

Show Pending transactions only (Print/E-Mail) ? **No**

Appearance of Names : **Name Only**

Sorting Method : **Default**

**Print / E-Mail Configuration**

Start fresh page for each transaction for Print/e-Mail ? **Yes**

<b>Selected Total</b>						<b>48,600.00</b>
<b>Grand Total</b>						<b>48,600.00</b>

[Img-81]

- Accept the screen

### Printing Payment Advice

To print the payment advice of **all** the payments,

- Click **Print** or Press **Alt+P**.

To print the payment advice for the **selected** payments:

- Press **Spacebar** to select the required payment **row(s)**
- Click **Print** or Press **Alt+P**.

The **Print Report** screen appears as shown below:

<b>Printing Payment Advice</b>	
<b>Printer</b> : \\benfps01\BENPRND6 (BENPRND6)	<b>Paper Type</b> : Letter
<b>No. of Copies</b> : 1	
<b>Print Language</b> : English	<i>(Printing Dimensions)</i>
<b>Method</b> : Neat Mode	<b>Paper Size</b> : (8.50" x 10.98") or (216 mm x 279 mm)
<b>Page Range</b> : All	<b>Print Area</b> : (8.19" x 10.71") or (208 mm x 272 mm)
<u>Report Titles</u>	
<b>Payment Advice</b> Bangalore Chemicals & Fertilizers	
<u>Payment Advice Details</u>	
Ledger/Issuing to : <b>Rajesh K</b>	Amount : <b>48,600.00</b>
Payment Advice Date	: <b>13-Feb-2014</b>
Include Bill Details	? <b>Yes</b>
Show Transferred to	? <b>No</b>
Print Due Date	? <b>No</b>
Print Company's PAN/IT Number	? <b>No</b>

[Img-82]

- Click **No** or Press **N** or **Esc key** to set the other options as follows:
  - **Payment Advice Date**: By default, the current date is displayed. Provide the required date

- **Include Bill Details:** By default, this options is set to **No**. Set it to **Yes** to include the bill details in the payment advice
- **Show Transferred to:** By default, this options is set to **No**. Set it to **Yes** to show the **transferred information** like A/c No, IFS code, Bank Name which is applicable for Inter & Same Bank Transfer
- **Print Due Date:** By default, this option is set to **No**. Set it to **Yes** to print the due date in the payment advice
- **Print Company's PAN/IT Number:** By default, this option is set to **No**. Set **Yes** to print the **PAN/IT No** of the company

### **Button options in the Payment Advice report**

#### **F2: Period**

Press **F2** key or click **F2: Period** button to change the period.

#### **F4: Ledger**

Press **F4** key or click **F4: Ledger** button to select other required **Ledger** from the list.

#### **P: Mark as Printed**

Press **P: Mark as Printed** or click **Ctrl + P** to mark the transaction as printed. When data is migrated from a lower release to release 4.8, many of the transactions for which payment advice have already been printed will appear as not printed in release 4.8. This option can be used to mark those transactions as printed.

#### **F12: Configure**

To configure the Payment Advice for printing,

- Click **F12: Configure** button or press **F12** key from the **Print Report** of the Payment Advice screen

The **Payment Advice Print Configuration** screen appears as shown:

<u>Payment Advice Print Configuration</u>	
Space to leave on top (default 0.25)	: 0.25
Print Base Currency Symbol for Total	? Yes
Print Narration	? Yes
Print Company Logo	? Yes
Location of Logo	: C:\Tally.ERP 9\CompLogo.bmp

[Img-83]

**Note:** The Payment Advice Printing Configuration screen allows the user to enable/disable **Printing Company Logo**. The **Location of Logo** set in **F11: Accounting Features** will be the pre-filled in this screen which can be altered as per requirement.

- Set the required options and press **Ctrl+A** to save the settings

The **Print Report** screen appears.

- Press **Ctrl+A** or click **Accept** to Print

The print previews of the selected Payment Advices will be displayed as one payment advice per page as shown below:

<b>ABC Company</b>				
No. 24, Ghandhi Nagar Bangalore				
<b>Payment Advice</b>				
<b>M/s. Rajesh K</b> #43, MCB Building Cauvery Building 3rd Cross, 5th Main, Jayanagar			Date : <b>13-Feb-2014</b>	
Dear Sir/Madam,				
Please find below the payment details.				
<b>Bill Ref</b>	<b>Bill Date</b>			<b>Amount</b>
Bill Apr/03a1	24-Sep-2013			3,600.00
<b>Nett Amount</b>				<b>₹ 3,600.00</b>
<b>Payment Details</b>				
<b>Payment Mode</b>	<b>Transferred to</b>	<b>Instrument Details</b>	<b>Issued From</b>	<b>Amount</b>
Inter Bank Transfer	A/c.No.: 0098927712122112 Bank: Indian Overseas Bank IFSC : IOBA0009090	No.: IOBA121234554321 Dt: 24-Sep-2013	HDFC Bank	3,600.00
<b>Total</b>				<b>₹ 3,600.00</b>
Kindly acknowledge the receipt.				
Thanking You				
Authorised Signatory			Receiver's Signature	

## Cheque Management Voucher Entry - in Tally.ERP 9

Auto Cheque Numbering and Selection of Cheque Books during Bank allocation is supported in all Accounting Vouchers in Tally.ERP 9. To know how to provide Cheque Range for auto cheque numbering, click [here](#).

Payment Voucher is taken to explain these two features used for Cheque Management.

To view the **Payment Voucher** entry screen:

- Go to **Gateway of Tally > Accounting Vouchers**
- Select **F5: Payment** from the Button Bar or press **F5**.

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

<u>Payment Configuration</u>	
Skip Date field in Create Mode (faster entry!)	? <b>No</b>
Use Single Entry mode for Pymt/Rcpt/Contra	? <b>Yes</b>
Use Payment as Contra	? <b>No</b>
Use Cr/Dr instead of To/By during entry	? <b>Yes</b>
Warn on Negative Cash Balance	? <b>Yes</b>
Pre-Allocate Bills for Payment/Receipt/Journal	? <b>No</b>
Show Cost Centre Details	? <b>Yes</b>
Show Inventory Details	? <b>Yes</b>
Show Table of Bill Details for Selection	? <b>Yes</b>
Show Bill-wise Details	? <b>Yes</b>
Expand into multiple lines	? <b>Yes</b>
Show Ledger Current Balances	? <b>Yes</b>
Show Balances as on Voucher Date	? <b>No</b>
Show Forex Gain/Loss as on Voucher Date	? <b>No</b>
Confirm each Cheque before Print	? <b>Yes</b>
<u>Bank Allocations Configuration</u>	
Use Defaults for Bank Allocations	? <b>No</b>
Use Auto Cheque Numbering	? <b>Yes</b>
Allow Selection of Cheque Range	? <b>Yes</b>
Show Remarks	? <b>No</b>
Show E-mail	? <b>No</b>

[Img-85]

To use Auto Cheque Numbering during Bank Allocation the following options in F12: Configure has to be enabled:

- **Use Auto Cheque Numbering**
- **Allow Selection of Cheque Range**





**Payment Configuration**

Skip Date field in Create Mode (faster entry!)	? <b>No</b>
Use Single Entry mode for Pymt/Rcpt/Contra	? <b>Yes</b>
Use Payment as Contra	? <b>No</b>
Use Cr/Dr instead of To/By during entry	? <b>Yes</b>
Warn on Negative Cash Balance	? <b>Yes</b>
Pre-Allocate Bills for Payment/Receipt/Journal	? <b>No</b>
Show Cost Centre Details	? <b>Yes</b>
Show Inventory Details	? <b>Yes</b>
Show Table of Bill Details for Selection	? <b>Yes</b>
Show Bill-wise Details	? <b>Yes</b>
Expand into multiple lines	? <b>Yes</b>
Show Ledger Current Balances	? <b>Yes</b>
Show Balances as on Voucher Date	? <b>No</b>
Show Forex Gain/Loss as on Voucher Date	? <b>No</b>
Confirm each Cheque before Print	? <b>Yes</b>

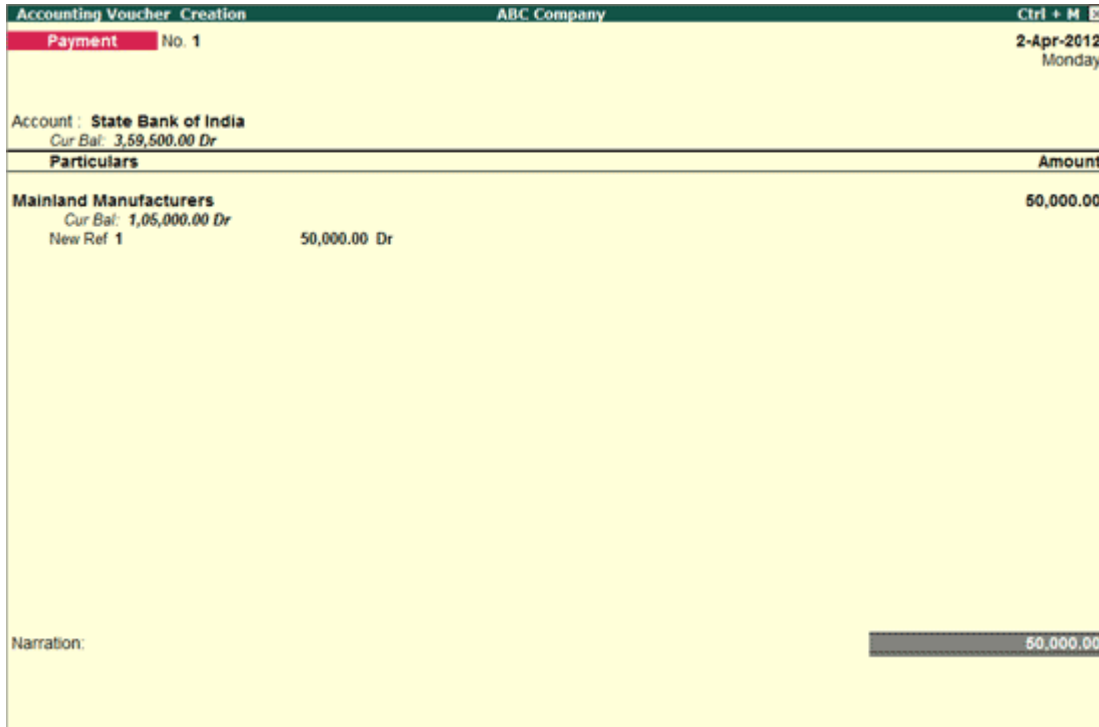
**Bank Allocations Configuration**

Use Defaults for Bank Allocations	? <b>No</b>
Use Auto Cheque Numbering	? <b>Yes</b>
Allow Selection of Cheque Range	? <b>Yes</b>
Show Remarks	? <b>No</b>
Show E-mail	? <b>No</b>

[Img-86]

Record a **Payment** voucher for the following: The Company settles a Creditor's bill (Purchase) via Cheque. This entry can be passed in single entry mode where you will be crediting the Bank Ledger (for which Cheque Books has been configured) and debiting the Party Ledger, as shown:

Attitude



Accounting Voucher Creation      ABC Company      Ctrl + M

**Payment** No. 1      2-Apr-2012  
Monday

Account : State Bank of India  
Cur Bal: 3,59,500.00 Dr

Particulars	Amount
<b>Mainland Manufacturers</b>	50,000.00
Cur Bal: 1,05,000.00 Dr	
New Ref 1      50,000.00 Dr	
Narration:	
	50,000.00

[Img-87]

In the Bank Allocation screen,

- The **Nickname** will appear as defined in the **Provide Bank Details** during the ledger creation.
- The **Favouring Name** and **Amount** fields are prefill based on the **Payment** entry recorded.
- The **Transaction Type** is set to **Cheque** by default. This can be changed based on requirement.
- For Transaction Type – Cheque:
  - User can choose a **Cheque Range** (Cheque Books) from the list of Cheque books defined for the bank, in the **Cheque Range** field.
  - The **Cheque Number** will be automatically filled in the **Instrument Number** field. User still has the option to manually change the Cheque Number, if required.

**Note:** If the Cheque number entered does not fall in the select Cheque Range, Tally.ERP 9 will throw an error - **The Instrument number entered is out of the Cheque range** and the cursor will return to the **Instrument Number** field.

- Multiple allocations can be done in **Bank Allocation** screen as shown:

Bank Allocations		National Traders			Ctrl + M	
Payment	No. 1				2-Apr-2012 Monday	
Account : State Bank of India Cur Bal: 50,000.00 Cr						
Particulars					Amount	
Mainland Manufacturers Cur Bal: 50,000.00 Cr New Ref 1					50,000.00	
50,000.00 Dr						
Bank Allocations for : <b>State Bank of India</b> For: <b>50,000.00</b>						
Nickname	Favouring Name	Transaction Type			Amount	
Mainland Manufacturer	Mainland Manufacturers	Cheque			<b>10,000.00</b>	
<i>Cheque Range</i> : 200451-200500		<i>Inst. No.</i>	: 200451	<i>Inst. Date</i>	: 2-Apr-2012	<i>Cross Using</i> : A/c Payee
Mainland Manufacturer	Mainland Manufacturers	Cheque			<b>15,000.00</b>	
<i>Cheque Range</i> : 200451-200500		<i>Inst. No.</i>	: 200452	<i>Inst. Date</i>	: 2-Apr-2012	<i>Cross Using</i> : A/c Payee
Mainland Manufacturer	Mainland Manufacturers	Cheque			<b>25,000.00</b>	
<i>Cheque Range</i> : 200451-200500		<i>Inst. No.</i>	: 200453	<i>Inst. Date</i>	: 2-Apr-2012	<i>Cross Using</i> : A/c Payee

[Img-88]

- For each allocation, a different range can be chosen or the same cheque range can be chosen. When the same range is chosen, the subsequent cheque numbers will be automatically filled in **Instrument Number** field.
- Once Bank Allocations are done, accept the Payment voucher by pressing **Y** or **Enter**, or by clicking on **Yes**.

Accounting Voucher Creation		ABC Company			Ctrl + M	
Payment	No. 1				2-Apr-2012 Monday	
Account : State Bank of India Cur Bal: 3,59,500.00 Dr						
Particulars					Amount	
Mainland Manufacturers Cur Bal: 1,05,000.00 Dr New Ref 1					50,000.00	
50,000.00 Dr						
Narration:					50,000.00	
					<div style="border: 1px solid black; padding: 5px; text-align: center;"> <b>Accept ?</b>            Yes or No         </div>	

[Img-89]

If the **Cheque Printing** is enabled for the Bank, once the payment voucher is accepted, the Cheque Printing screen will appear.

- To print the cheque, click on **Yes**, or Press **Y** or **Enter**.
- To print the cheque later, click on **No**, or press **N** or **Esc** Key.

## **Cheque Management Cheque Register - in Tally.ERP 9**

**Cheque Register** helps users to manage their cheque books for various banks, give information about Cheques which do not belong to any cheque range available and also the status of all the cheques. This report gives the values of the total number of cheques for each bank (Cheque Book wise), that are Available, Unreconciled, Reconciled, Blank and Cancelled.

The **advantages** of the **Cheque Register**:

- User will know how many cheques are available for use.
- Used cheques are classified as Unreconciled and Reconciled.
- Unreconciled cheques can be reconciled from the Cheque Register itself.
- Cheque Register has an option to Search for Cheque Numbers.
- Report can be viewed either Bank-wise or Cheque Range wise or drill-down to Cheque numbers.
- Users are allowed to change the status of cheques (Available) to Cancelled or Blank and make cancelled cheques available.
- Report can be viewed period-wise, hence makes it easier to filter the cheques that are issued on particular date or during a particular period.

For more information, click on the links below:

[Cheque Register](#)

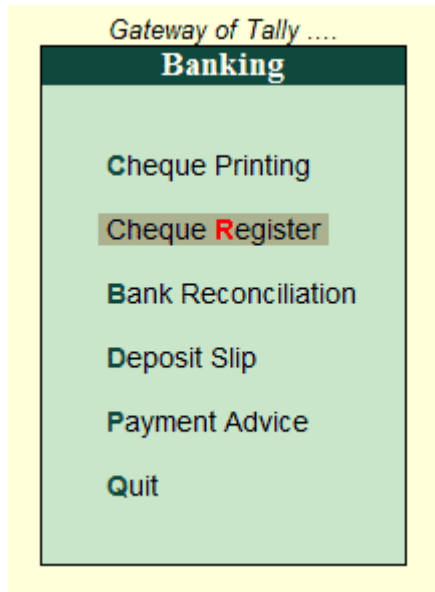
[Altering Cheque Status](#)

[Configuring Cheque Register](#)

### ***Cheque Register***

To view the **Cheque Register**:

Go to **Gateway of Tally > Banking > Cheque Register**



[Img-90]

The Cheque Register report screen will appear as shown:

Cheque Register						
Bank Wise Report						
Particulars	Available	1-Apr-2012 to 6-Jul-2012			Out of Period	
		Unreconciled	Reconciled	Blank		Cancelled
Kotak Mahindra Bank	37	11		1	1	
Standard Chartered Bank	23	1				
State Bank of India	100	53	36	8	5	
<b>Total</b>	<b>160</b>	<b>65</b>	<b>36</b>	<b>9</b>	<b>6</b>	

[Img-91]

The first level of the **Cheque Register** displays all the Banks and gives the number of total cheques which are Available, Unreconciled, Reconciled, Blank and Cancelled.

Users can drill down from any of the fields.

- To view the break-up of the statics based on the Cheque Ranges, press **F1: Detailed**.

Cheque Register ABC Company						
Bank Wise Report						
Particulars	Available	1-Apr-2012 to 6-Jul-2012				Out of Period
		Unreconciled	Reconciled	Blank	Cancelled	
<b>Kotak Mahindra Bank</b>	<b>37</b>	<b>11</b>		<b>1</b>	<b>1</b>	
100701-100750 (Mr. Ashwin Ramakant (HR))	37	11		1	1	
<b>Standard Chartered Bank</b>	<b>23</b>	<b>1</b>				
100010-100021 (A)	12					
560000-560011 (B)	11	1				
<b>State Bank of India</b>	<b>100</b>	<b>53</b>	<b>36</b>	<b>8</b>	<b>5</b>	
100101-100150 (Account Dept. - Ram)		26	16	5	3	
500501-500550 (Finance Dept. - Shyam)		25	20	3	2	
300101-300150 (Account Dept. - Ram)	50					
200451-200500 (Finance Dept. - Shyam)	50					
Not in Range		2				
<b>Total</b>	<b>160</b>	<b>65</b>	<b>36</b>	<b>9</b>	<b>6</b>	

[Img-92]

- The period of the report can be changed using the **F2: Period** option.
- Using **F5: Reconcile** button, users can go to the **Bank Reconciliation** screen for a particular bank.
- To search for a particular cheque's details, press **S: Quick Search**. Part of the cheque number can be used to search for a cheque. The search results will have all the cheques which have the search string as shown:

*Attitude*

Enter Instrument Number		ABC Company		Ctrl + M	
Bank Wise Report		Instrument Number		12 to 6-Jul-2012	
Particulars		Enter Instrument Number: [Redacted]		[Blank] [Cancelled] [Out of Period]	
List of Cheque Numbers					
Instrument Number	Bank Name	Cheque Status	Transaction Date	Cheque Range	
Kotak Mahindra Bank 100701-100750 (M: A)	100010 Standard Chartered Bank	Available		100010-100021	
	100011 Standard Chartered Bank	Available		100010-100021	
Standard Chartered Bank 100010-100021 (A)	100012 Standard Chartered Bank	Available		100010-100021	
560000-560011 (B)	100013 Standard Chartered Bank	Available		100010-100021	
	100014 Standard Chartered Bank	Available		100010-100021	
	100015 Standard Chartered Bank	Available		100010-100021	
State Bank of India 100101-100150 (Account)	100016 Standard Chartered Bank	Available		100010-100021	
500501-500550 (Finance)	100017 Standard Chartered Bank	Available		100010-100021	
300101-300150 (Account)	100018 Standard Chartered Bank	Available		100010-100021	
200451-200500 (Finance)	100019 Standard Chartered Bank	Available		100010-100021	
Not in Range	100020 Standard Chartered Bank	Available		100010-100021	
	100021 Standard Chartered Bank	Available		100010-100021	
	100101 State Bank of India	Reconciled	12-Apr-2012	100101-100150	
	100102 State Bank of India	Reconciled	12-Apr-2012	100101-100150	
	100103 State Bank of India	Reconciled	19-Apr-2012	100101-100150	
	100104 State Bank of India	Reconciled	19-Apr-2012	100101-100150	
	100105 State Bank of India	Reconciled	19-Apr-2012	100101-100150	
	100106 State Bank of India	Reconciled	22-Apr-2012	100101-100150	
	100107 State Bank of India	Unreconciled	22-Apr-2012	100101-100150	
	100108 State Bank of India	Unreconciled	29-Apr-2012	100101-100150	
	100109 State Bank of India	Reconciled	1-May-2012	100101-100150	
	100110 State Bank of India	Reconciled	1-May-2012	100101-100150	
	100111 State Bank of India	Reconciled	1-May-2012	100101-100150	
	100112 State Bank of India	Blank Cheque	20-Apr-2012	100101-100150	
	100113 State Bank of India	Blank Cheque	20-Apr-2012	100101-100150	
	100114 State Bank of India	Unreconciled	23-Apr-2012	100101-100150	
	100115 State Bank of India	Unreconciled	23-Apr-2012	100101-100150	
	100116 State Bank of India	Unreconciled	23-Apr-2012	100101-100150	
	100117 State Bank of India	Available		100101-100150	
Total				247 more ...	

[Img-93]

- To view all the Cheques that belong to a particular status like Available, Blank Cheque, Cheque Cancelled, Reconciled and Unreconciled, irrespective of banks and Cheque Ranges, users can press **Ctrl+S (Show All)** and select the Status.

Select Status		ABC Company		Ctrl + M		
Ledge: State Bank of India		Select Status		1-Apr-2012 to 6-Jul-2012		
Cheque Range: All Items		[Redacted]		[Blank] [Cancelled] [Out of Period]		
Cheque No.	Status	Date	Particulars	Vch No.	Instrument Date	Amount
100101	Reconciled	12-4-2012	Mega Trade	ent	3	12-4-2012 15,000.00
100102	Reconciled	12-4-2012	Mega Trade	ent	3	12-4-2012 15,000.00
100103	Reconciled	19-4-2012	Mainland M	ent	6	19-4-2012 20,000.00
100104	Reconciled	19-4-2012	Mainland M	ent	6	19-4-2012 20,000.00
100105	Reconciled	19-4-2012	Mainland M	ent	6	19-4-2012 10,250.00
100106	Reconciled	22-4-2012	Mega Trade	ent	7	22-4-2012 25,000.00
100107	Unreconciled	22-4-2012	Sony India	ent	8	22-4-2012 12,000.00
100108	Unreconciled	29-4-2012	Sony India Pvt Ltd.	Payment	10	29-4-2012 16,000.00
100109	Reconciled	1-5-2012	Mainland Manufacturers	Payment	11	1-5-2012 10,000.00

[Img-94]

When Enter is pressed from a Bank, Cheque Register shows the statistics of all the Cheque Ranges of that bank, as shown:



Cheque Range Register						
ABC Company						
Ledger: State Bank of India						
List of Cheque Ranges						
Particulars	Available	1-Apr-2012 to 6-Jul-2012				Out of Period
		Unreconciled	Reconciled	Blank	Cancelled	
100101-100150 (Account Dept. - Ram)		26	16	5	3	
500501-500550 (Finance Dept. - Shyam)		25	20	3	2	
300101-300150 (Account Dept. - Ram)	50					
200451-200500 (Finance Dept. - Shyam)	50					
Not in Range		2				
<b>Total</b>	<b>100</b>	<b>53</b>	<b>36</b>	<b>8</b>	<b>5</b>	

[Img-95]

- When the cursor is on a **Cheque Range**, to reconcile the cheques that are used in that range, press **F5** or click on **F5: Reconcile**. Tally.ERP 9 will list out all the transactions corresponding to the Cheques in that range that have to be reconciled.
- **S: Quick Search** option can be used in this screen as well.
- **Ctrl+S (Show All)** option can be used to view all the cheque numbers of a particular status, irrespective of the Cheque Ranges, for the selected bank.
- To toggle between banks press **F4** or click on **F4: Bank** button.
- To view all the transaction details of all the Cheques in the Bank press **F7** or click on **F7: Transactions**. All the details of every cheque for that bank will be displayed as shown:





Cheque Register							ABC Company	Ctrl + M
Ledger: State Bank of India							1-Apr-2012 to 6-Jul-2012	
Cheque Range: All Items								
Cheque No.	Status	Date	Particulars	Vch Type	Vch No.	Instrument Date	Amount	
100101	Reconciled	12-4-2012	Mega Traders	Payment	3	12-4-2012	15,000.00	
100102	Reconciled	12-4-2012	Mega Traders	Payment	3	12-4-2012	15,000.00	
100103	Reconciled	19-4-2012	Mainland Manufacturers	Payment	6	19-4-2012	20,000.00	
100104	Reconciled	19-4-2012	Mainland Manufacturers	Payment	6	19-4-2012	20,000.00	
100105	Reconciled	19-4-2012	Mainland Manufacturers	Payment	6	19-4-2012	10,250.00	
100106	Reconciled	22-4-2012	Mega Traders	Payment	7	22-4-2012	25,000.00	
100107	Unreconciled	22-4-2012	Sony India Pvt Ltd.	Payment	8	22-4-2012	12,000.00	
100108	Unreconciled	29-4-2012	Sony India Pvt Ltd.	Payment	10	29-4-2012	16,000.00	
100109	Reconciled	1-5-2012	Mainland Manufacturers	Payment	11	1-5-2012	10,000.00	
100110	Reconciled	1-5-2012	Mainland Manufacturers	Payment	11	1-5-2012	10,000.00	
100111	Reconciled	1-5-2012	Mainland Manufacturers	Payment	11	1-5-2012	10,000.00	
100112	Blank Cheque	20-4-2012	Sureka Overseas	Payment	7	20-4-2012		
100113	Blank Cheque	20-4-2012	Sureka Overseas	Payment	7	20-4-2012		
100114	Unreconciled	23-4-2012	Sony India Pvt Ltd.	Payment	9	23-4-2012	20,000.00	
100115	Unreconciled	23-4-2012	Sony India Pvt Ltd.	Payment	9	23-4-2012	20,000.00	
100116	Unreconciled	23-4-2012	Sony India Pvt Ltd.	Payment	9	23-4-2012	10,000.00	
100117	Available							
100118	Unreconciled	1-5-2012	Mainland Manufacturers	Payment	11	1-5-2012	10,000.00	
100119	Unreconciled	6-5-2012	The Electronics Traders	Payment	12	6-5-2012	7,250.00	
100120	Unreconciled	12-5-2012	The Electronics Traders	Payment	15	12-5-2012	5,000.00	
100121	Available							
100122	Unreconciled	12-5-2012	The Electronics Traders	Payment	15	12-5-2012	10,000.00	
100123	Reconciled	12-5-2012	The Electronics Traders	Payment	15	12-5-2012	10,000.00	
100124	Reconciled	8-5-2012	Philips India Pvt. Ltd.	Payment	13	8-5-2012	20,000.00	
100125	Reconciled	8-5-2012	Philips India Pvt. Ltd.	Payment	13	8-5-2012	20,000.00	
100126	Reconciled	8-5-2012	Philips India Pvt. Ltd.	Payment	13	8-5-2012	20,000.00	
100127	Reconciled	8-5-2012	Philips India Pvt. Ltd.	Payment	13	8-5-2012	20,000.00	
100128	Unreconciled	8-5-2012	Philips India Pvt. Ltd.	Payment	13	8-5-2012	20,000.00	
100129	Blank Cheque	4-5-2012	The Electronics Traders	Payment	12	4-3-2013		
<b>Total</b>							171 more ...	<b>23,40,500.00</b>

[Img-96]

**Note:** To view all the transactions of all the cheques in a particular range, press **Enter** from that range.

- To view the cheques for a particular period, press **F2** or click on **F2: Period**.
- To toggle between the different Cheque Ranges in a bank from the same screen, press **Ctrl+C (Cheque Range)**.

Select Cheque Range							ABC Company	Ctrl + M
Ledger: State Bank of India							1-Apr-2012 to 6-Jul-2012	
Cheque Range: 100101-100150								
Cheque No.	Status	Date	Particulars	Vch Type	Vch No.	Instrument Date	Amount	
100101	Reconciled	12-4-2012	Mega Traders	Payment	3	12-4-2012	15,000.00	
100102	Reconciled	12-4-2012	Mega Traders	Payment	3	12-4-2012	15,000.00	
100103	Reconciled	19-4-2012	Mainland Manufacturers	Payment	6	19-4-2012	20,000.00	
100104	Reconciled	19-4-2012	Mainland Manufacturers	Payment	6	19-4-2012	20,000.00	
100105	Reconciled	19-4-2012	Mainland Manufacturers	Payment	6	19-4-2012	10,250.00	
100106	Reconciled	22-4-2012	Mega Traders	Payment	7	22-4-2012	25,000.00	
100107	Unreconciled	22-4-2012	Sony India Pvt Ltd.	Payment	8	22-4-2012	12,000.00	
100108	Unreconciled	29-4-2012	Sony India Pvt Ltd.	Payment	10	29-4-2012	16,000.00	
100109	Reconciled	1-5-2012	Mainland Manufacturers	Payment	11	1-5-2012	10,000.00	

[Img-97]

- To reconcile the unreconciled cheques, press **F5** or click **F5: Reconcile**.
- Press **Alt+F5** or click on **F5: Status wise**, to get a Status wise statistics of the cheque range.

Cheque Register		ABC Company			Ctrl + M		
Ledger: State Bank of India		1-Apr-2012 to 6-Jul-2012					
Cheque Range: 100101-100150							
Cheque No.	Status	Date	Particulars	Vch Type	Vch No.	Instrument Date	Amount
Available - 2							
Unreconciled - 26							
Reconciled - 16							
Blank Cheque - 5							
Cheque Cancelled - 1							

[Img-98]

- To view all Cheques of a particular status, press **F6** or click on **F6: Status**. A new screen will appear where user can choose among the different statuses of cheques.

Select Status		ABC Company			Ctrl + M		
Ledger: State Bank of India		1-Apr-2012 to 6-Jul-2012					
Cheque Range: All Items							
Cheque No.	Status	Date	Particulars	Vch Type	Vch No.	Instrument Date	Amount
100101	Reconciled	12-4-2012	Mega Tra	ent	3	12-4-2012	15,000.00
100102	Reconciled	12-4-2012	Mega Tra	ent	3	12-4-2012	15,000.00
100103	Reconciled	19-4-2012	Mainland	ent	6	19-4-2012	20,000.00
100104	Reconciled	19-4-2012	Mainland	ent	6	19-4-2012	20,000.00
100105	Reconciled	19-4-2012	Mainland	ent	6	19-4-2012	10,250.00
100106	Reconciled	22-4-2012	Mega Tra	ent	7	22-4-2012	25,000.00
100107	Unreconciled	22-4-2012	Sony India	ent	8	22-4-2012	12,000.00
100108	Unreconciled	29-4-2012	Sony India Pvt Ltd.	Payment	10	29-4-2012	16,000.00
100109	Reconciled	1-5-2012	Mainland Manufacturers	Payment	11	1-5-2012	10,000.00
100110	Reconciled	1-5-2012	Mainland Manufacturers	Payment	11	1-5-2012	10,000.00

[Img-99]

- To change the status of a cheque, select the Cheque Number and press **Alt+A** or click **A: Alter Status**. The status of **Available** cheques can be updated as **Blank** or **Cancelled**. The Status of **Cancelled** cheques can be changed to **Available**.
- For **Available** Cheque Numbers, users can create a voucher from this screen itself. Press **Alt+C** or click on **C: Create Voucher** to record a transaction for a selected cheque number. The **Payment Voucher Creation** screen will appear, where you can record the transaction.

**Note:** This option will be highlighted only if cheques are selected.

- For cheques that are already used and are not a part of any cheque range, users can define a Cheque Range in the Bank ledger, and can add these Cheque numbers to the new book (Cheque Range) created using the **Alt+R (R: Refresh Range)** option.

## Altering Cheque Status

To change the status of a cheque from Cheque Register:

- Select the Cheque Number and press **Alt+A** or click **A: Alter Status**.
- The status of **Available** cheques can be updated as **Blank** or **Cancelled**.
- The status of **Cancelled** Cheques can be changed to **Available**.

To update a cheque's status as **Blank**,

- The options **Use Reversing Journals & Optional Vouchers** and **Allow Zero valued entries** to **Yes** in **F11: Features (F1: Accounting Features)**.

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

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

[Img-100]

- Select an **Available** Cheque Number and press **Alt+A** or click **A: Alter Status**.
- Select **Blank Cheque** from Cheque Status as shown:

Select Status		ABC Company		Ctrl + M		
Ledger: State Bank of India		<b>Select Status</b>		1-Apr-2012 to 6-Jul-2012		
Cheque Range: 100101-100150						
Cheque No.	Status	Date	Particulars	Vch No.	Instrument Date	Amount
100101	Reconciled	12-4-2012	Mega Traders	3	12-4-2012	15,000.00
100102	Reconciled	12-4-2012	Mega Traders	3	12-4-2012	15,000.00
100103	Reconciled	19-4-2012	Mainland	6	19-4-2012	20,000.00
100104	Reconciled	19-4-2012	Mainland	6	19-4-2012	20,000.00
100105	Reconciled	19-4-2012	Mainland Manufacturers	6	19-4-2012	10,250.00
100106	Reconciled	22-4-2012	Mega Traders	7	22-4-2012	25,000.00
100107	Unreconciled	22-4-2012	Sony India Pvt Ltd	8	22-4-2012	12,000.00
100108	Unreconciled	29-4-2012	Sony India Pvt Ltd	10	29-4-2012	16,000.00

[Img-101]

- You will be taken to **Payment Voucher Creation** screen as shown:

Accounting Voucher Creation		ABC Company		Ctrl + M	
<b>Payment</b> No. 31				6-Jul-2012 Friday	
<b>Blank Cheque</b>					
Account : State Bank of India					
Cur Bal: 25,90,500.00 Cr					
Particulars					Amount
Narration:					

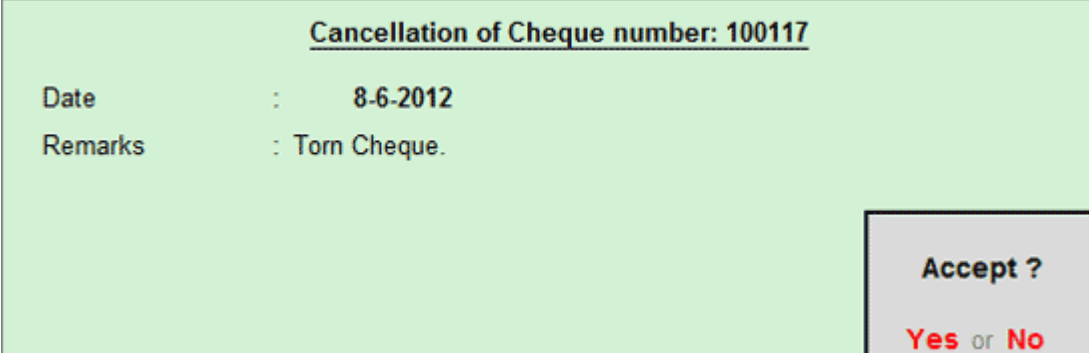
[Img-102]

- The voucher will be marked as **Blank Cheque**.
- User can change **Voucher Number** and **Amount** field. No other field is allowed to be altered.
- If **Amount** field is left **blank** and the voucher is accepted, the status of the cheque in the Cheque Register will be **Blank**.
- Once the value is entered in **Amount** field, the **Blank Cheque** tag will disappear. The status of the cheque in the **Cheque Register** will be **Unreconciled**.

To update a Cheque's Status as **Cancelled**,

- Cancelling a Voucher will automatically change the Status of the Cheque(s) used in that voucher to **Cancelled**.

- In case a new cheque has to issued for a transaction for which the issued cheque cannot be used due to various reasons like - lost in transit, torn cheque etc., the previously used Cheque has to be cancelled. You will have to follow the below procedure:
  - Go to **Voucher Alteration** screen of the Cheque which has to be cancelled, and change Cheque number
  - In **Cheque Register**, the status of Cheque number which was changed, will be under **Available**.
  - Press **Alt+A** or click on **A: Alter Status**, and select **Cheque Cancelled**, give a **Date** on which the Cheque was cancelled and enter the reason for cancellation in **Remarks** field.



**Cancellation of Cheque number: 100117**

Date : 8-6-2012

Remarks : Torn Cheque.

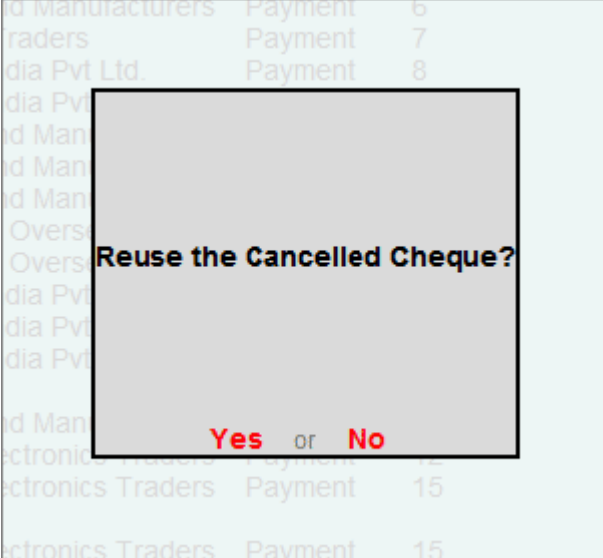
**Accept ?**  
 Yes or No

[Img-103]

- **Accept** the screen. The Cheque's status in the **Cheque Register** will be **Cancelled**.

To update a cheque's status as **Available**,

- Select a **Cancelled** Cheque Number and press **Alt+A** or click **A: Alter Status**.
- A message - **Reuse the Cancelled Cheque?** will appear as shown:



**Reuse the Cancelled Cheque?**

Yes or No

[Img-104]

- Press **Enter** or click on **Yes** to reuse the Cancelled Cheque.

### Configuring Cheque Register

To configure the Cheque Register,

Press F12 or click on F12: Configure, the Configuration screen will appear:

Configuration	
Include Not in Range Cheques	? <b>Yes</b>
Ignore the Completed Cheque Ranges	? <b>No</b>
Show Book Name	? <b>Yes</b>

[Img-105]

### Include Not in Range Cheques

The cheque numbers that are entered manually by the user and which do not belong to any **Cheque Range** can be brought to the **Cheque Register** report by setting this option to **Yes**. This way all the cheques used can be managed from a single place.

Cheque Register ABC Company Ctrl + M						
Bank Wise Report						
Particulars	Available	1-Apr-2012 to 6-Jul-2012				Out of Period
		Unreconciled	Reconciled	Blank	Cancelled	
<b>Kotak Mahindra Bank</b>	37	11		1	1	
100701-100750 (Mr. Ashwin Ramakant (HR))	37	11		1	1	
<b>Standard Chartered Bank</b>	23	1				
100010-100021 (A)	12					
560000-560011 (B)	11	1				
<b>State Bank of India</b>	99	53	36	8	6	
100101-100150 (Account Dept. - Ram)	(-)	26	16	5	4	
500501-500550 (Finance Dept. - Shyam)		25	20	3	2	
300101-300150 (Account Dept. - Ram)	50					
200451-200500 (Finance Dept. - Shyam)	50					
Not in Range		2				
<b>Total</b>	159	65	36	9	7	

[Img-106]

### Ignore the Completed Cheque Ranges

**Cheque Books** that are completely used, i.e., the Status of all the cheques is other than Available, can be ignored while viewing **Cheque Register** by setting this option to **Yes**.

### Show Book Name

**Cheque Book Names** defined in the **Bank ledger** can be viewed along with the **Cheque Ranges** by setting this option to **Yes**. This way it is easier to identify the Cheque Ranges

Attitude Academy

## Using Additional Cost of Purchase' in Tally.ERP 9

In many situations, more than one item is purchased where the expense incurred is charged as a lump-sum amount. However, to give an effective cost including the expense to each of the items, additional costs of purchase option is used. This process is automated and allocation of the expense to stock item can be done on a predefined basis.

**Note:** These expenses posted using **Additional cost on Purchase** features, do not affect the relevant nominal ledger accounts but update the cost of the Stock Item, i.e., the additional costs incurred are updated without actually affecting accounting, only the stock value goes up.

### Enabling Additional Costs of Purchase

In **F11: Features (F2: Inventory Features)** under **Purchase Management**, set **Track additional costs of Purchase** to **Yes**.

Company: <u>ABC Company</u>			
<u>Inventory Features</u>			
<b>General</b>		<b>Invoicing</b>	
Integrate Accounts and Inventory	? <b>Yes</b>	Allow Invoicing	? <b>Yes</b>
Allow Zero valued entries	? <b>No</b>	Enter Purchases in Invoice Format	? <b>Yes</b>
<b>Storage &amp; Classification</b>		Use Debit/Credit Notes	? <b>No</b>
Maintain Multiple Godowns	? <b>No</b>	Use Invoice mode for Credit Notes	? <b>No</b>
Maintain Stock Categories	? <b>No</b>	Use Invoice mode for Debit Notes	? <b>No</b>
Maintain Batch-wise Details (set Expiry Dates for Batches)	? <b>No</b>	Separate Discount column on Invoices	? <b>No</b>
Use different Actual & Billed Qty	? <b>No</b>	<b>Purchase Management</b>	
<b>Order Processing</b>		Track additional costs of Purchase	? <b>Yes</b>
Allow Purchase Order Processing	? <b>No</b>	<b>Sales Management</b>	
Allow Sales Order Processing	? <b>No</b>	Use Multiple Price Levels	? <b>No</b>
		<b>Additional Inventory Vouchers</b>	
		Use Tracking Numbers (Delivery/Receipt Notes)	? <b>No</b>
		Use Rejection Inward/Outward Notes	? <b>No</b>

F1: Accounts   
 F2: Inventory   
 F3: Statutory   
 F4: Tally.NET

[Img-1]

The additional costs/ expenses incurred can be allocated to each item based on:

- **Quantity**

or

- **Value**

The following set-up activity is required to appropriate the additional costs:

- Alter the Parent Group of the expense ledger accounts, e.g. Indirect Expenses. (Go to **Gateway of Tally > Accounting Info > Groups > Alter > Direct Expenses**).



- You will find a new option - **Method to Allocate when used in Purchase Invoice**.
- If you want to appropriate the ledger accounts under this group to stock items either by Quantity or value, you must select the respective option. For ex: Select Appropriation by Qty.

Group Alteration		ABC Company	
English :			
Name :	<b>Indirect Expenses</b>		
(alias) :	Expenses (Indirect)		
Under :	<input type="checkbox"/> Primary		
Nature of Group		?	<b>Expenses</b>
Does it affect Gross Profits		?	<b>No</b>
Group behaves like a Sub-Ledger		?	<b>No</b>
Nett Debit/Credit Balances for Reporting		?	<b>No</b>
Used for Calculation (eg. Taxes, Discounts) (for Sales Invoice Entry)		?	<b>No</b>
Method to Allocate when used in Purchase Invoice		?	<b>Appropriate by Qty</b>
		<b>Allocation Methods</b> <input type="checkbox"/> Not Applicable <input checked="" type="checkbox"/> <b>Appropriate by Qty</b> <input type="checkbox"/> Appropriate by Value	

[Img-2]

**Note:** To get the option **Method to Allocate when used in Purchase Invoice**, Enable **Enter Purchases in Invoice** in **F11: Features (F1: Accounting Features)**

### Creating Purchase Entry

**Purchase entry in As Voucher mode:** The additional cost details have to be filled in after the allocation of each purchase item.

While creating the Purchase Voucher, once after giving the Quantity and Rate in the **Inventory Allocations**, press **Enter** button on the **Amount column, Additional Cost Details** screen will be displayed.

AC

Additional Cost Details for : <b>Item A</b>		
Type of Cost	%-age	Amount
Transportation Charges		66.67
		66.67

[Img-3]

**Type of Cost**

Select the expense ledger from the **List of ledgers Accounts**.

**% age**

Additional costs can be entered in terms of percentage also. For example, 1%, 2% etc. You can also skip the percentage field to enter the amount directly.

**Amount**

You can enter the amount of additional cost directly or if the percentage is entered, then amount will be calculated automatically.

**Note:** If there are two or more items, then for items, the 'Additional Cost Details' screen will be displayed.

Accounting Voucher Creation		ABC Company		Ctrl + M	
<b>Purchase</b> No. 1				1-Apr-2008 Tuesday	
Ref.:					
Particulars		Debit	Credit		
Cr <b>Supplier A</b>			5,200.00		
Cur Bal: 5,200.00 Cr					
New Ref 1		5,200.00 Cr			
Dr <b>Purchase</b>		5,200.00			
Cur Bal: 5,200.00 Dr					
<b>Item A</b> 10.00 nos 100.00 nos 1,000.00					
Actuals : 106.67 nos (1,066.67)					
<b>Item B</b> 20.00 nos 200.00 nos 4,000.00					
Actuals : 206.67 nos (4,133.33)					
Narration:				5,200.00	5,200.00
.					

[Img-4]

Purchase entry in **As Invoice** mode: The treatment of additional costs on stock items is automated.

Accounting Voucher Creation		ABC Company		Ctrl + M	
<b>Purchase</b> No. 1				1-Apr-2008 Tuesday	
Ref.:					
Party's A/c Name : <b>Supplier A</b>					
Current Balance :					
Name of Item	Quantity	Rate per	Amount		
Item A	10.00 nos	100.00 nos	1,000.00		
Item B	20.00 nos	200.00 nos	4,000.00		
			5,000.00		
Transportation Charges			200.00		
Narration:				30.00 nos	5,200.00
.					

[Img-5]

**Report on Additional Cost Details**

The reports on appropriation of additional costs/ expenses can be viewed in the Stock Summary.

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

Stock Summary		ABC Company		Ctrl + M
Particulars	ABC Company For 1-Apr-2008			
	Closing Balance			
	Quantity	Rate	Value	
Item A	10.00 nos	106.67	1,066.67	
Item B	20.00 nos	206.67	4,133.33	
<b>Grand Total</b>	<b>30.00 nos</b>		<b>5,200.00</b>	

[Img-6]

Let us consider as an example, the appropriation calculation for Item A.

**Total of Expenses ledger** = Rs. 200

**Total of no of quantities** = 30

**Number of quantities of Item A** = 10

**200 / 30 \* 10** = 66.66

**Total amount + additional charges**

1000 + 66.66 = 1066.67/-

AC

## Price Levels in Tally.ERP 9

In Tally.ERP 9, you can create different Price Levels and assign different Price Lists to these Price Levels. For example, you can create Wholesaler, Distributor and Customer as Price Levels and assign applicable Price Lists to these Price levels, as per your requirements, so that only the relevant prices and discount rates are used during entry of orders and invoices. Before you start creating Price Lists, you may decide to create Price Levels as required.

### More:

Creating Price Levels

Creating Price Lists

Altering Price Levels

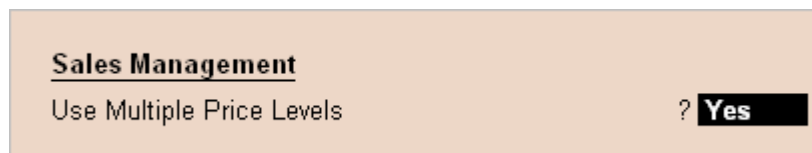
Altering Price Lists

## Creating Price Levels in Tally.ERP 9

Ensure that whether the Company is enabled for **Accounts with Inventory** in the Company Master screen.

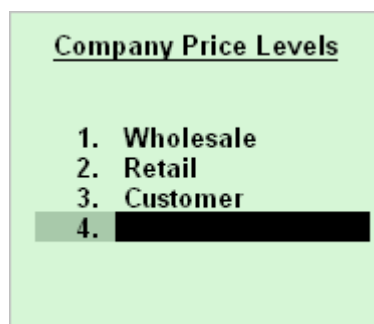
To enable **Price Levels**, Set the following fields to **Yes** in **F11: Features > F2: Inventory Features** screen.

1. **Allow Invoicing** (If you do not set this option to **Yes**, the options for **Price Lists** will not be available.)
2. Set **Use Multiple Price Levels** to **Yes**.



[Img-57]

3. Type the name of the price levels to be created, in the **Company Price Levels** screen.



[Img-58]

4. Press **Ctrl + A** to accept the screen and return to the **F11: Inventory Features** screen. Set the other options as required and accept **Yes** to save.

## Altering Price Levels in Tally.ERP 9

This option allows you to alter the existing Price Levels.

To **alter** a Price Level,

Go to **Gateway of Tally > F11: Features > F2: Inventory Features** screen.

1. Tab down to **Use Multiple Price Levels** field and press **Enter** to go to Company Price Levels screen.

Follow the same procedure as discussed in [Creating Price Levels](#), to alter the name of a price level. You can simply overwrite the names you specified previously and save the changes.

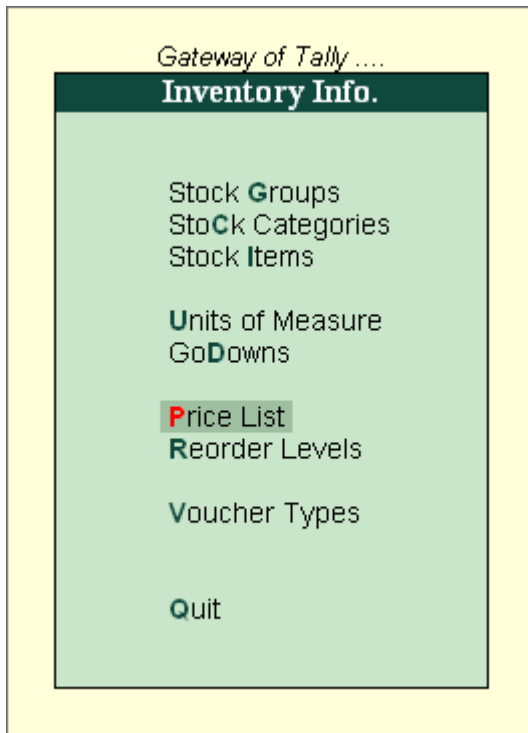
## Price Lists in Tally.ERP 9

**Price Lists** are useful for orders and invoices. An up-to-date price list helps in decision-making even at the lower levels of the organization and quickens the sales process. Tally.ERP 9 assists in creating quantity based pricing with complex discount structure. Price Lists are available only for inventory items and hence the feature is available only if inventory and invoice features are activated for the company.

You can have one or more price lists. You may require more than one price list, when you have different price list structures/levels for different purposes viz., different groups of customers requiring different discounts or dealing in different products.

Tally.ERP 9 permits you to create any number of price lists, based on the Stock Group and Stock Category to match the structure you need.

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



[Img-59]

### Creating a Price List in Tally.ERP 9

Once you have created Price Levels, the Price List option appears in the Inventory Info. menu

Go to Gateway of Tally > Inventory Info. > Price List



[Img-60]

### Creating Price List based on Stock Group

Go to Gateway of Tally > Inventory Info. > Price List > Stock Groups

- If you want to create a Price List consisting of all stock Items falling under different Stock Group

**select Stock Groups from the Price List Menu.**

Price List		ABC Company		Ctrl + M
Current Period 1-4-2009 to 31-3-2010	Stock Group Name	:	All Items	List of Stock Groups
	Price Level	:		All Items
List of Selected Com	Applicable From	:	1-Sep-2009	Components
Name of Company	Date of Last Entry			Finished Goods
				Raw Materials

[Img-61]

- **Select a Stock Group Name from the List of Stock Groups.**

Price List		ABC Company		Ctrl + M
Current Period 1-4-2009 to 31-3-2010	Stock Group Name	:	Components	Price Levels
	Price Level	:	Retail	Customer
List of Selected Com	Applicable From	:	1-Sep-2009	Retail
Name of Company	Date of Last Entry			Wholesale

[Img-62]

- **Select the Price Levels from the list**

**Note: To view all the Stock Items under the selected Price Level, click on F12: Configure and set the option Show all Items for Price Level to Yes.**

- **Type the applicable rates for the stock items for the selected Price Levels (you will notice that the items grouped under Components appears under List of Items).**

Attitude



Price List		ABC Company				Ctrl + M		
Under Group : Components								
Price Level : Retail		Applicable From: 1-Sep-2009						
S.No.	Name of Item	Quantities		Rate	Disc. % (if any)	Historical Details		Cost Price
		From	Less than			Rate	Disc. %	
1.	240 GB Hard Disk Drive		10 Nos	3,200.00 Nos				2,597.00/Nos
		10 Nos	20 Nos	3,200.00 Nos	2 %			
		20 Nos		3,200.00 Nos	5 %			
2.	2 GB RAM Sticks		20 Nos	1,600.00 Nos				1,302.96/Nos
		20 Nos	40 Nos	1,600.00 Nos	2 %			
		40 Nos		1,600.00 Nos				
3.	Colour Monitor 17"		5 Nos	27,500.00 Nos				25,677.50/Nos
		5 Nos	10 Nos	27,500.00 Nos	3 %			
		10 Nos		27,500.00 Nos	5 %			
4.	CPU Cabinet		40 Nos	540.00 Nos				483.33/Nos
		40 Nos	80 Nos	540.00 Nos	5 %			
		80 Nos		540.00 Nos	10 %			
5.	CPU Fan		50 Nos	135.00 Nos				109.57/Nos
		50 Nos	100 Nos	135.00 Nos	5 %			
		100 Nos		135.00 Nos	10 %			
6.	Dual Core Processor		10 Nos	4,100.00 Nos				3,502.29/Nos
		10 Nos	20 Nos	4,100.00 Nos	3 %			
		20 Nos		4,100.00 Nos	6 %			

[Img-63]

- Accept to save

#### Under Group

This is the stock group of the Stock Item, for which you want to define the Price Lists.

#### Price Level

This is the Price Level under which the Price List needs to be created

#### Applicable From

This is the date from which the defined Price List is applicable.

The columns you see are as follows.

#### Sl. No

This column is auto-generated serial numbers to track the number of items in the Price List.

#### Name of Item

This column contains the Name of the Stock Items under the selected Stock group. You can define the Price List for each item.

#### Quantities - From & Less Than

These fields are repeated for an item and begin with a blank for 0 items and end with a blank for any number of items (i.e., upto 50 Nos you can have a certain pricing if someone buys more than 50Nos you can specify different rate). This is useful for quantity based pricing and discounts. You can create a staggered quantity price structure, if required.

If you do not require quantity based pricing, leave From and Less Than fields blank.

### Rate

Under this column, you can specify Rate, the Rate for the item based on the quantity range given.

### Discount % (if any)

You can define a discount percentage in the Price List which will be taken automatically in the sales invoice, you may also choose to maintain the same price for all bands, but define different discounts.

### Historical Details (Rate and Disc%)

This column displays the last Price List specified for such Stock Group.

There are two columns: Rate and Disc %. Tally.ERP 9 provides the historical details of the sale rate and discount percentage of any previously created Price Lists. Therefore, you can define the current price details based on the information given in the Historical details.

### Cost Price

In this column, Tally.ERP 9 displays the cost price of the item calculated based on the stock valuation method given in the item master. This has been provided to assist the user in giving the appropriate sale price. While viewing the historical price details of an item, we can accordingly define the sale price for the new Price List.

**Note:** For the discount percentage to be taken in the Price List, you should activate the feature Separate Discount Column on Invoices in the F11: Features (Inventory Features).

### Buttons in Price Lists Screen

#### Ctrl+F4: New Parent

Select this option to change the parent Stock Group Name, Price Level from the List.

### Creating Price List based on Stock Categories

Go to Gateway of Tally > Inventory Info. > Price List > Stock Categories

- If you want to create a Price List consisting of all stock Items falling under different Stock Categories, select Stock Categories from the Price List Menu.



[Img-64]

- Select a Stock Category from the List of Stock Categories.
- Select the Price Levels from the list
- Type the applicable rates for the stock items for the selected Price Levels

Price List		ABC Company				Ctrl + M		
Under Category : <b>Finished Goods</b>								
Price Level : <b>Wholesale</b> Applicable From: <b>1-Sep-2009</b>								
S.No.	Name of Item	Quantities		Rate	Disc. % (if any)	Historical Details		Cost Price
		From:	Less than			Rate	Disc. %	
1.	Computer P-IV		5 Nos	25,000.00 Nos	2 %			23,355.91/Nos
		5 Nos	10 Nos	25,000.00 Nos				
		10 Nos		25,000.00 Nos				

[Img-65]

### Buttons in Price Lists Screen

#### Ctrl+F4: New Parent

Select this option to change the parent Stock Category Name, Price Level from the List.

#### Print/Export/Email/Upload Price Lists

Select the relevant buttons while the price list is displayed for it to be printed / sent by e-mail or published.

## Altering a Price List in Tally.ERP 9

This option allows you to view the existing Price List based on Stock Groups or Stock Category in edit mode, here you are allowed to change the various information.

To **alter** a **Price List** based on **Stock Groups**,

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

1. Select the required **Stock Group Name** from the List of Stock Groups.
2. Select the required **Price Level** from the List of Price Levels.
3. Change the **Applicable From** date, as required.

Follow the same procedure as discussed in Creating a Price List, to alter the Price Lists.

**Note:** Similarly you can alter the **Price List** based on **Stock Category**.

To view all the **Stock Items** under the selected **Price Level**, click on **F12: Configure** and set the option **Show all Items for Price Level** to **Yes**.

## Assigning Price Levels to Ledger Accounts in Tally.ERP 9

Once the Price Levels are created in Tally.ERP 9, a new option appears in Ledgers grouped under Sundry Debtors and Sundry Creditors, with the help of which you can assign a specific Price Level to the ledger account.

Go to **Gateway of Tally > Accounting Info > Ledgers > Create**

Ledger Creation		ABC Company
Name : <b>Bangalore Customer</b>		<u>Total Op. Bal.</u>
Under : <b>Sundry Debtors</b> (Current Assets)		Price Levels
Pricing Level Applicable	: <b>Customer</b>	<input type="checkbox"/> Not Applicable
Maintain balances bill-by-bill	? <b>Yes</b>	<b>Customer</b>
Default Credit Period	:	Retail
Inventory values are affected	? <b>No</b>	Wholesale
<b>Opening Balance ( on 1-Apr-2008) :</b>		

[Img-66]

You can choose the Price Level that you want to assign to the Ledger, by selecting the Price Level from the **Price Levels** list in the **Pricing Level Applicable** field. Select **Not Applicable**, if you do not want to assign any Price Levels to the Ledger.

If you want to assign Price Levels to ledgers created earlier, alter the ledger account, tab down to **Pricing Level Applicable** field and select the applicable price level from the list.

**Note:** For a Ledger, you can only assign / tag only one Price Level at a time, however you can change the **Price Level** selection depending upon your requirement in alteration mode or during Voucher Entry.

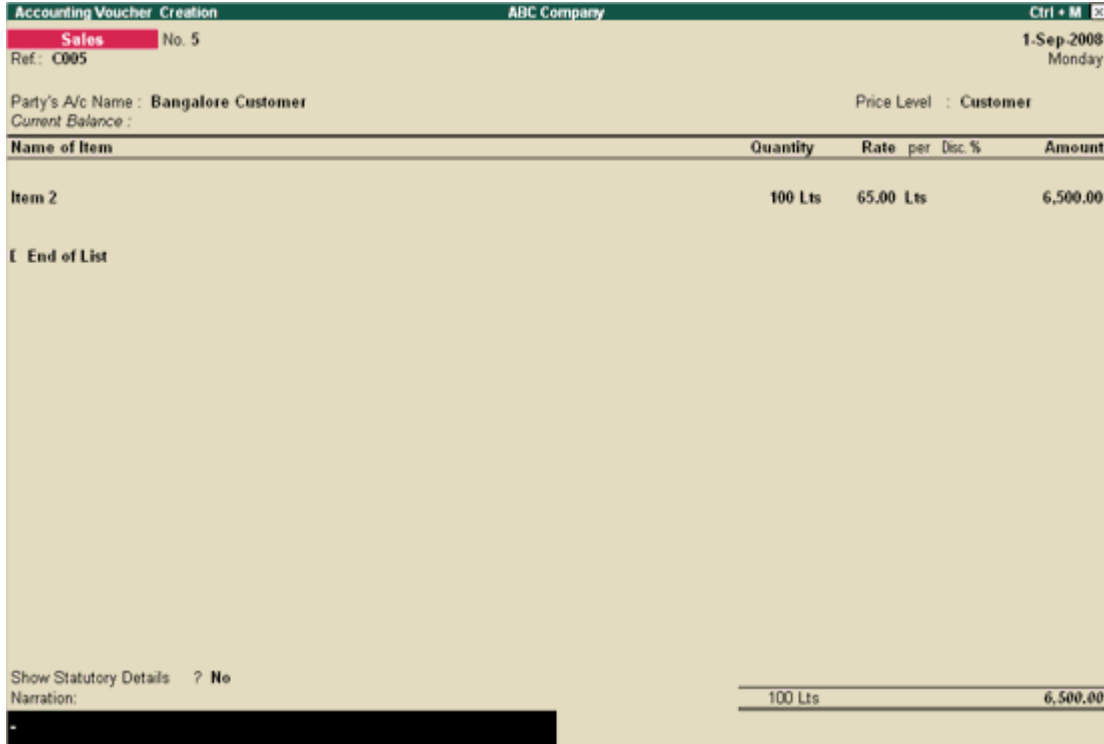
## Using Price Levels during Invoicing (Voucher Entry) in Tally.ERP 9

The price levels created and assigned to Ledger Accounts automates Stock Item Prices and helps

minimizing errors during Invoicing.

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

1. Select **As Invoice**.



The screenshot shows the 'Accounting Voucher Creation' window for 'ABC Company'. The voucher is a 'Sales' invoice (No. 5) dated '1-Sep-2008' (Monday). The reference number is 'C005'. The party is 'Bangalore Customer' with a price level of 'Customer'. The current balance is zero. The item list contains one entry: 'Item 2' with a quantity of '100 Lts', a rate of '65.00 Lts', and a total amount of '6,500.00'. The screen also shows 'Show Statutory Details' set to 'No' and a 'Narration' field. A summary row at the bottom right shows '100 Lts' and '6,500.00'.

Name of Item	Quantity	Rate per	Disc. %	Amount
Item 2	100 Lts	65.00 Lts		6,500.00
				100 Lts      6,500.00

[Img-67]

3. **Accept** to save

During Invoicing, there is an additional field **Price Level** enabled once Price Levels feature is activated and is prefilled with the Price Level which are specified for the selected Party ledger and the cursor skips this field.

You may change the **Price Level** during Invoicing by pressing **F12: Configure** and setting **Yes** to **Allow modification of ALL fields during entry**.

Go to **Gateway of Tally > F12: Configure > Invoice/Orders Entry**

<u>Invoice / Delivery Note / Order Configuration</u>			
<b>General</b>		<b>Inventory</b>	
Accept Supplementary Details (Address Details, Despatch Details etc.)	? No	Warn on Negative Stock Balance	? Yes
Print Default Name & Address of Party	? Yes	Honor Expiry Dates usage for Batches	? Yes
Allow Separate Buyer and Consignee Names	? No	Complete Accounting Allocations in Order/Delivery Note	? Yes
Allow modification of ALL fields during entry	? <b>No</b>	<b>Statutory</b>	
Use Common Ledger A/c for Item Allocation	? Yes	Calculate Tax on current Sub-Total (else calculations are on Inventory Total only)	? No
Use Defaults for Bill Allocations	? Yes	Allow selection of VAT/Tax Class during entry	? No
Use Additional Description(s) for Item Name	? No	Warn on Mismatch in VAT Rates	? No
Use Additional Description(s) for Ledger Name (for Accounting Invoice.)	? No	Activate 'E1' or 'E2' Transaction (VAT)	? No
Show turnover achieved with Customer	? No	<b>POS</b>	
<b>Exporters' Options</b>		Skip Qty field during POS Invoicing (faster entry!)	? Yes
Specify Export Shipping details	? No	Allow modification of Rate field during POS Invoicing	? No
Specify Marks & Nos./Container No.	? No	Allow Party Details in POS Invoice	? Yes
Specify No. and Kind of Packages	? No		

[Img-68]

Set **Allow modification of ALL fields during entry** to **No** to prevent changes made to prices. If you set it to **Yes**, you can override the prices already defined.

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

- Select **As Invoice**.

Accounting Voucher Creation		ABC Company		Ctrl + M	
<b>Sales</b>	No. 5			1-Sep-2008 Monday	
Ref: C005				Price Level : <b>Retail</b>	
Party's A/c Name : Bangalore Customer				Price Levels	
Current Balance :				<input type="checkbox"/> Not Applicable <input type="checkbox"/> Customer <input checked="" type="checkbox"/> Retail <input type="checkbox"/> Wholesale	
Name of Item	Quantity	Rate per			
Item 2	100 Lts	65.00 Lts			
[ End of List					

[Img-69]

Once the above configuration is enabled in **F12: Configure**, you will now be allowed to modify the Price Levels for the selected Party Ledger during Invoicing.

**Note:** Tally.ERP 9 provides you flexibility to select items with and without the Price List in the same invoice. For example, for the item which had the Price List defined, Tally.ERP 9 took the details automatically. Whereas for the stock item which did not have a Price List defined, Tally.ERP 9 prompted for the same.

**Zero Valued entries** are those entries where a voucher entry is made without any values, i.e., one of the parameters (Qty or Rate) may not have a value but needs to be updated in the records.

Example:

Zero-rated VAT or Exempt from Tax Account. You are permitted to make such an entry. The Exempt Ledger account can be viewed for all Exempt Sales.

- The items which are given as Free Samples.

Note: Zero Valued entries are allowed only in Sales and Purchase vouchers only and are not available in Receipt, Payment vouchers and journal vouchers.

### **Enabling Zero Value entry**

Enabling Allow Zero valued entries in F11: Feature: F1:Accounting Features/ F2: Inventory Features.


**Enabling Zero Value entry**

Enabling **Allow Zero valued entries** in **F11: Feature: F1:Accounting Features/ F2: Inventory Features.**

Company: ABC Company			
Inventory Features			
<b>General</b>		<b>Invoicing</b>	
Integrate Accounts and Inventory	? Yes	Allow Invoicing	? Yes
Allow Zero valued entries	? <b>Yes</b>	Enter Purchases in Invoice Format	? Yes
<b>Storage &amp; Classification</b>		Use Debit/Credit Notes	? No
Maintain Multiple Godowns	? No	Use Invoice mode for Credit Notes	? No
Maintain Stock Categories	? No	Use Invoice mode for Debit Notes	? No
Maintain Batch-wise Details (set Expiry Dates for Batches)	? No	Separate Discount column on Invoices	? No
Use different Actual & Billed Qty	? No	<b>Purchase Management</b>	
<b>Order Processing</b>		Track additional costs of Purchase	? Yes
Allow Purchase Order Processing	? Yes	<b>Sales Management</b>	
Allow Sales Order Processing	? Yes	Use Multiple Price Levels	? No
		<b>Additional Inventory Vouchers</b>	
		Use Tracking Numbers (Delivery/Receipt Notes)	? Yes
		Use Rejection Inward/Outward Notes	? Yes

F1: Accounts    F2: Inventory    F3: Statutory    F4: Tally.NET

Example: Create a Sales invoice with Zero Value entry.



Accounting Voucher Creation ABC Company Ctrl + M

**Sales** No. 1 1-Apr-2008 Tuesday

Ref:

Party's A/c Name : Customer A  
Current Balance :

Name of Item	Quantity	Rate per	Amount
Item A	10.00 nos	100.00 nos	1,000.00
Item B	2.00 nos		
			1,000.00

End of List

Narration: 12.00 nos 1,000.00

In the above Snap shot you can make out that, if Item A is purchased, then Item B is free. Even if the values are not mentioned, the quantities of Item B will be reduced from the stocks.

## Using different Actual and Billed Quantities' in Tally.ERP 9

Sometimes, the goods purchased or sold may have difference in the **Actual and the Billed quantities** due to the following reasons:

- Free scheme
- Rejected by the customer for defective quality
- Rounding off of the billing quantity (for e.g., in Textile industries, Cloth measuring 150.50 mtrs is actually delivered but bill is made for 150 mtrs)

Recording of Actual Quanties and the Billed Quanties are essential to get the accurate stock values and sale/purchase value i.e., the Books of Accounts should be updated with the Billed quantities and **Stocks** has to be updated only with the Actual Quantities. Tally.ERP 9 allows you to record both these in different fields i.e., Billed and Actual Quantity separately in the same invoice.

**Note:** The **Actual Quantity** updates stock and the **Billed Quantity** affects the accounts and thus shows the correct position of both Accounts as well as Inventory.

Set the option **Use different Actual and Billed Qty** to **Yes** in **F11:Features:F2:Inventory Features**.



Company: ABC Company

Inventory Features

<u>General</u>		<u>Invoicing</u>	
Integrate Accounts and Inventory	? Yes	Allow Invoicing	? Yes
Allow Zero valued entries	? Yes	Enter Purchases in Invoice Format	? Yes
<u>Storage &amp; Classification</u>		Use Debit/Credit Notes	? No
Maintain Multiple Godowns	? No	Use Invoice mode for Credit Notes	? No
Maintain Stock Categories	? No	Use Invoice mode for Debit Notes	? No
Maintain Batch-wise Details (set Expiry Dates for Batches)	? No	Separate Discount column on Invoices	? No
Use different Actual & Billed Qty	? <b>Yes</b>	<u>Purchase Management</u>	
<u>Order Processing</u>		Track additional costs of Purchase	? Yes
Allow Purchase Order Processing	? Yes	<u>Sales Management</u>	
Allow Sales Order Processing	? Yes	Use Multiple Price Levels	? No
		<u>Additional Inventory Vouchers</u>	
		Use Tracking Numbers (Delivery/Receipt Notes)	? Yes
		Use Rejection Inward/Outward Notes	? Yes

F1: Accounts    F2: Inventory    F3: Statutory    F4: Tally.NET

[Img-9]

Purchase or Sales vouchers with Actual and Billed quantity will appear as shown.

Accounting Voucher Creation    ABC Company    Ctrl + M

**Sales** No. 1    1-Apr-2008  
 Ref:    Tuesday

Party's A/c Name : Customer A  
 Current Balance :

Name of Item	Quantity		Rate per	Amount
	Actual	Billed		
Item A	10.00 nos	8.00 nos	100.00 nos	800.00
□ End of List				
Narration:				10.00 nos    8.00 nos    800.00

[Img-10]

In the screen shown above, there are two columns under **Quantity**:

- Actual

- Billed

Once when quantities are entered under Actual and Billed, stocks will be reduced to the extent of Actual quantities only.

Example:

A company gives 2 items free as a sample to the customer, when 10 items are purchased. Then under **Actual** qty column 10 numbers will be entered and under **Billed** quantity 8 numbers will be entered. In the stock summary 10 numbers will be shown under **Outwards**.

Attitude Academy

## Job Costing in Tally.ERP 9

**Job costing** is a form of specific order costing, which applies to a job undertaken according to customer requirements and specifications. Tally.ERP 9 enables the tracking of cost and revenue information down to the smallest detail. With a view to ascertaining the actual costs incurred for each job, each job is assigned a job number or Job name. Job costing systems then accumulate costs separately for each product or service, based on the jobs undertaken, for each product or service.

Some of the examples of Job Costing are Interior Decoratoration, Construction, Architecture, Printing etc.,

### Use of Job Costing

- To determine the true cost for each job broken down by locations
- To determine the revenue and expenditure and therefore the profit associated with each job
- To track overhead costs by allocating them for each job
- To identify loss on projects at an early stage

## Features of Job Costing in Tally.ERP 9

- It helps in accumulating Cost and Revenue for a particular Job / Project.
- It allows tracking transfers of materials from one godown to another.
- It allows tracking of consumption of materials at different locations.
- It ascertains profitability i.e., Net Profit / Loss for a particular Job / Project.
- It provides summary of inventory movements (Opening, Inwards, Outwards , Transfer, Consumption etc.)
- Allows comparison of each element of cost, selling price and profit with other jobs in single screen
- Allows drill down till voucher level for any kind of alteration or reference

## Enabling Job Costing in Tally.ERP 9

The **Job Costing** feature in Tally.ERP 9 is used to track all the incomes and expenses for a project. Each

project or job is created as a Cost Centre. The Cost Centres and Inventory Options (Maintain Multiple Godowns) are integrated in Tally.ERP 9 to enable Job Costing, if the company maintains Accounts with Inventory features. For companies that maintain Accounts Only, the Job Costing feature will not be available.

**To enable Job Costing:**

Go to **Gateway of Tally > F11: Company Features ( F1: Accounting features)**

1. Set **Maintain Cost Centres** and **Use Cost Centre for Job Costing** to **Yes**.

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

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

[Img-1]

2. Set **Maintain Multiple Godowns** to **Yes** in **F11: Company Features** (F2: Inventory Features).
3. Click **Accept** to save.

**Attitude**

Company: ABC Company			
Inventory Features			
<b>General</b>		<b>Invoicing</b>	
Integrate Accounts and Inventory	? Yes	Allow Invoicing	? Yes
Allow Zero valued entries	? No	Enter Purchases in Invoice Format	? Yes
<b>Storage &amp; Classification</b>		Use Debit/Credit Notes	? Yes
Maintain Multiple Godowns	? <b>Yes</b>	Use Invoice mode for Credit Notes	? Yes
Maintain Stock Categories	? No	Use Invoice mode for Debit Notes	? Yes
Maintain Batch-wise Details (set Expiry Dates for Batches)	? No	Separate Discount column on Invoices	? No
Use different Actual & Billed Qty	? No	<b>Purchase Management</b>	
<b>Order Processing</b>		Track additional costs of Purchase	? No
Allow Purchase Order Processing	? Yes	<b>Sales Management</b>	
Allow Sales Order Processing	? Yes	Use Multiple Price Levels	? No
Allow Job Order Processing (Note : Enables Maintain Multiple Godowns and Use Material In/Out)	? No	<b>Other Features</b>	
		Use Tracking Numbers (Delivery/Receipt Notes)	? Yes
		Use Rejection Inward/Outward Notes	? No
		Use Material In/Out	? No
		Track Stock Item Cost	? Yes

F1: Accounts    F2: Inventory    F3: Statutory    F4: Tally.NET    F5: Audit

[Img-2]

**Note:** For companies, that **Maintain Accounts only**, the Job Costing feature will not be available.

## Creating Masters for Job Costing in Tally.ERP 9

Creating **masters for Job Costing** is similar to creation of other ledgers. The masters for job work analysis are:

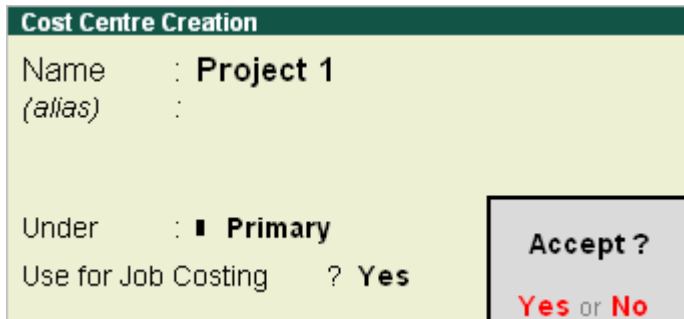
1. Cost Centres for Job Costing
2. Godowns dedicated to specific jobs
3. Stock Items
4. Customer and Supplier ledgers
5. Sales and Purchase ledger accounts
6. Expenses and Income Accounts
7. Stock Journal Voucher class
  - Transfer voucher class
  - Consumption voucher class

## Creating Cost Centres for Job Costing in Tally.ERP 9

Creating **Cost Centres for Job Costing** is similar to creation of other Cost Centres. Refer Cost Centres for additional Information.

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

1. Enter the name of the **Cost Centre** in the **Name** field. Eg: **Project 1**.
2. In the **Under** field select **Primary** from the List of Options.
3. 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.
4. Click **Accept** to save the settings.



**Cost Centre Creation**

Name : **Project 1**  
(alias) :

Under : **Primary**

Use for Job Costing ? **Yes**

**Accept ?**  
**Yes or No**

[Img-3]

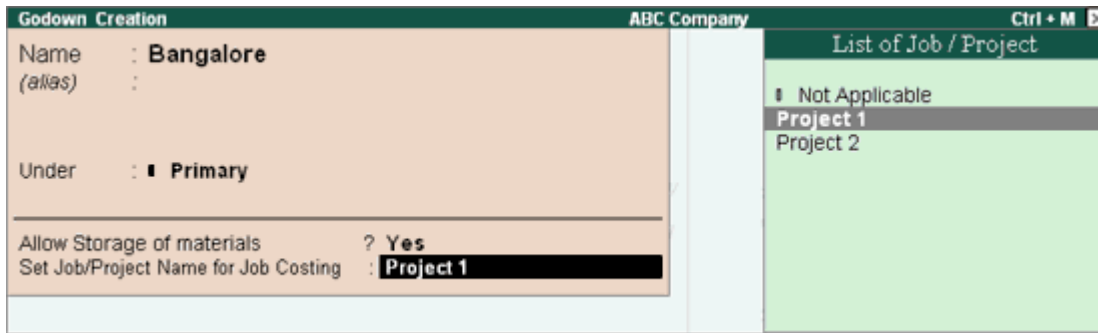
## Creating Godowns for Job Costing in Tally.ERP 9

For creating **Project / Job Location** use **Godown** Creation.

Once Godown is allocated to the Job/Project, it is taken into account that all the materials issued or received for that particular Job/Project and will reflect in the reports. It is always advised to create separate godowns for each Job/Project.

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

1. In the **Godown Creation** screen, Allow Storage of Materials is automatically set to **Yes**.  
Ex: Bangalore.
2. An additional field **Set Job/Project Name for Job Costing** is displayed. Press the spacebar in the field and the list of Cost Centres for which Use for Job Costing was set to yes is displayed in the List of Cost Centres sub-screen.
3. Select the **Cost Centre** to which the **Godown** is associated.
4. Click **Yes** to Save.



[Img-4]

**Note:** Refer Create a [Location](#) for more details on Creating Godown. When the Godown is configured for Job Work cursor will not move to Use for section.

## Creating Ledgers for Job Costing in Tally.ERP 9

Creating **Ledgers for Job Costing** is similar to that of other Ledgers. Refer Ledgers for additional information.

### **Creating Job Costing Party Ledgers**

Create party accounts for our Customers under Sundry Debtors. For e.g. you can create a Ledger for a Bangalore customer and one for a Chennai customer. Similarly create your Suppliers under Sundry Creditors.

### **Creating Sales and Purchases Ledgers**

Create Sales Ledgers under Sales Accounts and Purchase Ledgers under Purchase Accounts. Ensure that the field Cost Centres are applicable? is Yes for the Ledgers you want to include in Job Costing.

### **Creating Income and Expenses Ledgers**

Create Income Ledgers such as Project Inspection Charges etc. under Direct Income. Expense ledgers such as Transportation Charges, Project Site Rent, and so on can be created under Direct Expenses. Staff Welfare, Telephone Charges etc. can be created under Indirect Expenses as required by your project. Ensure that the field Cost Centres are applicable? is Yes for all the Ledger Accounts you want to include in Job Costing.

## Creating Stock Journal Voucher class in Tally.ERP 9

**Stock Journal classes** allow you to handle transfers from one location (Godown) to another, for companies having Multi-Location Inventory and at least two locations/Godowns created. It also allows you to track transfer of materials for consumption.

**Note :** Refer to [Voucher Classes for Stock Journals](#) for additional information.

Go to **Gateway of Tally > Accounting Info or Inventory Info > Voucher Types > Alter > Stock Journal >** under '**Name of Class**' give the name as '**Transfer**':

<u>Class : Transfer</u>	
Use Class for Inter- Godown Transfers	? <b>Yes</b>
Use Class for Job Costing Consumption	? <b>No</b>

[Img-5]

1. Below '**Transfer - Name of Class**' give the name as '**Consumption**'.

<u>Class : Consumption</u>	
Use Class for Inter- Godown Transfers	? <b>No</b>
Use Class for Job Costing Consumption	? <b>Yes</b>

[Img-6]

The **Stock Journal Voucher screen**, which contains both **Transfer** and **Consumption** voucher class is displayed as shown.

<u>General</u>		<u>Printing</u>	<u>Name of Class</u>
Name : <b>Stock Journal</b> (alias) :		Print after saving Voucher ? <b>No</b>	<b>Transfer</b> <b>Consumption</b>
Type of Voucher : <b>Stock Journal</b>	Abbr. : <b>Stk Jml</b>		
Method of Voucher Numbering ? <b>Automatic</b>			
Use Advance Configuration ? <b>No</b>			
Use EFFECTIVE Dates for Vouchers ? <b>No</b>			
Make 'Optional' as default ? <b>No</b>			
Use Common Narration ? <b>Yes</b>			
Use as a Manufacturing Journal ? <b>No</b>			
			<b>Accept ?</b> <b>Yes or No</b>

[Img-7]

## Creating Purchase Vouchers in Tally.ERP 9

If you would like to allocate the Cost Centers, then enter purchase voucher in As Voucher mode as the Cost Allocation sub-screen does not appear in the As Invoice mode, else enter purchase voucher in As Invoice. In the purchase entry it is not necessary to allocate to Job Costing for Job Cost reporting.

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

1. In the **Voucher Creation** screen select **F9: Purchase**.



2. Select **As Invoice**.
3. Enter the current date and reference.
4. Select the **Party** to be credited from the List of Ledger Accounts in Party's A/c name.
5. Select the required **Purchase** Ledger from the List of Ledger Accounts.
6. Select an item from the **Stock Items** List of Items.

On selecting the Item, an **Item Allocations sub screen** for the selected Item is displayed as shown.

Stock Item Allocations				ABC Company	Ctrl + M	
Purchase No. 1		Ref:		2-Apr-2008 Wednesday		
Party's A/c Name : Supplier A				Current Balance		
Item Allocations for : Cement				Quantity	Rate per	
Godown	Quantity	Rate per	Amount			
Order No.: # Not Applicable				600 Bags	320.00 Bags	1,92,000.00
Bangalore	250 Bags	320.00 Bags	80,000.00			
Order No.: # Not Applicable						
Hyderabad	350 Bags	320.00 Bags	1,12,000.00			
				600 Bags		1,92,000.00
				<b>600 Bags</b>		<b>1,92,000.00</b>

[Img-8]

7. Select the **Godown** under the **Godown** field and specify the quantity to be allocated under the **Quantity** field.
8. Enter the **Quantity** and **Rate**, and the amount is automatically displayed in the **Amount** field.
9. Select another **Godown** and follow the similar procedure for Item allocation.
10. Select the **Items** to be purchased.
11. Enter **Narration** if required and accept to save

**Note :** In the Job Work Analysis report, purchase amount will be shown in the inwards column.

Accounting Voucher Creation		ABC Company		Ctrl + M
<b>Purchase</b> No. 1				2-Apr-2008
Ref:				Wednesday
Party's A/c Name : Supplier A				
Current Balance :				
Purchase Ledger : Project Purchase				
Name of Item	Quantity	Rate per	Amount	
Cement	600 Bags	320.00 Bags	1,92,000.00	
Iron & Steel	1,024 Tons	9,000.00 Tons	92,16,000.00	
			<hr/>	
			94,08,000.00	
[ End of List				
Narration:				<hr/>
				94,08,000.00

[Img-9]

## Creating Stock Journal Vouchers for Job Costing in Tally.ERP 9

Attitude

**Inter Project Transfer Entry:**

For Inter Project / Site Transfer, use Stock Journal with Transfer Class.

Go to **Gateway of Tally > Inventory Vouchers > press Alt+F7**

<b>Voucher Type</b>		
Name	: <b>Stock Journal</b>	Voucher Class List
Class	: <b>Transfer</b>	<input type="checkbox"/> Not Applicable Consumption
		<b>Transfer</b>

[Img-10]

Inventory Voucher Creation		ABC Company		Ctrl + M	
Stock Journal No. 1		Voucher Class : Transfer		3-Apr-2008 Thursday	
Transfer of Materials (Inter- Godown )					
Destination Godown : <b>Hyderabad</b>					
Name of Item	Godown	Quantity	Rate	Amount	
Iron & Steel	Bangalore	600 Tons	9,000.00/Tons	54,00,000.00	
			600 Tons	54,00,000.00	
Narration: [REDACTED]					

[Img-11]

1. Select the **Godown** from the List of Godowns, to where Items are to be transferred.
2. Select the **item** from the List of Items.
3. Select the **Godown** from the List of Godowns, from where goods are transferred.
4. Enter the **Quantity** and **Rate**, **Amount** will be displayed automatically.
5. Enter the **Narration**, if required.

**Consumption Entry:**

For consumption of material, use Stock journal voucher with Consumption Class.

Go to **Gateway of Tally > Inventory info > press Alt+F7 > select Consumption** under **Class**.

<b>Voucher Type</b>		
Name	: <b>Stock Journal</b>	Voucher Class List
Class	: <b>Consumption</b>	<input type="checkbox"/> Not Applicable
		<b>Consumption</b>
		Transfer

[Img-12]

Source (Consumption)					Destination (Production)				
Name of Item	Godown	Quantity	Rate	Amount	Name of Item	Godown	Quantity	Rate	Amount
<b>Cement</b>	Hyderabad	200 Bags	320.00/Bags	64,000.00	# End of List				
<b>Iron &amp; Steel</b>	Hyderabad	500 Tons	9,000.00/Tons	45,00,000.00					
				45,64,000.00					

Narration: [REDACTED]

[Img-13]

1. Enter the **Date** as current date or as required.
2. Select the stock **Items** from the '**List of Items**' screen.
3. Select the **Godown** from which the items are to be consumed.
4. Enter the **Quantity** and **Rate**. The amount is automatically displayed in the **Amount** field.
5. Enter the **Narration** if required.

**Note:** This Consumption Amount will be shown under 'consumption' column in the Job

Work Analysis Report.

### Other Transfers:

When materials are transferred from one godown to another (Godown tagged to the Job Costing) without selecting the voucher class (Classes created for 'Transfer' and 'Consumption'), it will be taken under 'Other Transfers' in the Job Work Analysis report.

Source (Consumption)					Destination (Production)				
Name of Item	Godown	Quantity	Rate	Amount	Name of Item	Godown	Quantity	Rate	Amount
Iron & Steel	Hyderabad	100 Tons	9,000.00/Tons	9,00,000.00	Iron & Steel	Bangalore	100 Tons	9,000.00/Tons	9,00,000.00
		100 Tons		9,00,000.00			100 Tons		9,00,000.00

Narration: [REDACTED]

[Img-14]

## Creating Manufacturing Journal for Job Costing in Tally.ERP 9

Job Work Analysis report will also take into consideration of a **product produced** by passing **Manufacturing Journal voucher**.

### Creating Manufacturing Voucher Type

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

1. Under **Name** type **Manufacturing Journal**.
2. Under **Type of Voucher** select **Stock Journal**.
3. Set **Use as a Manufacturing Journal** to **Yes**.

Voucher Type Creation		ABC Company	Ctrl + M
Name : Manufacturing Journal			
<u>General</u> Type of Voucher : <b>Stock Journal</b> Abbr. : Stk Jnl		<u>Printing</u> Print after saving Voucher ? <b>No</b>	
Method of Voucher Numbering ? <b>Automatic</b> Use Advance Configuration ? <b>No</b>		<u>Name of Class</u>	
Use EFFECTIVE Dates for Vouchers ? <b>No</b> Make 'Optional' as default ? <b>No</b> Use Common Narration ? <b>Yes</b>			
Use as a Manufacturing Journal ? <b>Yes</b>			

[Img-15]

### Creating Bill of Materials:

In the item master creation screen (Building), press **F12: Configure (Stock Item Configuration)** and set **Allow component list details ( Bill of Materials)** to **Yes**.

<u>Stock Item Configuration</u>	
Allow ALIASES along with Names	? <b>Yes</b>
Allow Language ALIASES along with Names	? <b>Yes</b>
Allow ADVANCED entries in Masters	? <b>Yes</b>
Use PART NUMBERS for Stock Items	? <b>No</b>
Use Description for Stock Items	? <b>No</b>
Use REMARKS for Stock Items	? <b>No</b>
Specify Default Ledger Allocation for Invoicing	? <b>No</b>
Use ALTERNATE UNITS for Stock Items	? <b>No</b>
Allow Std. Rates for Stock Items	? <b>No</b>
Allow Component list details (Bill of Materials)	? <b>Yes</b>

[Img-16]

**Accept** to save the screen.

Now In the Item master creation screen, set **Set Components List** to **Yes**

Stock Item Creation		ABC Company	
Name : <b>Computer</b> (alias) :			
Under : <b>Assembling</b>		<u>Tax Information</u>	
Units : <b>nos</b>		Rate of Duty (eg 5) : <b>0</b>	
Set Components (BoM) ? <b>Yes</b>			
Opening Balance :		<b>Quantity</b>	<b>Rate per</b>
			<b>Value</b>

[Img-17]

Then the **Stock Item Multi Components (M BOM)** screen will be displayed. In **Name of BOM** specify the BOM Name

Stock Item Multi Components (M BOM)		ABC Company		Ctrl + M						
Name : Computer (alias) :										
Under : Assembling		<table border="1"> <thead> <tr> <th colspan="2">BOM List of : Computer</th> </tr> <tr> <th colspan="2">Name of BOM</th> </tr> </thead> <tbody> <tr> <td colspan="2"><b>Standard</b></td> </tr> </tbody> </table>			BOM List of : Computer		Name of BOM		<b>Standard</b>	
BOM List of : Computer										
Name of BOM										
<b>Standard</b>										
Units : nos										
Set Components List ? Yes										

[Img-18]

Press **Enter** from **Name of BOM** to view **Stock Item Components (BOM)** screen. The completed component list is displayed as shown



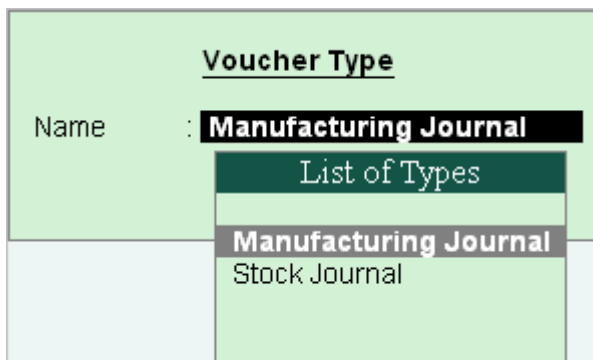
BoM Name	:	<b>Standard</b>
Components of	:	<b>Computer</b>
Unit of manufacture	:	<b>1 nos</b>

Item	Godown	Quantity
Keyborad	Mumbai	1 nos
Mouse	Mumbai	1 nos
Monitor	Mumbai	1 nos
Micro Processor	Mumbai	1 nos
Cabinet	Mumbai	1 nos
Hard Disk	Mumbai	1 nos
DVD Drive	Mumbai	1 nos
Memory Stick	Mumbai	1 nos
SMPS Unit	Mumbai	1 nos

[Img-19]

Go to **Gateway of Tally >Inventory Vouchers > press Alt+F7 > select 'Manufacturing Journal'** under **Voucher Type**.



[Img-20]

### **Passing Manufacturing Journal**



Components (Consumption)				Co-Products / By-Products / Scrap						
Name of Item	Godown	Quantity	Rate	Amount	Name of Item	Godown	% of Cost allocation	Quantity	Rate	Amount
Keyboard	Mumbai	10 nos	2,500.00/nos	25,000.00	J End of List					
Mouse	Mumbai	10 nos	650.00/nos	6,500.00						
Monitor	Mumbai	10 nos	17,500.00/nos	1,75,000.00						
Micro Processor	Mumbai	10 nos	3,500.00/nos	35,000.00						
Cabinet	Mumbai	10 nos	250.00/nos	2,500.00						
Hard Disk	Mumbai	10 nos	5,500.00/nos	55,000.00						
DVD Drive	Mumbai	10 nos	2,200.00/nos	22,000.00						
Memory Stick	Mumbai	10 nos	1,800.00/nos	18,000.00						
SMPS Unit	Mumbai	10 nos	1,100.00/nos	11,000.00						
		90 nos		3,50,000.00						
					Total Addl. Cost :					
					Effective Cost :					3,50,000.00
					Allocation to Primary Item :					3,50,000.00
					Effective Rate for Primary Item :					35,000.00

[Img-21]

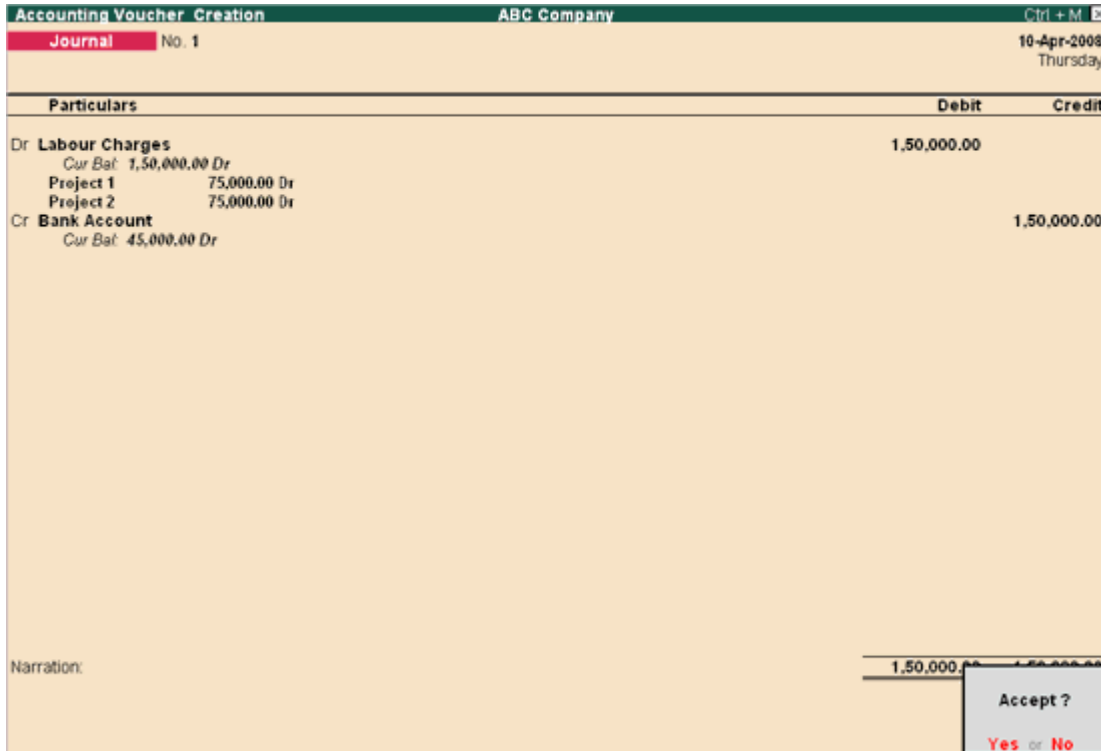
1. Select the **Product** under **Name of Product**.
2. Select the appropriate **Godown** (Job/Project).
3. Enter the **quantity**.
4. Sub-Component items will be displayed automatically.
5. Enter the **Addl.cost**, if any.
6. Enter the **Narration**.



## Creating Journal Vouchers for Job Costing in Tally.ERP 9

Even Journal Vouchers could be used to allocate the receipts and payments for Job/Projects.

**Note:** In the Journal Voucher screen, enable the option **Allow Cash Accounts in Journals** in **F12: Configuration** screen.



Accounting Voucher Creation ABC Company Ctrl + M

Journal No. 1 10-Apr-2008 Thursday

Particulars	Debit	Credit
Dr Labour Charges	1,50,000.00	
Cur Bal: 1,50,000.00 Dr		
Project 1           75,000.00 Dr		
Project 2           75,000.00 Dr		
Cr Bank Account		1,50,000.00
Cur Bal: 45,000.00 Dr		

Narration:

1,50,000.00

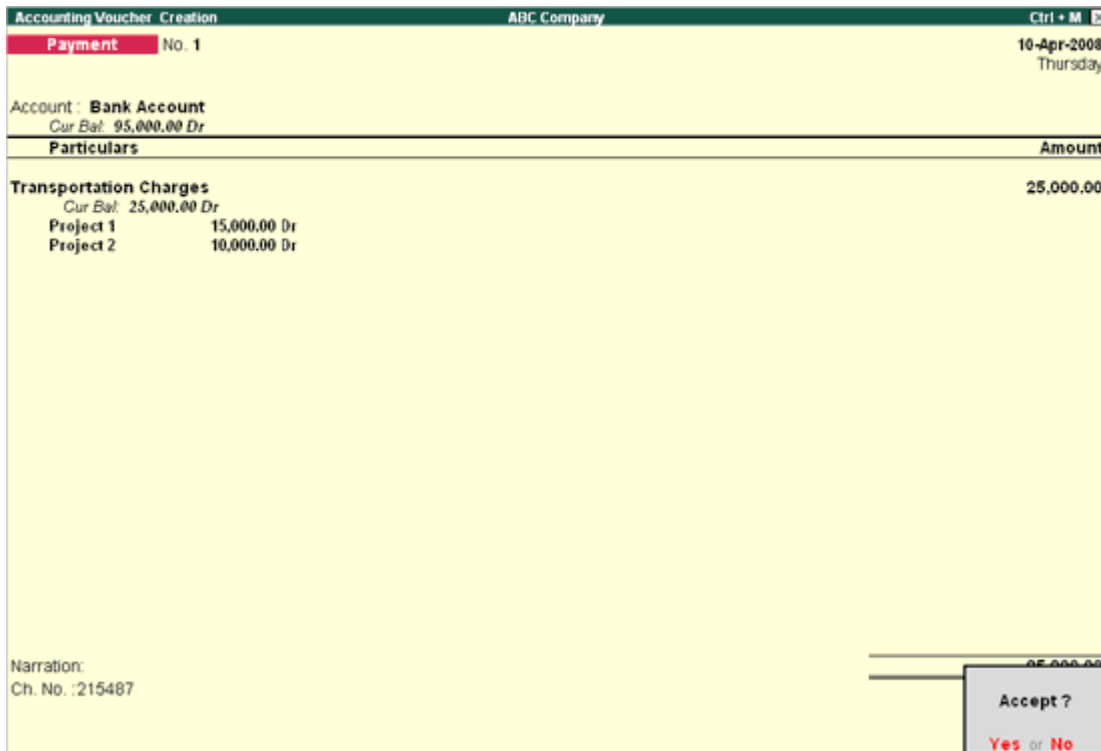
Accept ?  
Yes or No

[Img-22]

## Creating Payment Vouchers for Job Costing in Tally.ERP 9

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

1. In the **Voucher Creation** screen select **F5: Payment**.
2. Enter the date and reference.
3. Select the **Bank Account** or **Cash Account** from where payment has to be made.
4. Select the **Expense** Ledger Account created and enter the amount to be debited.
5. The **Cost Allocations** sub-screen appears. If the payment has to be allocated to more than one **Cost Centre**, select the Cost Centres and allocate the corresponding amount.
6. Enter **Narration** if required and accept to save.



Accounting Voucher Creation      ABC Company      Ctrl + M

**Payment** No. 1      10-Apr-2008  
Thursday

Account : **Bank Account**  
Cur Bal: 95,000.00 Dr

Particulars		Amount
<b>Transportation Charges</b>		25,000.00
Cur Bal: 25,000.00 Dr		
Project 1	15,000.00 Dr	
Project 2	10,000.00 Dr	

Narration:  
Ch. No. : 215487

25,000.00

Accept ?  
Yes or No

[Img-23]

Similarly, the expenses related for a particular project could be accounted by tagging to the respective Job/Projects.

## Creating Sales Voucher for Job Costing in Tally.ERP 9

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

1. In the Voucher Creation screen, select **F8: Sales**.
2. Select **As Voucher**.

**Note:** You can create an **Item Invoice** or an **Account Invoice** and allocate appropriate Cost Centers or Job/Project and also sales can be created - As Voucher or As Invoice

3. Enter the **date** and **reference**.
4. Select the appropriate **Customer** in the **Party's A/c Name**.
5. Enter the amount in the **Amount** field.
6. Select the **Sales ledger** from the List of Ledger Accounts.
7. In the **Cost Allocations** sub screen, select the **Cost Centre** from the List of Cost Centres under the field Name of Cost Centre and enter the amount to be allocated to that Cost Centre.
8. Enter **Narration** if required and accept to save.

Accounting Voucher Creation		ABC Company	Ctrl + M
<b>Sales</b> No. 1			15-Apr-2008 Tuesday
Ref:			
Particulars	Debit	Credit	
Dr Customer B	36,64,000.00		
Cur Bal: 36,64,000.00 Dr			
New Ref 1	36,64,000.00 Dr		
Cr Project Sales		36,64,000.00	
Cur Bal: 36,64,000.00 Cr			
Building	1 nos 36,64,000.00		
Project 1	36,64,000.00 Cr		
Narration:			
-			
			36,64,000.00 36,64,000.00

[Img-24]

**Note:** When sales is created as **Item Invoice**, this details is available under **Cost of Sales** in the **Job Work Analysis - Consumption report**.

## Job Costing Reports in Tally.ERP 9

Job costing report enables the user to know the Net Profit/Loss for the selected re the reports available in Job Work Analysis.

The following reports are available for Job Costing :

- Job Work Analysis
- Material Consumption Summary
- Comparative Job Work Analysis report

## Job Work Analysis Report in Tally.ERP 9

Go to **Gateway of Tally > Display > Statement of Inventory > Job Work Analysis**



[Img-25]

**Job Work Analysis report** is displayed as shown:

Job Work Analysis		ABC Company	Ctrl + M
Particulars		Project 1	
		ABC Company	
		1-Apr-2008 to 15-Apr-2008	
<b>A. Revenue (Income) :</b>			
Sales Accounts			15,45,000.00
Indirect Incomes			1,10,000.00
			<u>16,55,000.00</u>
<b>B. Cost (Expenses) :</b>			
Consumption			6,17,000.00
Opening Stock		67,000.00	
Add: Inwards		23,64,500.00	
Less: Outwards		32,000.00	
Less: Closing Stock		<u>17,62,500.00</u>	
Direct Expenses			75,000.00
Indirect Expenses			15,000.00
			<u>7,07,000.00</u>
<b>Nett Profit: (A - B)</b>			<u><u>9,48,000.00</u></u>

[Img-26]

**Detailed view:**

Press **Alt+F1** in the **Job Work Analysis** report, to view a detailed report.

Attitude

Job Work Analysis		ABC Company	Ctrl + M
<b>Particulars</b>		Project 1 ABC Company 1-Apr-2008 to 15-Apr-2008	
<b>A. Revenue (Income) :</b>			
<b>Sales Accounts</b>			15,45,000.00
Project Sales		15,45,000.00	
<b>Indirect Incomes</b>			1,10,000.00
Commission & Brokerage		1,10,000.00	
			16,55,000.00
<b>B. Cost (Expenses) :</b>			
<b>Consumption</b>			6,17,000.00
Cost of Sales			
Job Consumption	5,000.00		
Opening Stock		67,000.00	
Add: Inwards			23,64,500.00
Purchase	22,72,000.00		
Manufacturing Journal			
Inter Project Transfer	76,500.00		
Other Transfer	16,000.00		
Less: Outwards			32,000.00
Manufacturing Journal			
Inter Project Transfer	32,000.00		
Other Transfer			
Less: Closing Stock			17,82,500.00
<b>Direct Expenses</b>			75,000.00
Labour Charges		75,000.00	
<b>Indirect Expenses</b>			15,000.00
Transportation Charges		15,000.00	
			7,07,000.00
<b>Nett Profit: (A - B)</b>			9,48,000.00

[Img-27]

**Detailed view with percentage:**

Press **F12** in the **Job Work Analysis** report, and set **Show Percentage** to **Yes**.

<b>Configuration</b>	
Format	: Condensed
Show Percentages	? <b>Yes</b>
Appearance of Names	: Name Only
Scale Factor for Values	: Default

[Img-28]



Job Work Analysis		ABC Company	Ctrl + M
<b>Particulars</b>		Project 1 ABC Company 1-Apr-2008 to 15-Apr-2008	
<b>A. Revenue (Income) :</b>			
<b>Sales Accounts</b>		15,45,000.00	93.25%
Project Sales		15,45,000.00	
<b>Indirect Incomes</b>		1,10,000.00	6.65%
Commission & Brokerage		1,10,000.00	
		<b>16,55,000.00</b>	<b>100%</b>
<b>B. Cost (Expenses) :</b>			
<b>Consumption</b>		6,17,000.00	37.28%
Cost of Sales			
Job Consumption		5,000.00	
Opening Stock		67,000.00	
Add: Inwards		23,64,500.00	
Purchase		22,72,000.00	
Manufacturing Journal			
Inter Project Transfer		76,500.00	
Other Transfer		16,000.00	
Less: Outwards		32,000.00	
Manufacturing Journal			
Inter Project Transfer		32,000.00	
Other Transfer			
Less: Closing Stock		17,82,500.00	
<b>Direct Expenses</b>		75,000.00	4.53%
Labour Charges		75,000.00	
<b>Indirect Expenses</b>		15,000.00	0.91%
Transportation Charges		15,000.00	
		<b>7,07,000.00</b>	<b>42.72%</b>
<b>Nett Profit: (A - B)</b>		<b>9,48,000.00</b>	<b>57.28%</b>

[Img-29]

## Materials Consumption Summary Report in Tally.ERP 9

To view the **Material Consumption Summary** report, scroll down to the line Consumption in Job Work Analysis Report and press **Enter**.

The **Material Consumption Summary** report is displayed.

Job Work Analysis		ABC Company		Ctrl + M	
<b>Particulars</b>		Project 3 ABC Company 1-Apr-2008 to 15-Apr-2008			
<b>A. Revenue (Income) :</b>					
<b>Sales Accounts</b>					
Project Sales				17,60,000.00	17,60,000.00
				<u>17,60,000.00</u>	<u>17,60,000.00</u>
<b>B. Cost (Expenses) :</b>					
<b>Consumption</b>					
Cost of Sales		11,30,456.25			
Job Consumption		<u>55,000.00</u>			
Opening Stock				38,500.00	
Add: Inwards				32,55,331.25	
Purchase		16,87,500.00			
Manufacturing Journal		11,98,968.75			
Inter Project Transfer		41,600.00			
Other Transfer		<u>19,700.00</u>			
Less: Outwards				15,42,850.00	
Manufacturing Journal		11,81,250.00			
Inter Project Transfer		41,600.00			
Other Transfer		<u>17,500.00</u>			
Less: Closing Stock				<u>3,44,781.25</u>	
					<u>14,06,200.00</u>
<b>Nett Profit: (A - B)</b>					<u>3,53,800.00</u>

[Img-30]

Here it will display **Opening Value, Inward Value, Consumption, Other Transfers** and **Closing Value**.

Material Consumption Summary		ABC Company		Ctrl + M	
<b>Particulars</b>		Project 3 ABC Company 1-Apr-2008 to 15-Apr-2008			
		Opening Value	Inward Value	Consumption	Other Transfers
					Closing Value
Finished Goods			15,65,631.25	13,72,450.00	1,93,181.25
Raw Material		38,500.00	16,89,700.00	33,750.00	1,51,600.00
<b>Grand Total</b>		<b>38,500.00</b>	<b>32,55,331.25</b>	<b>14,06,200.00</b>	<b>3,44,781.25</b>

[Img-31]

It will display the Godown of the particular Job/Project:

Detailed view of **Inward Value, Consumption** and **Other Transfers**:

Press **F12** and set **Show goods inwards in detail, Show goods Consumption in detail** and **Show goods outwards in detail** to Yes.



<u>Configuration</u>	
Show Opening Balance	? Yes
Show goods inwards	? Yes
Show goods inwards in details	? Yes
Show Consumption	? Yes
Show goods Consumption in details	? Yes
Show goods outwards	? Yes
Show goods outwards in details	? Yes
Show Closing Balance	? <b>Yes</b>
Appearance of Names	: Name Only
Scale Factor for Values	: Default

[Img-32]

**Material Consumption Summary** will appear as below:

Material Consumption Summary												ABC Company	Ctrl + M
Particulars	Project 3 ABC Company 1-Apr-2008 to 15-Apr-2008												
	Opening Value	Inwards				Consumption		Outwards			Closing Value		
	Purchase	Manufacturing Journal	Inter Project Transfer	Other Transfers	Cost of Sales	Job Consumption	Manufacturing Journal	Inter Project Transfer	Other Transfers				
Finished Goods			15,41,531.25	6,600.00	17,500.00	13,70,250.00	2,200.00					1,93,181.25	
Raw Material	38,500.00	16,87,500.00			2,200.00		33,750.00	15,18,750.00	6,600.00	17,500.00		1,51,600.00	
<b>Grand Total</b>	<b>38,500.00</b>	<b>16,87,500.00</b>	<b>15,41,531.25</b>	<b>6,600.00</b>	<b>19,700.00</b>	<b>13,70,250.00</b>	<b>35,950.00</b>	<b>15,18,750.00</b>	<b>6,600.00</b>	<b>17,500.00</b>		<b>3,44,781.25</b>	

[Img-33]

Further drill down from **Material Consumption Summary** to **Material Consumption Stock Summary**, would enable the user to view the Stock Group:

Material Consumption Stock Summary												ABC Company	Ctrl + M
Particulars	Godown : Finished Goods Project 3 ABC Company 1-Apr-2008 to 15-Apr-2008												
	Opening Value	Purchase	Manufacturing Journal	Inter Project Transfer	Other Transfers	Cost of Sales	Job Consumption	Manufacturing Journal	Inter Project Transfer	Other Transfers	Closing Value		
Assembling	38,500.00		15,41,531.25			13,73,940.22						2,06,091.03	
Pars				6,600.00	17,500.00		2,200.00					21,900.00	
<b>Grand Total</b>	<b>38,500.00</b>		<b>15,41,531.25</b>	<b>6,600.00</b>	<b>17,500.00</b>	<b>13,73,940.22</b>	<b>2,200.00</b>					<b>2,27,991.03</b>	

[Img-34]

This Report displays the material consumed for the Job/Project. Details of Opening value, Inward Value, consumption, other transfers and Closing value is shown – Drill down:

Opening Value: Opening Balance of the items which are tagged to the Godowns (Job/Project) is displayed here.

### **Inwards:**

- **Purchase:** The value of the materials which are purchased for the project is displayed here.
- **Manufacturing Journal:** The value of the materials which are produced by passing Manufacturing Journal voucher tagging to the appropriate godown, is displayed here under Inwards.
- **Inter Project Transfer:** The value of the transfer entry which is made by using '**Class**' created for 'Stock Journal' and tagging to the appropriate godown is displayed here.
- **Other Transfers:** Transfer of materials which are done by NOT using the '**Transfer Class**' created for Stock Journal would appear here.

### **Consumption:**

- **Cost of Sales:** The Value of Cost of Sales will be displayed here. Cost of Sales is nothing but Number of quantities (Sold) x Cost of Purchase. Sales which is made by using **Item invoice** will appear here.
- **Job Consumption:** The value of the entries which are made using 'Consumption Class' create for Stock Journal is displayed here.

### **Outwards:**

- **Manufacturing Journal:** The value of the materials which are used\ consumed for a Job/Project in the manufacturing journal voucher entry is displayed here.
- **Inter Project Transfer:** The value of the transfer entry which is made by using '**Class**' created for '**Stock Journal**' and tagging to the appropriate godown is displayed here.
- **Other Transfers:** Transfer of materials which are done by NOT using the '**Transfer Class**' created for Stock Journal would appear here.

### **Closing Value:**

Closing value of an item will be determined based on costing method.

**Closing value = Opening Value + Inwards – Consumption – Other Transfers**

Drill down from the above report, will display the Stock items used for Job/Project

Material Consumption Stock Summary												ABC Company		Ctrl + M	
Particulars	Godown : Finished Goods Project 3 ABC Company 1-Apr-2008 to 15-Apr-2008											Closing Value			
	Opening Value	Inwards				Consumption		Outwards			Closing Value				
	Purchase	Manufacturing Journal	Inter Project Transfer	Other Transfers	Cost of Sales	Job Consumption	Manufacturing Journal	Inter Project Transfer	Other Transfers						
Computer	38,500.00		15,41,531.25			13,73,940.22					2,06,091.03				
<b>Grand Total</b>	<b>38,500.00</b>		<b>15,41,531.25</b>			<b>13,73,940.22</b>					<b>2,06,091.03</b>				

[Img-35]

Drill down further to display the **Godown Voucher** screens.

Godown Vouchers												ABC Company		Ctrl + M	
Stock Item: Computer Godown : Finished Goods											1-Apr-2008 to 15-Apr-2008				
Date	Particulars	Vch Type	Vch No.	Inwards		Outwards		Closing							
				Quantity	Value	Quantity	Value	Quantity	Value						
1-4-2008	Opening Balance			1 nos	38,500.00			1 nos	38,500.00						
15-4-2008	Keyboard	Manufacturing	1	45 nos	15,41,531.25										
15-4-2008	Customer A	Sales	3			40 nos	17,60,000.00	6 nos	2,06,091.03						
<b>Totals :</b>				46 nos	15,80,031.25	40 nos	17,60,000.00	6 nos	2,06,091.03						

[Img-36]

It displays the report godown wise - **Inwards, Outwards** and **Closing Balance**.

To view total material consumption of all the Job/Projects

The button **Auto Column** is available to view all the Job/Projects material consumption report in one sheet. Press **Alt+N**.

**Auto Repeat Columns**

Repeat Using : **Job / Project**

Show Total Column ? **Yes**

[Img-37]

Material Consumption Summary						ABC Company		Ctrl + M	
Particulars	Total					Closing Value			
	Opening Value	Inward Value	Consumption	Other Transfers					
Bangalore	67,000.00					17,82,500.00			
Finished Goods	38,500.00					2,27,991.03			
Hyderabad	69,500.00					9,65,000.00			
Raw Material						1,13,100.00			
<b>Grand Total</b>	<b>1,75,000.00</b>					<b>30,88,591.03</b>			

[Img-38]

**For comparison of one Job/Project material consumption with other Job/Project.**

The button **New Column** is also available in the report to view the period for a particular period that can be selected from the list – Press **Atl+C**

ABC Company		Ctrl + M
<b>Column Details</b>		<b>List of Job / Project</b>
From (blank for beginning) :	1-4-2008	Project 1
To (blank for end) :	15-4-2008	<b>Project 2</b>
Currency :	■ Base Currency	Project 3
Name of Cost Centre :	<b>Project 2</b>	

[Img-39]

Material Consumption Summary						ABC Company	Ctrl + M
Particulars	Project 2 ABC Company 1-Apr-2008 to 15-Apr-2008						
	Opening Value	Inward Value	Consumption	Other Transfers	Closing Value		
Hyderabad	69,500.00	18,52,000.00	8,64,000.00	92,500.00	9,65,000.00		
<b>Grand Total</b>	<b>69,500.00</b>	<b>18,52,000.00</b>	<b>8,64,000.00</b>	<b>92,500.00</b>	<b>9,65,000.00</b>		

[Img-40]

**Viewing other Job/project from the screen on one Job/Project:**

The button **Alter Column** is also available in the report to view the other job or Project. Press **Alt+A**

Column Details		ABC Company	Ctrl + M
Particulars	<b>Column Details</b>		<b>List of Job / Project</b>
	From (blank for beginning) :	1-4-2008	<b>Project 1</b>
	To (blank for end) :	15-4-2008	Project 2
	Currency :	■ Base Currency	Project 3
Bangalore	Name of Cost Centre :	<b>Project 1</b>	
Finished Goods			
Raw Material			

[Img-41]

Material Consumption Summary						ABC Company	Ctrl + M
Particulars	Project 1 ABC Company 1-Apr-2008 to 15-Apr-2008						
	Opening Value	Inward Value	Consumption	Other Transfers	Closing Value		
Bangalore	67,000.00	23,64,500.00	6,17,000.00	32,000.00	17,82,500.00		
<b>Grand Total</b>	<b>67,000.00</b>	<b>23,64,500.00</b>	<b>6,17,000.00</b>	<b>32,000.00</b>	<b>17,82,500.00</b>		

[Img-42]

**F4 button:**

Click this button to select the other Job/Project from the list.

**F7: Button or Show:**

**Profit** button is available in the **Material Consumption Stock Summary report**, to view the **Gross Profit** with **Percentage** for a particular Job/Project.

Material Consumption Stock Summary		ABC Company					Ctrl + M	
Particulars	Godown : Finished Goods Project 3 ABC Company 1-Apr-2008 to 15-Apr-2008							
	Opening Value	Inwards	Consumption			Outwards	Closing Value	
			Cost of Sales	Gross Profit	Perc %			Job Consumption
Assembling	38,500.00	15,41,531.25	13,73,940.22	3,86,059.78	21.94 %		2,06,091.03	
Parts		24,100.00				2,200.00	21,900.00	
<b>Grand Total</b>	<b>38,500.00</b>	<b>15,65,631.25</b>	<b>13,73,940.22</b>	<b>3,86,059.78</b>		<b>2,200.00</b>	<b>2,27,991.03</b>	

[Img-43]

## Comparative Job Work Analysis report in Tally.ERP 9

Attitude AC

**To view multiple Job/Projects.**

The Job Work Analysis report supports details of Multiple Jobs in a single report. All these details are viewed as different columns with the help of New Column button. **Alt+N**

**Auto Repeat Columns**

Repeat Using : **Job / Project**

Show Total Column ? **Yes**

[Img-44]

**Comparative Job Work Analysis report** will be displayed as shown:

Job Work Analysis		ABC Company		Ctrl + M	
Particulars	Total	Project 1 ADC Company 1-Apr-2008 to 15-Apr-2008	Project 2 ADC Company 1-Apr-2008 to 15-Apr-2008		
<b>A. Revenue (Income) :</b>					
Sales Accounts	46,35,000.00	15,45,000.00	15,45,000.00		
Indirect Incomes	3,39,809.00	1,10,000.00	1,10,000.00		
	49,65,000.00	16,55,000.00	16,55,000.00		
<b>B. Cost (Expenses) :</b>					
Consumption	28,98,898.22	6,17,000.00	6,17,000.00		8,64,000.00
Opening Stock	1,75,000.00	67,000.00		88,500.00	
Add: Inwards	74,71,891.25	20,84,500.00		19,52,000.00	
Less: Outwards	16,27,250.00	32,000.00		32,500.00	
Less: Closing Stock	30,36,611.05	37,62,480.00		9,65,000.00	
Direct Expenses	1,58,000.00	75,000.00	75,000.00		75,000.00
Indirect Expenses	25,809.00	15,000.00	15,000.00		10,000.00
	30,65,898.22	7,87,000.00	7,87,000.00		9,49,000.00
<b>Nett Profit: (A - B)</b>	<b>18,99,109.78</b>	<b>9,48,000.00</b>	<b>9,48,000.00</b>		<b>7,86,000.00</b>

[Img-45]

**Comparison of one Job with another Job:**

The button **Auto Column** is available in the report to view the period for a particular period that can be selected from the list. Refer Modify Reports for adding, deleting and altering columns. Press **Alt+C**.

Column Details		ABC Company		Ctrl + M	
Particulars	Column Details	From (blank for beginning)	To (blank for end)	Currency	Name of Cost Centre
Bangalore	From (blank for beginning) : 1-4-2008			Base Currency	Project 1
Finished Goods	To (blank for end) : 15-4-2008				
Raw Material	Currency : Base Currency				
	Name of Cost Centre : Project 1				

[Img-46]

**Job Work Analysis report** will appear as below:

Job Work Analysis		ABC Company		Ctrl + M
Particulars	Project 1 ABC Company 1-Apr-2008 to 31-Mar-2009	Project 2 ABC Company 1-Apr-2008 to 31-Mar-2009		
<b>A. Revenue (Income) :</b>				
Sales Accounts	15,45,000.00	13,90,000.00		
Indirect Incomes	1,10,000.00	1,15,000.00		
	16,55,000.00	15,05,000.00		
<b>B. Cost (Expenses) :</b>				
<b>Consumption</b>				
Opening Stock	67,000.00	69,500.00		
Add: Inwards				
Less: Outwards				
Less: Closing Stock	12,33,900.00	5,11,600.00		
Direct Expenses	75,000.00	75,000.00		
Indirect Expenses	15,000.00	10,000.00		
	90,000.00	85,000.00		
<b>Nett Profit: (A - B)</b>	<b>15,65,000.00</b>	<b>14,20,000.00</b>		

[Img-47]

**Viewing any other Project/Job from the existing project Job Work Analysis report:**

The button **Alter Column** is also available in the report to view the other job or Project **Alt+A**

ABC Company		Ctrl + M
Column Details		List of Job / Project
From (blank for beginning) :	1-4-2008	Project 1
To (blank for end) :	31-3-2009	<b>Project 2</b>
Currency :	Base Currency	Project 3
Name of Cost Centre :	Project 2	

[Img-48]

**Job Work Analysis report** will appear as shown:

Job Work Analysis		ABC Company		Ctrl + M
Particulars	Project 1 ABC Company 1-Apr-2008 to 15-Apr-2008	Project 2 ABC Company 1-Apr-2008 to 31-Mar-2009		
<b>A. Revenue (Income) :</b>				
Sales Accounts	15,45,000.00	13,90,000.00		
Indirect Incomes	1,10,000.00	1,15,000.00		
	16,55,000.00	15,05,000.00		
<b>B. Cost (Expenses) :</b>				
<b>Consumption</b>				
Opening Stock	67,000.00	6,17,000.00	69,500.00	
Add: Inwards	23,64,500.00			
Less: Outwards	32,000.00			
Less: Closing Stock	17,82,500.00		9,65,000.00	
Direct Expenses	75,000.00		75,000.00	
Indirect Expenses	15,000.00		10,000.00	
	7,07,000.00		85,000.00	
<b>Nett Profit: (A - B)</b>	<b>9,48,000.00</b>		<b>14,20,000.00</b>	

[Img-49]

Press **F4 button**, to select the other Job/Project from the list.

Select Item	ABC Company		Ctrl + M
Particulars	<b>Job / Project</b>		Project 2 ABC Company 1-Apr-2008 to 31-Mar-2009
	<b>Project 1</b>	308	
	<b>List of Job / Project</b>		
	<b>Project 1</b>		
<i>A. Revenue (Income) :</i>			
Sales Accounts	Project 2	6,45,000.00	13,90,000.00
Indirect Incomes	Project 3	1,10,000.00	1,15,000.00

[Img-50]

It allows the user to drill down from Job Work Analysis report to voucher entry, to view a break up of Job/Project.

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## Job Order Processing' in Tally.ERP 9

### **Job Work Out Order**

When the principal company intends to manufacture or process goods, raises a Job Work Out Order on Job Worker to process the order. The Job Work Out order contains the Ordered Item, Quantity, Rate and the Amount. It allows to define the BoM for the ordered item. It also contains the despatch details, the process instruction with regard to duration and nature of process along with the Job Work Out Order Number.

Tally.ERP 9 allows the principal company to have track of raw materials sent and finished/processed materials received. It provides reports on Orders/Components Outstandings, Material Movements, Stock availability with Job Workers, Stock ageing analysis and Analysis on Job Work such as Issue and Receipt Variance.

To enable Job Order Processing refer Enabling Order Processing in Tally.ERP 9.

### **Job Work In Order**

When the job worker receives an order from the principal company to manufacture or process goods, raises a Job Work In Order on the Job Order received. The Job Work In order contains the Ordered Item, Quantity, Rate and the Amount. It allows to define the BoM for the ordered item. It also contains the despatch details, the process instruction with regard to duration and nature of process along with the Job Work In Order Number.

Tally.ERP 9 allows the job worker have track of raw materials received and finished/processed materials sent. It provides reports on Orders/Components Outstandings, Material Movements, Stock availability with Job Workers, Stock ageing analysis and Analysis on Job Work such as Issue and Receipt Variance.

To enable Job Order Processing refer Enabling Order Processing in Tally.ERP 9.

## Creating a Job Work Out Order' in Tally.ERP 9

This voucher allows the principal company to raise Job Orders on Job Worker.

### **Creating a Job Work Out Order**

### **Altering and Deleting a Job Work Out Order**

### **Creating a Job Work Out Order**

To create a **Job Work Out Order**,

Go to **Gateway of Tally > Order Vouchers >** press **Alt + J** or click on **J: Job Work Out Order**.

Order Voucher Creation		ABC Company		Ctrl + M
Job Work Out Order No. 1				1-Apr-2010 Thursday
Party's A/c Name : Job Worker		Order No. : JWO 1		
Current Balance :				
Name of Item	Quantity	Rate per	Amount	
Bottle	100 nos	150.00 nos	15,000.00	
End of List				
Narration:			100 nos	15,000.00

[Img-5]

**Party's A/c Name**

Select the Supplier's (Job Worker) name from the **List of Ledger Accounts**. Use **Alt + C** to create a new account.

The **Party Details** screen is displayed. Provide the details as shown.

Party Details		ABC Company		Ctrl + M										
Job Work Out Order No. 1				1-Apr-2010 Thursday										
Party's A/c Name : Job Worker		Order No. : JWO 1												
Current Balance :														
Name of Item	Quantity	Rate per	Amount											
Bottle	100 nos	150.00 nos	15,000.00											
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Sub Contractor : Job Worker														
Address : 45, M.G.Road, Bangalore														
Sales Tax No. : 342341241343														
CST Number : 456343656565														
			100 nos	15,000.00										

[Img-6]

**Order No**

Enter the **Job Work Out Order Number** under Order No column.

### Name of the Item

Select the **Stock Item** for which order is placed, from the **List of Stock Items**. The **Item Allocations** sub-screen is displayed. Enter the details as shown.

### Track Components

Set the option to **Yes** if components need to be tracked.

### Due On

Enter the **due date** for receipt of the items. This monitors outstanding receipts.

If orders are split for different dates, then specify the due date for the first lot to be received, after selecting the quantity, rate and amount; specify the due date for the second lot and so on. After specifying the due dates for all the lots, press **Enter** in the **Due on** field to return to the Voucher Creation screen.

### Godown

Select the required Godown from the list.

**Note:** The **Godown** selected in **Item Allocation** should not be enabled with options **Our Stock with Third Party** and **Third Party Stock with us** in Godown masters.

### Quantity, Rate and Amount

Enter the ordered quantity of the item and its rate. The amount will be calculated automatically.

In case **Track Component** is set to **Yes**, the **Component Allocation** screen is displayed when the **Quantity** is entered, as shown:

Components Allocation						ABC Company		Ctrl + M	
Job Work Order No: 1									
Party's A/c Name: Job Worker									
Current Balance									
			Components Allocations for : <b>Bottle</b>						
			For Godown : <b>Any</b>						
			Quantity : <b>100 nos</b>						
Name of Item	Track	Godown	Quantity	Rate per	Amount				
<b>Cap</b>	Pending Issue		100 nos						
	Due on :	1-Apr-2010	Main Location	100 nos	5.00 nos	500.00			
Lables	Pending Issue		100 nos						
	Due on :	1-Apr-2010	Main Location	100 nos	2.00 nos	200.00			
Plastic	Pending Issue		100 nos						
	Due on :	1-Apr-2010	Main Location	100 nos	100.00 nos	10,000.00			
Plastic Waste	Pending Receive		20 nos						
	Due on :	1-Apr-2010	Main Location	20 nos	15.00 nos	300.00			

List of Stock Items	
End of List	
Bottle	105 nos
<b>Cap</b>	<b>100 nos</b>
Lables	100 nos
Plastic	100 nos
Plastic Waste	25 nos

[Img-7]

**Note:** The **Components Allocation** displays the list of components specified in the **Ordered Item** master.

- Accept to **Save**.

### **Narration**

This field is optional. Enter the required particulars concerning the order.

For more details on **F12 configuration** refer **Invoice / Order Entry**

### ***Altering and Deleting a Job Work Out Order***

To **alter** a Job Work Out Order,

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

**Or**

Go to **Gateway of Tally > Display > Job Work Out Reports > Job Work Registers > Job Work Out Orders Book**

Make the necessary alterations and save.

### ***Deleting a Job Work Out Order***

To delete a Job Work Out Order, press **Alt + D** in the Job Work Out Order alteration screen.

Creating a Job Work In Order' in Tally.ERP 9

This voucher allows the Job Worker to raise receipt of Job Order from the Principal Company.

Creating a Job Work In Order

Altering and Deleting a Job Work In Order

Creating a Job Work In Order

To create a Job Work In Order,

Go to Gateway of Tally > Order Vouchers > press Alt + W or click on W: Job Work In Order.

Order Voucher Creation		ABC Company		Ctrl + M
Job Work In Order No. 1		7-Apr-2010 Wednesday		
Party's A/c Name : Gautam Creators		Order No. : JW001		
Current Balance :				
Name of Item	Quantity	Rate per	Amount	
Pressure Cooker	1,000 nos			
End of List				
Narration:			1,000 nos	

[Img-5]

Party's A/c Name

Select the Customer's (Principal Company) name from the List of Ledger Accounts. Use Alt + C to create a new account.

The Party Details screen is displayed. Provide the details as shown in Job Work Out Order.

Order No

Enter the Job Work In Order Number under Order No column.

Name of the Item

Select the Stock Item for which order is received, from the List of Stock Items. The Item Allocations sub-screen is displayed. Enter the details as shown.

Due On

Enter the due date for delivery of the items. This monitors outstanding deliverables.

If orders are split for different dates, then specify the due date for the first lot to be delivered, after selecting the quantity, rate and amount; specify the due date for the second lot and so on. After specifying the due dates for all the lots, press Enter in the Due on field to return to the Voucher Creation screen.

Godown

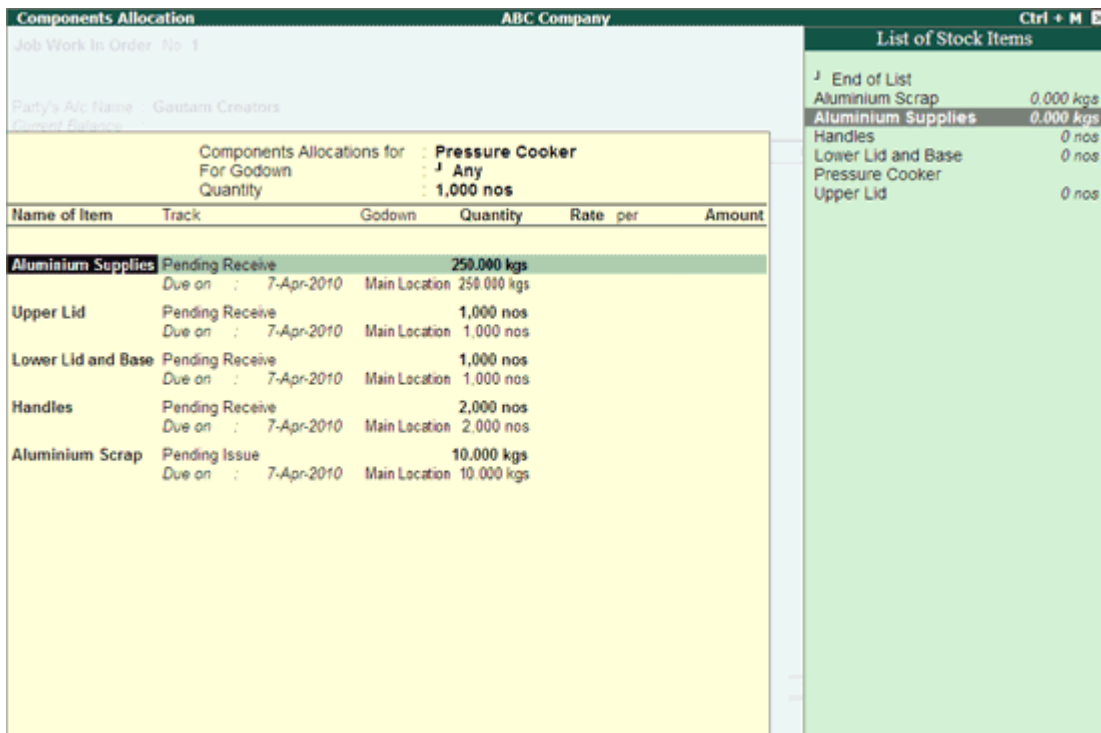
Select the required Godown from the list.

Note: The Godown selected should not be enabled with options Our Stock with Third Party and Third Party Stock with us in Godown masters.

Quantity, Rate and Amount

Enter the ordered quantity of the item.

In case Track Component is set to Yes, the Component Allocation screen is displayed when the Quantity is entered, as shown:



[Img-6]

Note: The Components Allocation displays the list of components specified in the Ordered Item master.

- Accept to Save.

Narration

This field is optional. Enter the required particulars concerning the order.

For more details on F12 configuration refer Invoice / Order Entry

Altering and Deleting a Job Work In Order

To alter a Job Work In Order,

Go to Gateway of Tally > Display > Day Book

Or

Go to Gateway of Tally > Display > Job Work In Reports > Job Work Registers > Job Work In Orders Book

Make the necessary alterations and save.

Deleting a Job Work In Order

To delete a Job Work In Order, press Alt + D in the Job Work In Order alteration screen.

## Viewing Order Position' in Tally.ERP 9

To view the **order position in Stock Summary**,

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

- Press **Alt + F1** (For detailed view)
- Press **Alt + N** > Select **Orders & Stock Details**

				Column Details
100 nos	250.00	25,000.00	30 nos	
100 nos	250.00	25,000.00	30 nos	
<b>Auto Repeat Columns</b>				
Repeat Using		:		
				<b>Orders &amp; Stock Details</b>
				4 Week Month
				Daily
				Fortnightly
				Half Yearly
				Monthly
				Quarterly
				Stock Valuation Methods
				Weekly
				Yearly

[Img-7]

**Orders & Stock Details** screen is displayed as shown.

Particulars	ABC Company														
	ABC Company 1-Apr-2008 to 2-Apr-2008 Stock In Hand			ABC Company 1-Apr-2008 to 2-Apr-2008 Sales Orders Outstanding (Inv)			ABC Company 1-Apr-2008 to 2-Apr-2008 Saleable Stock (Inv)			ABC Company 1-Apr-2008 to 2-Apr-2008 Purchase Orders Outstanding (Inv)			ABC Company 1-Apr-2008 to 2-Apr-2008 Nett Stock (Inv)		
	Closing Balance			On Order			Closing Balance			On Order			Closing Balance		
	Quantity	Rate	Value	Quantity	Rate	Value	Quantity	Rate	Value	Quantity	Rate	Value	Quantity	Rate	Value
Group 1	90 nos	210.00	18,900.00	5 nos	200.00	1,000.00	85 nos	210.00	17,850.00	19 nos	30.00	567.00	95 nos	210.00	19,950.00
Zone 1	90 nos	210.00	18,900.00	5 nos	200.00	1,000.00	85 nos	210.00	17,850.00	19 nos	30.00	567.00	95 nos	210.00	19,950.00
Group 2	100 nos	200.00	20,000.00	20 nos	100.00	2,000.00	80 nos	200.00	16,000.00	15 nos	210.00	3,150.00	95 nos	200.00	19,000.00
Zone 2	100 nos	200.00	20,000.00	20 nos	100.00	2,000.00	80 nos	200.00	16,000.00	15 nos	210.00	3,150.00	95 nos	200.00	19,000.00
Group 3	110 nos	250.00	27,500.00	30 nos	100.00	3,000.00	80 nos	250.00	20,000.00	50 nos	100.00	5,000.00	130 nos	250.00	32,500.00
Zone 3	110 nos	250.00	27,500.00	30 nos	100.00	3,000.00	80 nos	250.00	20,000.00	50 nos	100.00	5,000.00	130 nos	250.00	32,500.00
Grand Total	300 nos		66,400.00	55 nos		6,000.00	245 nos		50,850.00	79 nos		9,110.00	320 nos		71,490.00

[Img-8]

Or

- In the Stock Summary screen, you can add a new column using **Alt + C**.

**ABC Company**

**Column Details**

From (blank for beginning) : **1-4-2008**

To (blank for end) : **31-3-2009**

Name of Group : **Primary**

Method of Stock Valuation : **Default**

Types of Value to show : **Actuals**

Type of Values : **Purchase Orders Outstanding**  
(use due orders only?) : **No**

Type of Values

Nett Stock	(Stock in Hand + Purchase Orders - Sales Orders)
<b>Purchase Orders Outstanding</b>	
Saleable Stock	(Stock in Hand - Sales Orders)
Sales Orders Outstanding	
Stock In Hand	

[Img-9]

- Sales Order Reports can be accessed through **Alt + F7** or **Alt + C** of the Stock Summary.

### Viewing Purchase or Sales Order Outstanding

Go to **Gateway of Tally > Stock Summary > Press F9 > select Purchase or Sales Order**



Order Details		ABC Company		Ctrl + M			
Purchase Orders			1-Apr-2008 to 11-Apr-2008				
Date	Order Number	Name of Item	Ordered Quantity	Balance Quantity	Rate (Disc %)	Value	Due on (overdue)
<b>Purchase Orders Outstanding:</b>							
1-Apr-2008	1	Item 1 To: Creditor A	10 nos	10 nos	96.00	960.00	2-Apr-2008 ( 9 days)
1-Apr-2008	2	Item 2 To: Creditor A	15 nos	15 nos	210.00	3,150.00	2-Apr-2008 ( 9 days)
1-Apr-2008	3	Item 3 To: Creditor A	50 nos	50 nos	100.00	5,000.00	2-Apr-2008 ( 9 days)
			<b>75 nos</b>	<b>75 nos</b>		<b>9,110.00</b>	

[Img-10]

**Note: Inventory Reports and Accounting Reports** can also be accessed through **ALL** other reports by pressing **F9** or **F10 (Accounting/ Inventory Reports)**.

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## Job Order Processing' in Tally.ERP 9

### **Job Work Out Order**

When the principal company intends to manufacture or process goods, raises a Job Work Out Order on Job Worker to process the order. The Job Work Out order contains the Ordered Item, Quantity, Rate and the Amount. It allows to define the BoM for the ordered item. It also contains the despatch details, the process instruction with regard to duration and nature of process along with the Job Work Out Order Number.

Tally.ERP 9 allows the principal company to have track of raw materials sent and finished/processed materials received. It provides reports on Orders/Components Outstandings, Material Movements, Stock availability with Job Workers, Stock ageing analysis and Analysis on Job Work such as Issue and Receipt Variance.

To enable Job Order Processing refer Enabling Order Processing in Tally.ERP 9.

### **Job Work In Order**

When the job worker receives an order from the principal company to manufacture or process goods, raises a Job Work In Order on the Job Order received. The Job Work In order contains the Ordered Item, Quantity, Rate and the Amount. It allows to define the BoM for the ordered item. It also contains the despatch details, the process instruction with regard to duration and nature of process along with the Job Work In Order Number.

Tally.ERP 9 allows the job worker have track of raw materials received and finished/processed materials sent. It provides reports on Orders/Components Outstandings, Material Movements, Stock availability with Job Workers, Stock ageing analysis and Analysis on Job Work such as Issue and Receipt Variance.

To enable Job Order Processing refer Enabling Order Processing in Tally.ERP 9.

## Creating a Job Work Out Order' in Tally.ERP 9

This voucher allows the principal company to raise Job Orders on Job Worker.

### **Creating a Job Work Out Order**

### **Altering and Deleting a Job Work Out Order**

### **Creating a Job Work Out Order**

To create a **Job Work Out Order**,

Go to **Gateway of Tally > Order Vouchers >** press **Alt + J** or click on **J: Job Work Out Order**.

Order Voucher Creation		ABC Company		Ctrl + M
Job Work Out Order No. 1				1-Apr-2010 Thursday
Party's A/c Name : Job Worker		Order No. : JWO 1		
Current Balance :				
Name of Item	Quantity	Rate per	Amount	
Bottle	100 nos	150.00 nos	15,000.00	
End of List				
Narration:			100 nos	15,000.00

[Img-5]

### Party's A/c Name

Select the Supplier's (Job Worker) name from the **List of Ledger Accounts**. Use **Alt + C** to create a new account.

The **Party Details** screen is displayed. Provide the details as shown.

Party Details		ABC Company		Ctrl + M										
Job Work Out Order No. 1				1-Apr-2010 Thursday										
Party's A/c Name : Job Worker		Order No. : JWO 1												
Current Balance :														
Name of Item	Quantity	Rate per	Amount											
Bottle	100 nos	150.00 nos	15,000.00											
<table border="1"> <thead> <tr> <th colspan="2">Despatch Details</th> </tr> </thead> <tbody> <tr> <td>Despatch Doc. No. : 1233</td> <td>Mode/Terms of Payment: On completion</td> </tr> <tr> <td>Despatched through : VRL</td> <td></td> </tr> <tr> <td>Destination : Bangalore</td> <td></td> </tr> <tr> <td>Vehicle No. : KA.04.M.8523</td> <td></td> </tr> </tbody> </table>					Despatch Details		Despatch Doc. No. : 1233	Mode/Terms of Payment: On completion	Despatched through : VRL		Destination : Bangalore		Vehicle No. : KA.04.M.8523	
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Sub Contractor : Job Worker														
Address : 45, M.G.Road, Bangalore														
Sales Tax No. : 342341241343														
CST Number : 456343656565														
			100 nos	15,000.00										

[Img-6]

### Order No

Enter the **Job Work Out Order Number** under Order No column.

### Name of the Item

Select the **Stock Item** for which order is placed, from the **List of Stock Items**. The **Item Allocations** sub-screen is displayed. Enter the details as shown.

### Track Components

Set the option to **Yes** if components need to be tracked.

### Due On

Enter the **due date** for receipt of the items. This monitors outstanding receipts.

If orders are split for different dates, then specify the due date for the first lot to be received, after selecting the quantity, rate and amount; specify the due date for the second lot and so on. After specifying the due dates for all the lots, press **Enter** in the **Due on** field to return to the Voucher Creation screen.

### Godown

Select the required Godown from the list.

**Note:** The **Godown** selected in **Item Allocation** should not be enabled with options **Our Stock with Third Party** and **Third Party Stock with us** in Godown masters.

### Quantity, Rate and Amount

Enter the ordered quantity of the item and its rate. The amount will be calculated automatically.

In case **Track Component** is set to **Yes**, the **Component Allocation** screen is displayed when the **Quantity** is entered, as shown:

Components Allocation						ABC Company		Ctrl + M	
Job Work Order No: 1									
Party's A/c Name: Job Worker									
Current Balance									
			Components Allocations for		: Bottle				
			For Godown		: Any				
			Quantity		: 100 nos				
Name of Item	Track	Godown	Quantity	Rate per	Amount				
<b>Cap</b>	Pending Issue		100 nos						
	Due on :	1-Apr-2010	Main Location	100 nos	5.00 nos	500.00			
Lables	Pending Issue		100 nos						
	Due on :	1-Apr-2010	Main Location	100 nos	2.00 nos	200.00			
Plastic	Pending Issue		100 nos						
	Due on :	1-Apr-2010	Main Location	100 nos	100.00 nos	10,000.00			
Plastic Waste	Pending Receive		20 nos						
	Due on :	1-Apr-2010	Main Location	20 nos	15.00 nos	300.00			

List of Stock Items	
J End of List	
Bottle	105 nos
<b>Cap</b>	<b>100 nos</b>
Lables	100 nos
Plastic	100 nos
Plastic Waste	25 nos

[Img-7]

**Note:** The **Components Allocation** displays the list of components specified in the **Ordered Item** master.

- Accept to **Save**.

### **Narration**

This field is optional. Enter the required particulars concerning the order.

For more details on **F12 configuration** refer **Invoice / Order Entry**

### ***Altering and Deleting a Job Work Out Order***

To **alter** a Job Work Out Order,

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

**Or**

Go to **Gateway of Tally > Display > Job Work Out Reports > Job Work Registers > Job Work Out Orders Book**

Make the necessary alterations and save.

### ***Deleting a Job Work Out Order***

To delete a Job Work Out Order, press **Alt + D** in the Job Work Out Order alteration screen.

Creating a Job Work In Order' in Tally.ERP 9

This voucher allows the Job Worker to raise receipt of Job Order from the Principal Company.

Creating a Job Work In Order

Altering and Deleting a Job Work In Order

Creating a Job Work In Order

To create a Job Work In Order,

Go to Gateway of Tally > Order Vouchers > press Alt + W or click on W: Job Work In Order.

Order Voucher Creation		ABC Company		Ctrl + M
Job Work In Order No. 1		7-Apr-2010 Wednesday		
Party's A/c Name : Gautam Creators		Order No. : JW001		
Current Balance :				
Name of Item	Quantity	Rate per	Amount	
Pressure Cooker	1,000 nos			
End of List				
Narration:		1,000 nos		

[Img-5]

Party's A/c Name

Select the Customer's (Principal Company) name from the List of Ledger Accounts. Use Alt + C to create a new account.

The Party Details screen is displayed. Provide the details as shown in Job Work Out Order.

Order No

Enter the Job Work In Order Number under Order No column.

Name of the Item

Select the Stock Item for which order is received, from the List of Stock Items. The Item Allocations sub-screen is displayed. Enter the details as shown.

Due On

Enter the due date for delivery of the items. This monitors outstanding deliverables.

If orders are split for different dates, then specify the due date for the first lot to be delivered, after selecting the quantity, rate and amount; specify the due date for the second lot and so on. After specifying the due dates for all the lots, press Enter in the Due on field to return to the Voucher Creation screen.

Godown

Select the required Godown from the list.

Note: The Godown selected should not be enabled with options Our Stock with Third Party and Third Party Stock with us in Godown masters.

Quantity, Rate and Amount

Enter the ordered quantity of the item.

In case Track Component is set to Yes, the Component Allocation screen is displayed when the Quantity is entered, as shown:

Components Allocation		ABC Company		Ctrl + M	
Job Work In Order No: 1					
Party's A/c Name : Gautam Creators					
Current Balance :					
Components Allocations for		: Pressure Cooker			
For Godown		: Any			
Quantity		: 1,000 nos			
Name of Item	Track	Godown	Quantity	Rate per	Amount
Aluminium Supplies	Pending Receive		250.000 kgs		
	Due on : 7-Apr-2010	Main Location	250.000 kgs		
Upper Lid	Pending Receive		1,000 nos		
	Due on : 7-Apr-2010	Main Location	1,000 nos		
Lower Lid and Base	Pending Receive		1,000 nos		
	Due on : 7-Apr-2010	Main Location	1,000 nos		
Handles	Pending Receive		2,000 nos		
	Due on : 7-Apr-2010	Main Location	2,000 nos		
Aluminium Scrap	Pending Issue		10,000 kgs		
	Due on : 7-Apr-2010	Main Location	10,000 kgs		

List of Stock Items	
J End of List	
Aluminium Scrap	0.000 kgs
Aluminium Supplies	0.000 kgs
Handles	0 nos
Lower Lid and Base	0 nos
Pressure Cooker	
Upper Lid	0 nos

[Img-6]

Note: The Components Allocation displays the list of components specified in the Ordered Item master.

- Accept to Save.

Narration

This field is optional. Enter the required particulars concerning the order.

For more details on F12 configuration refer Invoice / Order Entry

Altering and Deleting a Job Work In Order

To alter a Job Work In Order,

Go to Gateway of Tally > Display > Day Book

Or

Go to Gateway of Tally > Display > Job Work In Reports > Job Work Registers > Job Work In Orders Book

Make the necessary alterations and save.

Deleting a Job Work In Order

To delete a Job Work In Order, press Alt + D in the Job Work In Order alteration screen.

## Viewing Order Position' in Tally.ERP 9

To view the **order position in Stock Summary**,

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

- Press **Alt + F1** (For detailed view)
- Press **Alt + N** > Select **Orders & Stock Details**

				Column Details
100 nos	250.00	25,000.00	30 nos	
100 nos	250.00	25,000.00	30 nos	
<b>Auto Repeat Columns</b>				
Repeat Using		:		
				<b>Orders &amp; Stock Details</b>
				4 Week Month
				Daily
				Fortnightly
				Half Yearly
				Monthly
				Quarterly
				Stock Valuation Methods
				Weekly
				Yearly

[Img-7]

**Orders & Stock Details** screen is displayed as shown.



Particulars	ABC Company														
	ABC Company 1-Apr-2008 to 2-Apr-2008 Stock In Hand			ABC Company 1-Apr-2008 to 2-Apr-2008 Sales Orders Outstanding (Inv)			ABC Company 1-Apr-2008 to 2-Apr-2008 Saleable Stock (Inv)			ABC Company 1-Apr-2008 to 2-Apr-2008 Purchase Orders Outstanding (Inv)			ABC Company 1-Apr-2008 to 2-Apr-2008 Nett Stock (Inv)		
	Closing Balance			On Order			Closing Balance			On Order			Closing Balance		
	Quantity	Rate	Value	Quantity	Rate	Value	Quantity	Rate	Value	Quantity	Rate	Value	Quantity	Rate	Value
Group 1	90 nos	210.00	18,900.00	5 nos	200.00	1,000.00	85 nos	210.00	17,850.00	19 nos	30.00	567.00	95 nos	210.00	19,950.00
Zone 1	90 nos	210.00	18,900.00	5 nos	200.00	1,000.00	85 nos	210.00	17,850.00	19 nos	30.00	567.00	95 nos	210.00	19,950.00
Group 2	100 nos	200.00	20,000.00	20 nos	100.00	2,000.00	80 nos	200.00	16,000.00	15 nos	210.00	3,150.00	95 nos	200.00	19,000.00
Zone 2	100 nos	200.00	20,000.00	20 nos	100.00	2,000.00	80 nos	200.00	16,000.00	15 nos	210.00	3,150.00	95 nos	200.00	19,000.00
Group 3	110 nos	250.00	27,500.00	30 nos	100.00	3,000.00	80 nos	250.00	20,000.00	50 nos	100.00	5,000.00	130 nos	250.00	32,500.00
Zone 3	110 nos	250.00	27,500.00	30 nos	100.00	3,000.00	80 nos	250.00	20,000.00	50 nos	100.00	5,000.00	130 nos	250.00	32,500.00
Grand Total	300 nos		66,400.00	55 nos		6,000.00	245 nos		50,850.00	79 nos		9,110.00	320 nos		71,490.00

[Img-8]

Or

- In the Stock Summary screen, you can add a new column using **Alt + C**.

**ABC Company**

**Column Details**

From (blank for beginning) : **1-4-2008**

To (blank for end) : **31-3-2009**

Name of Group : **Primary**

Method of Stock Valuation : **Default**

Types of Value to show : **Actuals**

Type of Values : **Purchase Orders Outstanding**  
(use due orders only?) : **No**

Type of Values

Nett Stock	(Stock in Hand + Purchase Orders - Sales Orders)
<b>Purchase Orders Outstanding</b>	
Saleable Stock	(Stock in Hand - Sales Orders)
Sales Orders Outstanding	
Stock In Hand	

[Img-9]

- Sales Order Reports can be accessed through **Alt + F7** or **Alt + C** of the Stock Summary.

### Viewing Purchase or Sales Order Outstanding

Go to **Gateway of Tally > Stock Summary > Press F9 > select Purchase or Sales Order**

Order Details		ABC Company		Ctrl + M			
Purchase Orders			1-Apr-2008 to 11-Apr-2008				
Date	Order Number	Name of Item	Ordered Quantity	Balance Quantity	Rate (Disc %)	Value	Due on (overdue)
<b>Purchase Orders Outstanding:</b>							
1-Apr-2008	1	Item 1 To: Creditor A	10 nos	10 nos	96.00	960.00	2-Apr-2008 ( 9 days)
1-Apr-2008	2	Item 2 To: Creditor A	15 nos	15 nos	210.00	3,150.00	2-Apr-2008 ( 9 days)
1-Apr-2008	3	Item 3 To: Creditor A	50 nos	50 nos	100.00	5,000.00	2-Apr-2008 ( 9 days)
			<b>75 nos</b>	<b>75 nos</b>		<b>9,110.00</b>	

[Img-10]

**Note: Inventory Reports and Accounting Reports** can also be accessed through **ALL** other reports by pressing **F9** or **F10 (Accounting/ Inventory Reports)**.

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## Purchase Raw material:

**Accounting Voucher Alteration (Secondary) Manufacturing**

**Purchase** No. 1      **1-Apr-2016** (Friday)

Ref. :      **Ctrl + M**

Party's A/c Name : **Cash**  
Current Balance : **15,500.00 Cr**

Name of Item	Quantity	Rate per	Amount
Button	1,000 pcs	0.50 pcs	500.00
Cloths	1,000 m	25.00 m	25,000.00
			<b>25,500.00</b>

Narration: \_\_\_\_\_

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

Tally Messages (32/32)      **Ctrl + N**

Tally MAIN --> Gateway of Tally --> Display Menu --> Day Book --> Accounting Voucher Alteration (Secondary)      (c) Tally Solutions Pvt. Ltd., 1988- | Wed, 1 Mar, 201 | 14:25:12

## Creating a Manufacturing Journal Voucher Type in Tally.ERP 9

In Manufacturing/Assembling organisations, there are number of components that go into the manufacturing/ assembling of finished Goods. Once, the Bill of materials is created, you can use Manufacturing Journal and specify the quantity of finished goods that are to be manufactured.

To create a Manufacturing Journal Voucher Type,

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

Voucher Type Creation		ABC Company	Ctrl + M
Name : <b>Manufacturing Journal</b>			
(alias) :			
<b>General</b>		<b>Printing</b>	<b>Name of Class</b>
Type of Voucher	: <b>Stock Journal</b>	Print after saving Voucher	? <b>No</b>
Abbr.	: Stk Jml		
Method of Voucher Numbering	? <b>Automatic</b>		
Use Advance Configuration	? <b>No</b>		
Use EFFECTIVE Dates for Vouchers	? <b>No</b>		
Make 'Optional' as default	? <b>No</b>		
Use Common Narration	? <b>Yes</b>		
Use as a Manufacturing Journal	? <b>Yes</b>		

[Img-73]

### Name

Enter the name of the Voucher for ex: Manufacturing Journal

### Type of Voucher

Select **Stock Journal** from the **List of Voucher Types**

### Method of Voucher Numbering

You can select the method of voucher numbering as required.

### Use Advance Configuration

Enable the options as required.

For more details refer Creating a Voucher Type with Advanced Configuration

### Use a Manufacturing Journal

Set this option to Yes. Once this option is set to Yes, you will be able to record Manufacturing Journal.

You can also alter the existing **Stock Journal Voucher type** and set **Use as a Manufacturing Journal** to **Yes**.

Go to **Gateway of Tally > Inventory Info > Voucher type > Alter > Stock Journal**

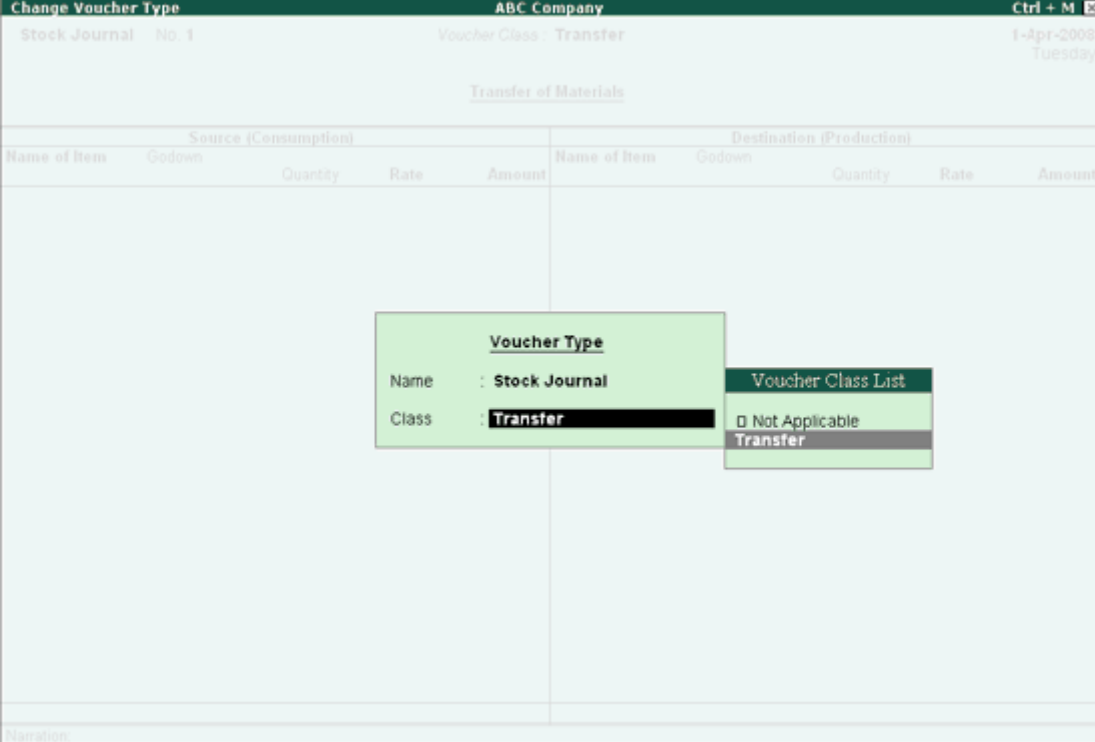
**Note :** Once the Stock Journal is altered to enable the option **Use as a Manufacturing Journal**, all stock journal vouchers will be treated as **Manufacturing journals**.

## Transfer Journal Voucher' in Tally.ERP 9

Tally.ERP 9 allows you to transfer materials from one Godown to another. The transfer of materials is done using the Transfer Journal Voucher.

To create **Stock Journal** for **Inter - Godown Transfers**,

Go to **Gateway of Tally > Inventory vouchers > Alt+F7** for **Stock Journal** and select the class.



The screenshot shows the 'Change Voucher Type' window in Tally.ERP 9. The window title is 'ABC Company' and 'Ctrl + M'. The voucher type is 'Stock Journal' (No. 1) and the voucher class is 'Transfer'. The date is '1-Apr-2008 Tuesday'. The window is titled 'Transfer of Materials' and contains a table with columns for 'Source (Consumption)' and 'Destination (Production)'. The table has columns for 'Name of Item', 'Godown', 'Quantity', 'Rate', and 'Amount'. A 'Voucher Type' dialog box is open, showing 'Name : Stock Journal' and 'Class : Transfer'. A 'Voucher Class List' dialog box is also open, showing 'Not Applicable' and 'Transfer'.

[Img-27]

- Pass the stock transfer entry.

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Inventory Voucher Creation		ABC Company		Ctrl + M	
Stock Journal No. 1		Voucher Class : Transfer		1-Apr-2008 Tuesday	
Transfer of Materials (Inter- Godown )					
Destination Godown : Godown A					
Name of Item	Godown	Quantity	Rate	Amount	
Item A	Main Location	10 Nos	10.00/Nos	100.00	
Item B	Main Location	15 Nos	10.00/Nos	150.00	
		25 Nos		250.00	
Narration: Transfer of Item A and Item B from Main Location to Godown A					
					Accept ? Yes or No

**Printing Stock Transfer Voucher**

Press **Alt+P** to print the **Stock Transfer Journal** Voucher

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<b>ABC Company</b>				
<b>Stock Journal Voucher</b>				
No. : 3		Dated : 1-Apr-2009		
<b>Item Name</b>	<b>Godown</b>			
	Batch/Lot	Quantity	Rate	Amount
<b>Source (Consumption)</b>				
<b>Item A</b>	<b>Main Location</b>			
		10 Nos	10.00/Nos	100.00
<b>Item B</b>	<b>Main Location</b>			
		15 Nos	10.00/Nos	150.00
		<b>25 Nos</b>		<b>250.00</b>
<b>Destination (Production)</b>				
<b>Item A</b>	<b>Godown A</b>			
		10 Nos	10.00/Nos	100.00
<b>Item B</b>	<b>Godown A</b>			
		15 Nos	10.00/Nos	150.00
		<b>25 Nos</b>		<b>250.00</b>
Narration: Transfer of Item A and Item B from Main Location to Godown A				
<hr/>				
Checked by	Verified by	Authorised Signatory		

**[Img-29]**

F12: Print Configuration



<u>Stock Journal Printing Setup</u>	
Height of Voucher (inches)	: 7
Width of Voucher (inches)	: 5
Print Serial No.	? No
Print Part No.	? No
Print Rate Column	? Yes
Print Amount Column	? Yes
Destination Godown on Top of Voucher	? Yes
Print Narration	? No
Print Godown Address	? Yes
Method to use for Stock Item Name : <b>Name Only</b>	
Space to leave on top (default 0.25)	: 0.25
Space to leave on left (default 0.75)	: 0.75
Print Base Currency Symbol for Total ?	<b>Yes</b>

[Img-30]

While printing Stock Transfer Voucher, set the options **Destination Godown on Top of Voucher** and **Print Godown Address** to **Yes**.

- Enabling the option **Destination Godown on Top of Voucher** will display the **Destination Godown** name on the top of the voucher instead of printing as separate rows
- Enabling the option **Print Godown Address** will display the godown address as mentioned in the **Godown Creation/Alteration** screen

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<b>ABC Company</b>				
<b>Stock Journal Voucher</b>				
No. : <b>1</b>		Dated : <b>1-Apr-2008</b>		
Destination Godown : <b>Godown A</b>				
Item Name	Godown	Quantity	Rate	Amount
<b>Source Godown:</b>				
<b>Item A</b>	<b>Main Location</b> No. 347, Hosur Main Road, Bommanahalli, Bangalore - 560065	10 nos	10.00/nos	100.00
<b>Item B</b>	<b>Main Location</b> No. 347, Hosur Main Road, Bommanahalli, Bangalore - 560065	15 nos	10.00/nos	150.00
		<b>25 nos</b>		<b>₹ 250.00</b>
<div style="display: flex; justify-content: space-around; margin-top: 20px;"> <span>Checked by</span> <span>Verified by</span> <span>Authorised Signatory</span> </div>				

**[Img-31]**

In case, where you don't have By-Product/Co-product/scrap details, then you can configure the Manufacturing Journal to skip the movement of cursor to that section.

**In F12: Configure (Stock Journal Configuration)**

- Set the option **Skip Co-Product/By-Product/Scrap Stock Item** to **Yes**

<u>Stock Journal Configuration</u>	
Skip Date field in Create Mode (faster entry!)	? Yes
Skip Co-Product/By-Products/Scrap Stock Item	? <b>Yes_</b>
Use Ref. Number in Stock Journal	? No
Show Balances as on Voucher Date	? No
Show Compound Unit of Item based on Rate	? No
Show Full Details of Compound Unit	? No
Warn on Negative Stock Balance	? Yes
Honor Expiry Dates usage for Batches	? Yes
Show Batches with zero quantity	? Yes

[Img-26]

Note: **When the option Skip Co-Product/By-Product/Scrap Stock Item is band the user is recording a Manufacturing Journal for a stock item for which the BOM is created by capturing the details of By- Product/ Co- Product/ Scrap; then Tally.ERP 9 will ignore the configuration and will capture the details of By- Product/ Co- Product/ Scrap. It will also allow to modify the details in By- Product/ Co- Product/ Scrap section.**

## Manufacturing Journal Voucher' in Tally.ERP 9

Go to **Gateway of Tally > Inventory Vouchers > Alt +F7 > select Manufacturing Journal**

For more information on creating Manufacturing Voucher type refer Creating Manufacturing Journal.

Components (Consumption)				Co-Products / By-Products / Scrap							
Name of Item	Godown	Quantity	Rate	Amount	Name of Item	Godown	% of Cost allocation	Quantity	Rate	Amount	
Item 1	Raw Material Godown	2,000 nos	200.00/nos	4,00,000.00	By-Product	By-Product Godown	0.25 %	200 nos	25.25/nos	5,050.00	
Item 2	Raw Material Godown	4,000 nos	400.00/nos	16,00,000.00	Scrap	By-Product Godown	0.30 %	100 Ltrs	61.60/Ltrs	6,060.00	
				Cost of Components :					20,00,000.00		
				Type of Addl. Cost	%-age						
				Manufacturing Expenses					15,000.00		
				Other Expenses					5,000.00		
				Total Addl. Cost					20,000.00		
				Effective Cost					20,20,000.00		
				Allocation to Primary Item					20,08,890.00		
				Effective Rate for Primary Item					1,004.45 / nos		
		6,000 nos		20,00,000.00							

[Img-25]

### Name of Product

Select the product which needs to be manufactured from the List of Items. The Item selected in Name of

Item field will be the primary Item which will be manufactured using different components.

BOM Name

Select the Bill of Material if you want the components utilised to manufacture the finished goods to be displayed automatically.

**Note:** If **BOM** is selected the **Components** used for the manufacture of finished goods & the **By-Products/Co-Products** or **Scrap** produced during manufacturing will be defaulted.

For more details on **creating BOM & recording Manufacturing Journal using BOM** refer the topic - Creating Bill of Materials for a Stock Item

### **Godown**

Select the godown where you would like to place the produced goods.

### **Quantity**

Enter the quantity to be produced.

### **% of Cost Allocation**

This field displays the Percentage of Cost of Allocation to the Primary Item manufactured.

**Note:** In a manufacturing process if there are no by-Products/co-products or scrap produced then the **% of Cost of Allocation** to **Primary Item** will **100%**.

If there are any **by-products/Co-products** or **scrap** is manufactured then the **% of Cost of Allocation** to primary item will be **Total Cost - Cost allocated to By Products /Co Products /Scrap**.

Batch Name, Mfg Date, Expiry

If the item to be manufactured in batches then enter the Batch Name, Manufacturing Date and Expiry Date.

### **Components (Consumption)**

The list of Sub-Component items which will be used to produce the finished goods, need to be selected here.

1. **Name of Item:** In this field select the components used for the manufacture of finished goods.
2. **Godown:** In this field select the **Godown** from where the components are consumed for production.
3. **Quantity:** In this field mention the **Quantity** of Raw materials required to manufacture the finished goods.
4. **Rate:** In this field mention the rate (purchase cost) of the raw materials used in the manufacture of finished goods
5. **Amount:** In this field the **Amount** will be calculated automatically based on **Quantity & Rate** of item

### **Co-Products/ By-Products /Scrap**

The list of By-products/ Co-products or Scrap produced during the manufacture of finished goods need to be selected here

1. **Name of Item:** In this field select the **By-product/Co-product/Scrap** name which is produced in the process of manufacture of finished goods
2. **Godown:** Select the godown where the By-product/Co-product/Scrap produced will be stored
3. **% of Cost Allocation:** In this field specify the % of cost of allocation to be made towards the By-product/Co-product/Scrap produced
4. **Quantity:** In this field mention the Quantity of By-product/Co-product/Scrap produced
5. **Rate:** This is the rate of producing of By-product/Co-product/Scrap. (Rate = Amount/Quantity) Rate will be displayed automatically
6. **Amount:** Amount will be displayed automatically based on the **% of Cost Allocation** defined for the By-product/Co-product/Scrap produced. Tally.ERP 9 calculates the % of Cost Allocation on Effective Cost

In the above example: Amount of By-Product 1(5,050) = 20,20,000 (Effective Cost) X 0.25\100 (% of Cost Allocation)

### **Cost of Components**

This field displays the total cost of the components (raw materials) used in the manufacture of finished goods.

### **Type of Addl. Cost**

Enter the additional cost incurred for manufacturing the finished goods, if any.

### **Total Addl. Cost**

The total of all additional cost will be displayed here.

### **Effective Cost**

The Effective cost is total of **Cost of Components (Consumption) + Additional Cost** incurred to manufacture the finished goods & Co-Product/By-product or Scrap

In the above example: 20,00,000 + 20,000 = 20,20,000 is incurred manufacture Item B (Primary Item), By-Product 1 & Scrap

### **Allocation to Primary Item**

The cost allocated to manufacture the Primary Item will be displayed in this field.

Allocation to Primary Item = **Effective Cost - Total cost of Co-products/By-Products/Scrap**

### **Effective Rate of Primary Item**

This is the rate of the Primary Item Manufactured (finished item).

In the above example:  $20,08,890 / 2000$  (number of Item B produced) = 1004.45/nos.

### ***Manufacture of Finished Goods without By-Product/Co-Product/Scrap***

In some manufacturing processes, only finished goods will be produced without any By-product/Co-product/scrap. In those cases, users may not need the provision to move to By-Product/Co-product/scrap section. You can configure the movement of cursor to By-Product/Co-product/scrap section.

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## DIRECT – INDIRECT TAX IN INDIA

In India Taxes are levied by the Central Govt. and State Govt. and some minor taxes are also levied by the local authorities such as the municipality. **TAX in India is divided into two categories**



# TDS

## Tax Deduction At Source

- TDS stands for 'Tax Deducted at Source'.
- In case of Specific incomes, tax is deducted at source, which means, the time and place where the income was generated.
- TDS is deducted by the payer at the prescribed rate at the time of accrual of payment of income to the payee i.e. the receiver.

## DIRECT – INDIRECT TAX IN INDIA

All taxes are applicable on Assessee. **Assessee is the “Person” who is liable to pay ‘TAX’ during the year.**



**Here, Person may be categorized as under:**

- Individual
- Hindu Undivided Family (HUF)
- Partnership Firm
- Company
- Association of Person (AOP) or Body of Individuals (BOI)
- Artificial Juridical Person (such as deities or temples)
- Local Authority



## DIRECT – INDIRECT TAX IN INDIA



### Financial Year (FY)

“Financial year is the year which starts from **1<sup>st</sup> day of April** and ends on **31<sup>st</sup> March**.”

### Assesment Year (AY)

“Assessment year” is the Financial Year in which tax is paid. It is the financial year commencing on the **1<sup>st</sup> day of April** next following the previous year.

## DIRECT – INDIRECT TAX IN INDIA



### Calender Year(CY)

Calendar year is the year which start from 1<sup>st</sup> day of the Jan and ends on 31<sup>st</sup> Dec.



### Previous Year (PY)

“Previous year” is the Financial Year in which income is earned and which ends on 31<sup>st</sup> march every year. Incomes earned during each previous year is taxed and assessed separately.

## APPLICABILITY OF TDS(TAX DEDUCTION AT SOURCES)

### Deductor/Employer

Deductor/Employer is person responsible for tax deduction at sources on specified types of payment made by him.

### Deductee/Employee

Deductee/Employee is person whom the tax is deducted is called Deductee. In other words Deductee is Tax payer.



## VARIOUS PAYMENT ON WHICH TAX TO BE DEDUCTED



PAYMENT TO SALARY



PAYMENT TO  
OTHER THAN SALARY



PAYMENT TO  
NON- RESIDENT



PAYMENT TO TCS

## **PAYMENT TO SALARY**

When an Employer make payment to the employee and payment has exceed from taxable limit than employer is responsible to deduct Tax at the time of payment in every month. Amount which is taxable, called **“PAYMENT TO SALARY”**. It includes Basic salary, Allowance, Perquisites and Other Retirement Benefits.

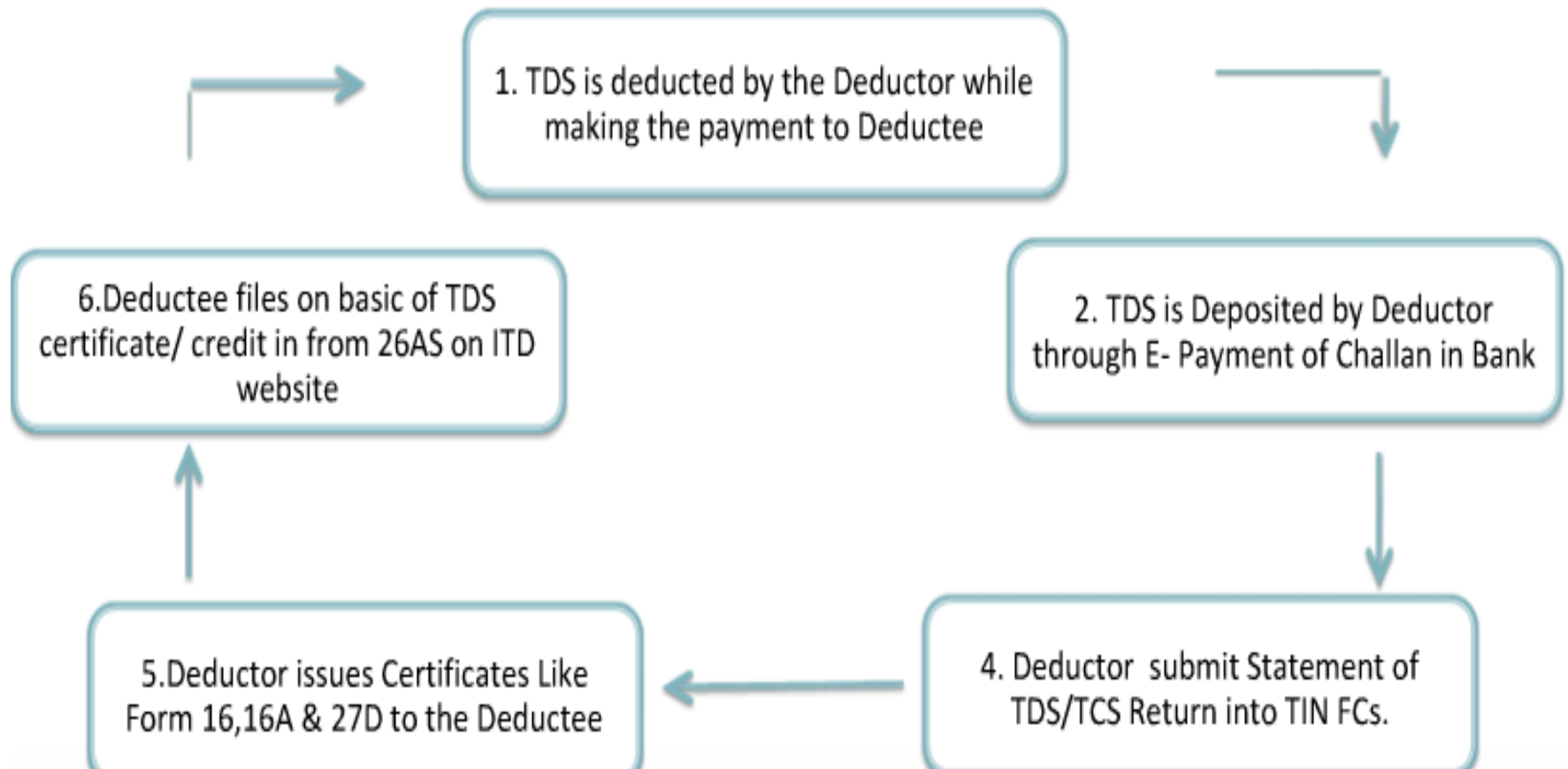
## **PAYMENT TO OTHER THAN SALARY**

When a Deductor make payment to Party/Client(Deductee) and payment has exceed from taxable threshold limit than Deductor has responsible to deduct Tax at the time of payment. Amount which is taxable, called **“PAYMENT TO OTHER THAN SALARY”**.

## **PAYMENT TO NON RESIDENT**

When a Deductor make payment to Party/Client(Deductee) who is residing outside India and payment has exceed from taxable threshold limit than Deductor has responsible to deduct Tax at the time of payment. Amount which is taxable, called "**PAYMENT TO NON RESIDENT**".

## PROCESS FLOW FOR FILING E-TDS RETURN







THE WORLD OF PROFESSIONALS  
AN ISO 9001 : 2008 COMPANY

Get In Touch  
011-43522151



**FORM-24Q**  
Payment to Salary



**FORM-26Q**  
Payment to other than Salary



**FORM-27Q**  
Payment to Non Resident



**FORM-27EQ**  
Payment to TCS





Prepare Return  
with Software



Make softcopy of Return

Text file  
FVU file  
HTML  
FORM 27A



Submit return in  
TIN FC Center

- Alankit
- Religare
- Karvy Data Management



THE WORLD OF PROFESSIONALS  
AN ISO 9001 : 2008 COMPANY

Get In Touch  
011-43522151

The image shows two overlapping TDS Form 16A certificates. The top form is the primary focus and contains the following information:

- Form No. 16A**
- Deductor's Name:** M/s. ABC & Co.
- Deductee's Name:** M/s. XYZ & Co.
- Amount of TDS:** 10000
- Date of Issuance:** 15/06/2017

The form is divided into sections for Deductor, Deductee, and TDS Details. The Deductor section includes fields for Name, Address, and PAN. The Deductee section includes fields for Name, Address, and PAN. The TDS Details section includes fields for Amount of TDS, Date of Issuance, and Signature of Deductor.

After filing of TDS Return Deductor issues Certificates Like Form 16,16A & 27D to the Deductee. Deductee files on basis of TDS certificate/ credit in from 26AS on ITD website.



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## Enabling TDS

To get started, you have to enable the Tax Deducted at Source (TDS) module in Tally.ERP 9 and enter your company's registration details.

### To enable TDS

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

The **Company Operations Alteration** screen appears as shown below:



3. Enable the option **Set/alter TDS details?** to display **TDS Deductor Details** screen.
4. Enter the **TAN registration number**.

5. Enter the **Tax Deduction Account Number (TAN)**.
6. Select the **Deductor Type**.
7. Enter **Deductor branch/division**.
8. Enable the option **Set/alter details of person responsible?**. to display the **Person Responsible Details** screen.
  - o Enter the details as shown below:

<u>Person Responsible Details</u>	
Name	: <b>Rajesh</b>
Son/daughter of	: <b>Venkatesh</b>
Designation	: <b>Chief Financial Officer</b>
PAN	: <b>KLHGK3887R</b>
Flat no.	: <b>28/1</b>
Name of the premises/building	: <b>Aikya Apartments</b>
Road/Street/Lane	: <b>1st A Cross</b>
Area/Location	: <b>Doddakammanahalli</b>
Town/City/District	: <b>Bangalore</b>
State	: <b>Karnataka</b>
Pincode	: <b>560076</b>
Mobile no.	: <b>9874574587</b>
STD code	: <b>080</b>
Telephone	: <b>22658444</b>
E-mail ID	: <b>rajesh.v@gmail.com</b>

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



- o Press **Enter**.
9. Enter the **Rate of TDS if PAN not available**.
10. Enable the option **Ignore IT Exemption Limit for TDS Deduction?**, if required.
11. Enable the option **Activate TDS for stock items?**, if required.

The **TDS Deductor Details** screen appears as shown below:

<u>Company TDS Deductor Details</u>	
TAN registration number	: T22098776DAC
Tax Deduction and Collection Account Number (TAN)	: ASBD88471C
Deductor type	: Company
Deductor branch/division	: Bangalore
Set/alter details of person responsible	? No
<u>Rate &amp; Exemption Details</u>	
Rate of TDS if PAN not available <i>(The rate specified here or the IT rate, whichever is higher, will be applicable.)</i>	: 20 %
Ignore IT exemption limit for TDS deduction	? No
Activate TDS for stock items	? <b>No</b>

12. Press **Enter**.
13. Press **Ctrl+A** to save the details.

## Configuring TDS

You can make many other configurations in your Company related to TDS, such as configuration for displaying collector types, enabling surcharge details, and showing alternate contact details.

[Show All Deductor Types](#)

[Enable Surcharge Details for TDS](#)

[Show Alternate Contact details - TDS](#)

## Showing All Deductor Types (TDS)

By default, only **Company** and **Individual/HUF** appears in the Collector/Deductor Type list. You can use **F12: Configure** option to show all the deductor types for TDS.

### To enable all deductor types for selection

1. Go to **Gateway of Tally > F11: Features > Statutory and Taxation**.
2. Enable the option **Set/alter TDS details**.
3. Click **F12: Configure**.

4. Enable the option **Show All Deductor type**.
5. Press **Ctrl + A** to accept. All the organisation types will appear in the **Collector/Deductor Type list** for the option **Deductor Type**.

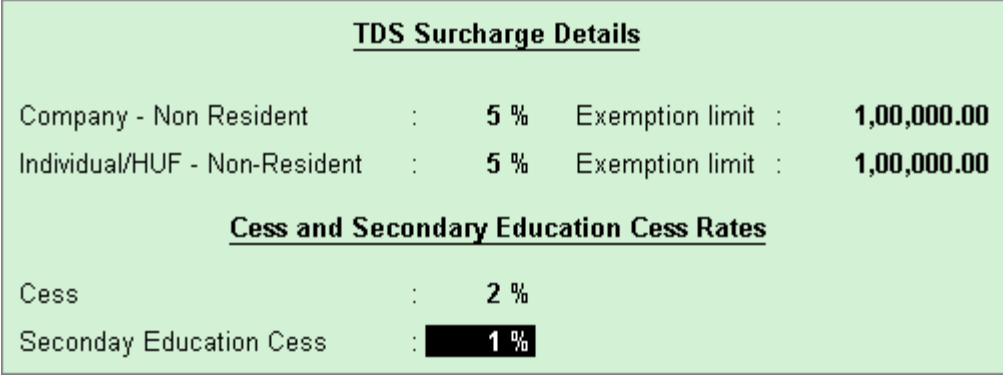
## Enabling Surcharge Details for TDS

You can enable surcharge details applicable for TDS by using the **F12: Configure** option.

### To enable surcharge details for TDS

1. Go to **Gateway of Tally > F11: Features > Statutory and Taxation**.
2. Enable the option **Set/alter TDS details**.
3. Click **F12: Configure**.
4. Set the option **Enable Surcharge Details for TDS** to **Yes**.
5. Press **Ctrl + A** to accept.
6. Enable the option **Provide surcharge details**.
7. Enter the surcharge details, as required.

The **TDS Surcharge Details** screen appears as shown below:



The screenshot shows a green background with the following text:

<u>TDS Surcharge Details</u>			
Company - Non Resident	: 5 %	Exemption limit :	1,00,000.00
Individual/HUF - Non-Resident	: 5 %	Exemption limit :	1,00,000.00

<u>Cess and Secondary Education Cess Rates</u>	
Cess	: 2 %
Secondary Education Cess	: 1 %

8. Press **Enter**.
9. Press **Ctrl + A** to accept.

## Showing Alternate Contact Details (TDS)

You can use **F12: Configure** option to enable display of the alternate contact details for TDS.

### To enable alternate contact details

1. Go to **Gateway of Tally > F11: Features > Statutory and Taxation**
2. Enable the option **Set/alter TDS details**.
3. Click **F12: Configure**.
4. Enable the option **Show Alternate Contact Details**.
5. Press **Ctrl + A** to accept.
6. Enter the **STD Code, Phone No.** and **E-Mail**.
7. Press **Ctrl + A** to save the details.

## Creating TDS Nature of Payment

For payments attracting TDS, the relevant nature of payment is defined by the department with associated tax rate, section, payment code, and threshold limit. While creating a TDS Nature of Payment, you can press **Ctrl+C** to select the required nature of payment.

To create TDS nature of payment

1. Go to **Gateway of Tally > Accounts Info. > Statutory Info. > TDS Nature of Pymts > Create**.
2. Press **Ctrl+C** to view the list of **Nature of Payment**.
3. Select the required **Nature of Payment**.

Attitude



TDS Nature of Payment Creation		ABC Company	
Name	Income in Respect of Investment in Securitization Trust		
Nature of Payment			
Any Remuneration Or Commission Paid to Director of the Company	194J		94J
Commission on Sale of Lottery Tickets	194G		94G
Commission Or Brokerage	194H		94H
Deemed Dividend U/s 2(22)(E)	194		194
Fees for Professional Or Technical Services	194J		94J
Fees for Technical Services, Payable to Non Residents	195		195
Fees for Tech. Services Agreement Is Made on Or After June 1, 2005	195		195
Income by Way of Interest on Certain Bonds and Government Securities	194LD		4LD
Income by Way of Long-Term Capital Gains Referred to in Section 115E	195		195
Income From Foreign Currency Bonds Or Shares of....	196C		96C
<b>Income in Respect of Investment in Securitization Trust</b>	<b>194LBC</b>		<b>LBC</b>
Income in Respect of Units of Non-Residents	196A		96A
Income in the Form of Interest From Indian Company	194LC		4LC
Income of Foreign Institutional Investors From ....	196D		96D
Insurance Commission	194D		94D
Interest on 8% Savings (Taxable) Bonds, 2003	193		193
Interest on Infrastructure Debt Fund	194LB		4LB
Interest on Securities	193		193
Interest Other Than Interest on Securities	194A		94A
Interest Payable by Government Or Indian Concern in Foreign Currency	195		195
Long-Term Capital Gains[Not Being Covered by Sec 10(33)(36)(38)]	195		195
Other Sums Payables to A Non-Resident	195		195
Payment in Respect of Life Insurance Policy	4DA		194DA
Payment of Accumulated Balance From PF Fund	192A		92D
Payment of Certain Income From Units of A Business Trust	194LBA		4BA
Payment of Compensation on Acquisition of Immovable Property	194LA		94L
17 more ... ↓			

**Note:** The nature of payment **Income in Respect of Investment in Securitization Trust** has been introduced in release 5.4.

The **Section** and **Payment code** are displayed automatically.

4. Enter the **Rate** of TDS.

TDS Nature of Payment Creation	
Name	Income in Respect of Investment in Securitization Trust
Section	: 194LBC
Payment code	: LBC
Rate	: 30 %
Threshold/exemption limit	: <input type="text"/>

5. Enter the **Threshold/exemption limit** as applicable.
6. Click **F12: Configure** to configure [more options](#).
7. Press **Ctrl+A** to save the details.

In the text file generated as per File Validation Utility (FVU) version 5.6, the letter **B** appears as remarks for transactions recorded at lower or zero deduction for TDS nature for all the **Nature of Payments** under section **194J**.

## Creating Expenses Ledger (TDS)

An expenses ledger is used for booking expenses. It can be created by selecting the **Nature of Payment** during ledger creation.

### To create an expense ledger

1. Go to **Gateway of Tally > Accounts Info. > Ledgers > Create.**
2. Enter the **Name.**
3. Select **Indirect Expenses** as the group name in the **Under** field.
4. Set **Inventory values** are affected to **No.**
5. Enable the option **Is TDS Applicable?**
6. Select the **Nature of Payment** from the **List of Nature of Payments.**

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

Ledger Creation		ABC Company	Ctrl + M
Name	: Rent		Total Op. Bal.
(alias)	:		
Under	: Indirect Expenses	Mailing Details	
		Name	
		Address	
		Provide bank details	: No
		Tax Registration Details	
		PAN	
Statutory Information			
Is TDS Applicable	? <input checked="" type="checkbox"/> Applicable		
Nature of Payment	: Rent of Land, Building Or Furniture		
Opening Balance (on 1-Apr-2015) :		Accept ?	
		Yes or No	

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

## Creating Party Ledger (TDS)

TDS will be deducted on the basis of the deductee type, which has to be defined in the party ledger.

### To create a party ledger

1. Go to **Gateway of Tally > Accounts Info. > Ledgers > Create**
2. Enter the **Name**.
3. Select **Sundry Creditor** as the group name in the **Under** field.
4. Enable the option **Maintain bill-by-bill**, if required.
5. Enable the option **Is TDS Deductible?**
6. Select a **Deductee Type**.
7. Enable **Deduct TDS in Same Voucher**, if required.
8. Enter the **Name** of the service provider under **Mailing Details**.
9. Enter the **Address**.
10. Select the **Country** from the **List of Countries**.
11. Select the **State** from the **List of States**.
12. Enter the **PIN Code**.
13. Enable **Provide Bank Details**, if required.
14. Enter the **PAN** under **Tax Information**.
15. Enable the option **Provide PAN Details** to enter PAN details of the party.

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

Ledger Creation		ABC Company		Ctrl + M	
Name : MAR Tech Park				Total Op. Bal.	
(alias) :					
Under : Sundry Creditors (Current Liabilities)		<b>Mailing Details</b> Name : MAR Tech Park Address : #56, 8 Main, 10th Cross, Electronic City Bangalore			
Maintain balances bill-by-bill ? Yes Default credit period : Check for credit days during voucher entry ? No		Country : India State : Karnataka                      PIN Code : 560068 Provide bank details : Yes			
<b>Statutory Information</b> Is TDS Deductable ? Yes Deductee Type : Association of Persons Deduct TDS in Same Voucher ? Yes		<b>Tax Registration Details</b> PAN : NJHPG5478L (PAN is mandatory for e-TDS, should be of 10 Characters) Provide PAN details ? Yes			
Opening Balance ( on 1-Apr.2015 ) :				Accept ? Yes or No	

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

## Creating TDS Ledger

A TDS ledger is used for recording duties in TDS related transactions.

### To create a TDS tax ledger

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

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

Ledger Creation		ABC Company		Ctrl + M
Name	: TDS on Rent			Total Op. Bal.
(alias)	:			
Under	: Duties & Taxes (Current Liabilities)	Name	:	
Type of duty/tax	: TDS	Address	:	
Nature of Payment	: Rent of Land, Building Or Furniture	Provide bank details	: No	
<u>Statutory Information</u>		<u>Mailing Details</u>		
		<u>Tax Registration Details</u>		
		PAN	:	
Opening Balance ( on 1-Apr-2015 ) :				Accept ? Yes or No

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

## Creating Stock Item (TDS)

Stock items with TDS details can be created only if it is configured on the Company **TDS Deductor Details** page.

### To create a Stock item for TDS

1. Go to **Gateway of Tally > Inventory Info. > Stock Item > Create.**
2. Enter the **Name.**
3. Select a stock group from the **List of Stock Groups** in the **Under** field.
4. Select a unit of measurement in the **Units** field.
5. Enable the option **Set/alter TDS details.**
6. Select the **Nature of Payment** from the **List of Nature of Payment.**
7. Press **Enter.**

The **Stock Item Creation** screen appears as shown below:

Stock Item Creation		ABC Company	
Name : <b>Cartons</b> (alias) :			
Under : <b>Primary</b>	<u>Statutory Information</u>		<u>Behaviour</u>
Units : <b>Nos</b>	Set/Alter TDS Details ? <b>Yes</b>		Costing Method : <b>Avg. Cost</b> Market Valuation Method : <b>Avg. Price</b> Ignore Dif. due to Physical Counting ? <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>
Opening Balance :		Quantity	Rate per
			Value
			Accept ? <b>Yes or No</b>

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

## Creating Fixed Asset Ledger (TDS)

A Fixed Asset ledger is used for recording fixed assets and capital goods.

### To create a fixed asset ledger

1. Go to **Gateway of Tally > Accounts Info. > Ledgers > Create.**
2. Enter the **Name.**
3. Select **Fixed Assets** as the group name in the **Under** field.
4. Set **Inventory values are affected** to **No.**
5. Set **Is TDS Deductible** to **Yes.**
6. Set **Treat as TDS Expenses** to **Yes.**
7. Select the required **Nature of Payment.**
8. Enter the **Mailing Details** and **Tax Registration Details**, as required.

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

Ledger Creation		Neeha Traders		Ctrl + M
Name : Capital Work in Progress (Machine) (alias) :				Total Op. Bal.
Under : Fixed Assets	Mailing Details			
Inventory values are affected ? No	Name : Capital Work in Progress (Machine)	Address :		
Statutory Information		Country : India	State : Karnataka	PIN Code :
Is TDS Deductible ? Yes	Provide bank details : No			
Treat as TDS Expenses ? Yes	Tax Registration Details			
Nature of Payment : Payments to Contractors (Mr./Mrs./Advertisement)	PAN / IT No. : ABCD1234A	(PAN is mandatory for e-TDS, should be of 10 Characters)		
	Provide PAN details ? No			
Opening Balance (on 1-Apr-2015) :				Accept ? Yes or No

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

## Configurations in Masters for TDS

You can enable advance configurations for TDS in party masters. This will allow you to configure surcharge exemption limits, and income exemption limits. You can also set a zero or lower rate of TDS for party masters.

[Ignore surcharge exemption limit](#)

[Ignore income tax exemption limit](#)

[Set zero/lower rate for TDS](#)

## Ignoring Surcharge Exemption Limit

You can choose to ignore surcharge exemption limit while creating ledgers by using **F12: Configure** options for advanced TDS entries.

**To ignore surcharge exemption limit**

1. Click **F12: Configure** in the **Ledger Creation** screen.

2. Enable the option **Allow advanced entries in TDS masters**.
3. Press **Ctrl + A** to save the details. A new option **Use Advanced TDS Entries** will be available.
4. Enable the option **Use Advanced TDS Entries**.
5. Enable the option **Ignore Surcharge Exemption Limit**.
6. Press **Ctrl + A** to save the details.
7. Press **Ctrl + A** to save the party master.

## Ignoring Income Tax Exemption Limit

You can choose to ignore income tax exemption limit while creating ledgers by using **F12: Configure** options for advanced TDS entries.

### To ignore income tax exemption limit

1. Click **F12: Configure** in the **Ledger Creation** screen.
2. Enable the option **Allow advanced entries in TDS masters**.
3. Press **Ctrl + A** to save the details. A new option **Use Advanced TDS Entries** will be available.
4. Enable the option **Use Advanced TDS Entries**.
5. Select **Applicable** in the **Set/Alter Ignore Income Tax Exemption Limit**.
6. Select the required TDS nature of goods from the **List of TDS Nature of Pymts**.
7. Select **End of List** to exit the screen.
8. Press **Ctrl + A** to save the details.
9. Press **Ctrl + A** to save the party master.

## Setting Zero or Lower Rate for TDS

You can set up zero or lower rate related to TDS by enabling the necessary configurations under **F12: Configure** during ledger creation.



### To set zero or lower rate for TDS

1. Click **F12: Configure** in the Ledger Creation screen.
2. Enable the option **Allow advanced entries in TDS masters**.
3. Press **Ctrl + A** to save the details. A new option **Use Advanced TDS Entries** will be available.
4. Enable the option **Use Advanced TDS Entries**.
5. Select **Applicable** in the **Set/Alter Zero/Lower Collection**.
6. Select the required TDS nature of payment from the **List of TDS Nature of Pymts**.
7. Select the **Section Number**.
8. Enter the **Certificate No./ Date**.
9. Enter the **Applicable From** date.
10. Enter the **Applicable To** date.
11. Enter the rate of TDS in the **TDS** field.
12. Repeat steps 6 to 10 for the required TCS nature of goods.
13. Select **End of List** to exit the screen.
14. Press **Ctrl + A** to save the details.
15. Press **Ctrl + A** to save the party master.

## Accounting for TDS on Expenses

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

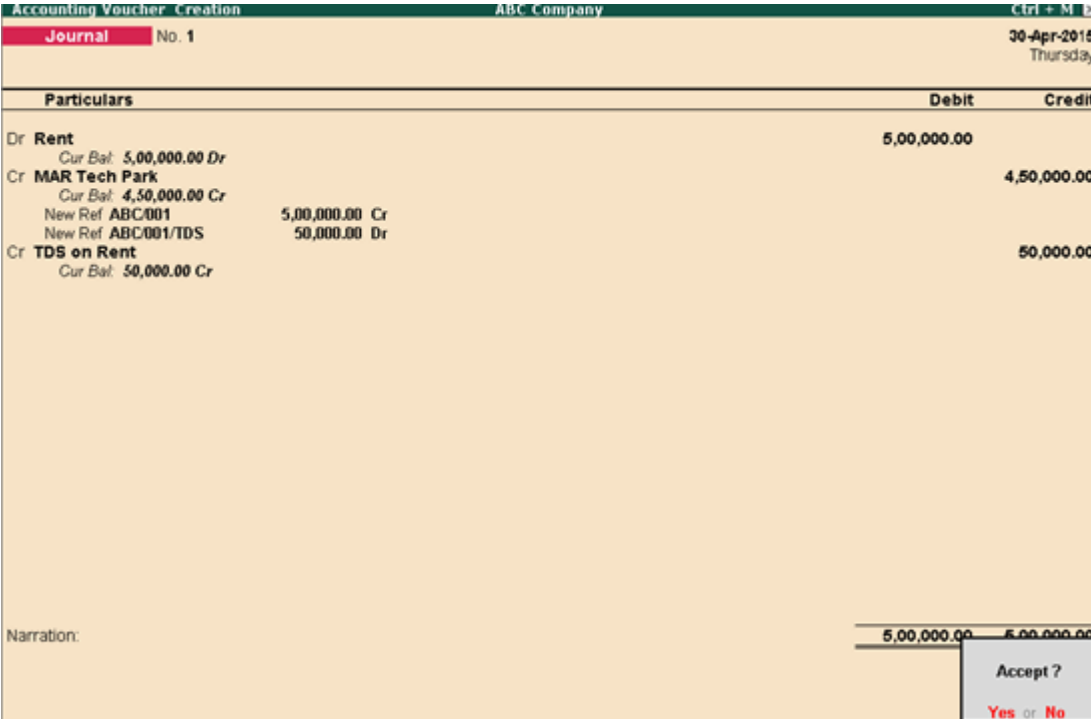
Scenario: On 30-4-2015, ABC Company paid MAR Tech Park ₹ 5,00,000 as rent.

### To create a journal voucher

1. Go to **Gateway of Tally > Accounting Voucher > F7: Journal**.
2. Click **F2: Date** to change the date to **30-4-2015**.

3. Debit the **Rent** expense ledger.
4. Enter **500000** in the amount field.
5. Credit **MAR Tech Park**. The amount after TDS deduction will appear in the **Amount** field automatically.
6. Press **Enter**.
7. Enter the **Bill-wise Details**, as required.
8. Press **Enter**.
9. Credit the TDS tax ledger. The TDS amount will automatically filled in the **Amount** field.
10. Press **Enter**.
11. Enter **Narration**, if required.

The **Journal** voucher appears as shown below:



Accounting Voucher Creation		ABC Company	Ctrl + M
Journal No. 1		30-Apr-2015 Thursday	
Particulars	Debit	Credit	
Dr <b>Rent</b> <i>Cur Bal: 5,00,000.00 Dr</i>	5,00,000.00		
Cr <b>MAR Tech Park</b> <i>Cur Bal: 4,50,000.00 Cr</i>		4,50,000.00	
New Ref ABC/001 New Ref ABC/001/TDS	5,00,000.00 Cr 50,000.00 Dr		
Cr <b>TDS on Rent</b> <i>Cur Bal: 50,000.00 Cr</i>		50,000.00	
Narration:		5,00,000.00	5,00,000.00

Accept ?  
 Yes or No

12. Press **Ctrl+A** to save the voucher.

# Accounting for TDS on Advance Payment

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

Scenario 1: On 1-5-2015, ABC Company paid an advance of ₹ 1,00,000 on rent to MAR Tech Park as rent directly.

## To create an advance payment

1. Go to **Gateway of Tally > Accounting Voucher > F5: Payment**
2. Click **F2: Date** to change the date to **01-05-2015**.
3. Select bank ledger in the **Account** field.
4. Select **MAR Tech Park** in the Particulars field.
5. Enter **100000** in the amount field.
6. Select the TDS tax ledger. The TDS amount will automatically filled in the **Amount** field.
7. Press **Enter**.
8. Enter the **Bank Allocation Details**, as required.
9. Press **Enter**.
10. Enter **Narration**, if required.

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

**Attitude**

Accounting Voucher Creation		ABC Company	Ctrl + M
<b>Payment</b> No. 1			1-May-2015 Friday
Account: <b>State Bank of India</b> Cur Bal: 49,10,000.00 Dr			
Particulars		Amount	
<b>MAR Tech Park</b> Cur Bal: 3,50,000.00 Cr Advance ABC/Adv001      1,00,000.00 Dr		1,00,000.00	
<b>TDS on Rent</b> Cur Bal: 60,000.00 Cr		(-)10,000.00	
Narration:		90,000.00	
		<input type="button" value="Accept?"/> Yes or No	

11. Press **Ctrl + A** to save the invoice.

Scenario 2: On 2-4-2015, XYZ Company paid an advance of ₹ 1,00,000 on rent to MAR Tech Park as rent on behalf of ABC Company.

### To create an advance payment via third party

1. Go to **Gateway of Tally > Accounting Voucher > F7: Journal**.
2. Click **F2: Date** to change the date to **01-05-2015**.
3. Select **MAR Tech Park**, debit **100000**.
4. Select **XYZ Company**, credit **90000**.
5. Select the TDS tax ledger. The TDS amount is automatically filled.
6. Press **Enter**.
7. Enter the **TDS Details**, as required.
8. Press **Enter**.
9. Enter **Narration**, if required.

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

Accounting Voucher Creation		TDS	Ctrl + M
<b>Journal</b> No. 3			2-Apr-2015 Thursday
Particulars	Debit	Credit	
By MAR Tech Park <i>Cur Bal: 1,00,000.00 Dr</i>	1,00,000.00		
To XYZ Company <i>Cur Bal: 90,000.00 Cr</i>		90,000.00	
To TDS - Any <i>Cur Bal: 1,10,000.00 Cr</i>		10,000.00	
Narration:		1,00,000.00	1,00,000.00
		Accept ? Yes or No	

10. Press **Ctrl+A** to save the invoice.

## Deducting Tax at Lower Rate (TDS)

To record a transaction attracting a lower rate with applicable TDS can be recorded by using the commission expense ledger.

The Assessing Officer shall issue a certificate for deduction of Tax at Lower rate than the relevant rate specified under the section, Where the assessing officer is satisfied that the total income of the recipient (Assessee) justifies the deduction of income tax at any lower rates than the rate specified under the sections specified under the act and has received an application in Form 13 from the assessee under sub-section (1) of section 197.

The certificate granted shall be valid for the assessment year specified and is valid only for the person named therein.

Scenario: On 16-05-2015, ABC Company received a bill from ACE Computers for ₹80,000 towards commission charges. ACE Computers has a certificate for deduction of Income tax at Lower rate @ 5%, on Commission.

**To record expenses in the journal voucher**

1. Go to **Gateway of Tally > Accounting Voucher > F7: Journal.**
2. Click **F2: Date** to change the date to **16-5-2015.**
3. Debit the **Commission** expense ledger.
4. Enter **80000** in the amount field.
5. Credit **ACE Computers.** The amount after TDS deduction will appear in the **Amount** field automatically.
6. Press **Enter.**
7. Enter the **Bill-wise Details,** as required.
8. Press **Enter.**
9. Credit the TDS tax ledger. The TDS amount will automatically filled in the **Amount** field.
10. Press **Enter.**
11. Enter **Narration,** if required.

The **Journal** voucher appears as shown below:

Accounting Voucher Creation		ABC Company		Ctrl + M
Journal No. 2				16-May-2015 Saturday
Particulars		Debit	Credit	
Dr	<b>Commission</b> <i>Cur Bal: 80,000.00 Dr</i>	80,000.00		
Cr	<b>ACE Computers</b> <i>Cur Bal: 76,000.00 Cr</i>		76,000.00	
	New Ref ABC/002	80,000.00 Cr		
	New Ref ABC/002/TDS	4,000.00 Dr		
Cr	<b>TDS on Commission</b> <i>Cur Bal: 4,000.00 Cr</i>		4,000.00	
Narration:		80,000.00	80,000.00	

Accept ?
Yes or No

12. Press **Ctrl+A** to save the voucher.

In the text file generated as per File Validation Utility (FVU) version 5.6, the letter **B** appears as remarks for transactions recorded at lower or zero deduction for TDS nature for all the **Nature of Payments** under section **194J**.

## Deducting Tax at Zero Rate (TDS)

A Deductee (other than Company or Firm) can submit a declaration in Form 15G under sub section (1) of section 197A, for TDS deduction at Zero Rate. Declarations can be given only by those deductees whose income is below the taxable limit and the income falls under section 193, 194, 194A, 194EE and 194K.

The certificate granted shall be valid for the assessment year specified and is valid only for the person named therein.

Scenario: On 25-5-21-015, ABC Company received a bill from Gokul Co-operative Building Society for Rs. 10,00,000 towards Rent on Building and Furniture. Gokul Co-operative Building Society has a certificate for non-deduction (zero rate) of Income tax on Rent.

### To record expenses in the journal voucher

1. Go to **Gateway of Tally > Accounting Voucher > F7: Journal**.
2. Click **F2: Date** to change the date to **25-5-2015**.
3. Debit the **Rent** expense ledger.
4. Enter **1000000** in the amount field.
5. Credit **Gokul Co-operative Building Society**.
6. Press **Enter**.
7. Enter the **Bill-wise Details**, as required.
8. Press **Enter**.
9. Enter **Narration**, if required.

The **Journal** voucher appears as shown below:

Accounting Voucher Creation		ABC Company	Ctrl + M
<b>Journal</b> No. 3			25-May-2015 Monday
Particulars	Debit	Credit	
Dr Rent <i>Cur Bal: 15,00,000.00 Dr</i>	10,00,000.00		
Cr Gokul Co-Operative Building Society <i>Cur Bal: 10,00,000.00 Cr</i> New Ref ABC003      10,00,000.00 Cr			10,00,000.00
Narration:		10,00,000.00	10,00,000.00
		Accept ? Yes or No	

10. Press **Ctrl+A** to save the voucher.

In the text file generated as per File Validation Utility (FVU) version 5.6, the letter **B** appears as remarks for transactions recorded at lower or zero deduction for TDS nature for all the **Nature of Payments** under section **194J**.

## Recording Payment Transaction (TDS)

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

**Scenario 1:** On 05-05-2015, ABC Company paid TDS deducted in the month of April 2015 to the government directly.

### To record a payment transaction

1. Go to **Gateway of Tally > Accounting Vouchers > F5: Payment**.
2. Click **S: Stat Payment**.
3. Select **TDS** as the **Tax Type**.
4. Enter the **Period From** and **To** dates.



5. Enter the **Deducted Till Date**.
6. Select the **Section** from the **List of Section**.
7. Select the required **Nature of Payment**.
8. Select the **Deductee Status**.
9. Select the **Residential Status**.
10. Select either bank or cash ledger in the **Cash/Bank** field. The payment voucher will be automatically filled with the relevant values.

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

<u>Statutory Payment</u>			
Tax Type	:	TDS	
Period From	:	1-Apr-2015	To 30-Apr-2015
Deducted Till Date	:	30-4-2015	
Section	:	194I	
Nature of Payment	:	Rent of Land, Building Or Furniture	
Deductee Status	:	All Items	
Residential Status	:	Resident	
Cash/Bank	:	State Bank of India	

11. Press **Enter**.
12. Enter the **Bank Allocation details** as required.
13. Enter **Narration**, if required.

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

**AC**

Accounting Voucher Creation		ABC Company	Ctrl + M
<b>Payment</b> No. 2			5-May-2015 Tuesday
Account: <b>State Bank of India</b> Cur Bal: 48,60,000.00 Dr			
Particulars		Amount	
<b>TDS on Rent</b>		50,000.00	
Cur Bal: 10,000.00 Cr			
<b>Agst Ref Jrm / 1 / 1</b>	50,000.00 Dr		
Income Tax	50,000.00 Dr		
Surcharge			
Education Cess			
Secondary Education Cess			
Provide Details : No			
Narration:		50,000.00	
		Accept ? Yes or No	

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

**Scenario 2:** On 05-05-2015, XYZ Company paid the TDS deducted to the government on behalf of ABC Company.

1. Go to **Gateway of Tally > Accounting Voucher > F7: Journal**.
2. Click **F2: Date** to change the date to **05-05-2015**.
3. Debit TDS tax ledger.
4. Credit XYZ Company.

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

**Attitude**

Accounting Voucher Creation		TDS Gold 24072015	Ctrl + M
Journal No. 14		1-Oct-2015 Thursday	
Particulars	Debit	Credit	
By TDS - Any Cur Bal: 1,20,000.00 Cr	10,000.00		
To XYZ Company Cur Bal: 1,90,000.00 Cr		10,000.00	
Narration:	10,000.00	10,000.00	
		Accept ? Yes or No	

5. Press **Ctrl+A** to save.

## Accounting for Expenses, Deducting TDS Later

It is always expected that the deductor should deduct the tax in the same invoice in which the expenses are accounted. But in some cases, deductor may follow the procedure of accounting only expenses on the receipt of bills and later, deduct applicable tax on all such accounted expenses in one invoice.

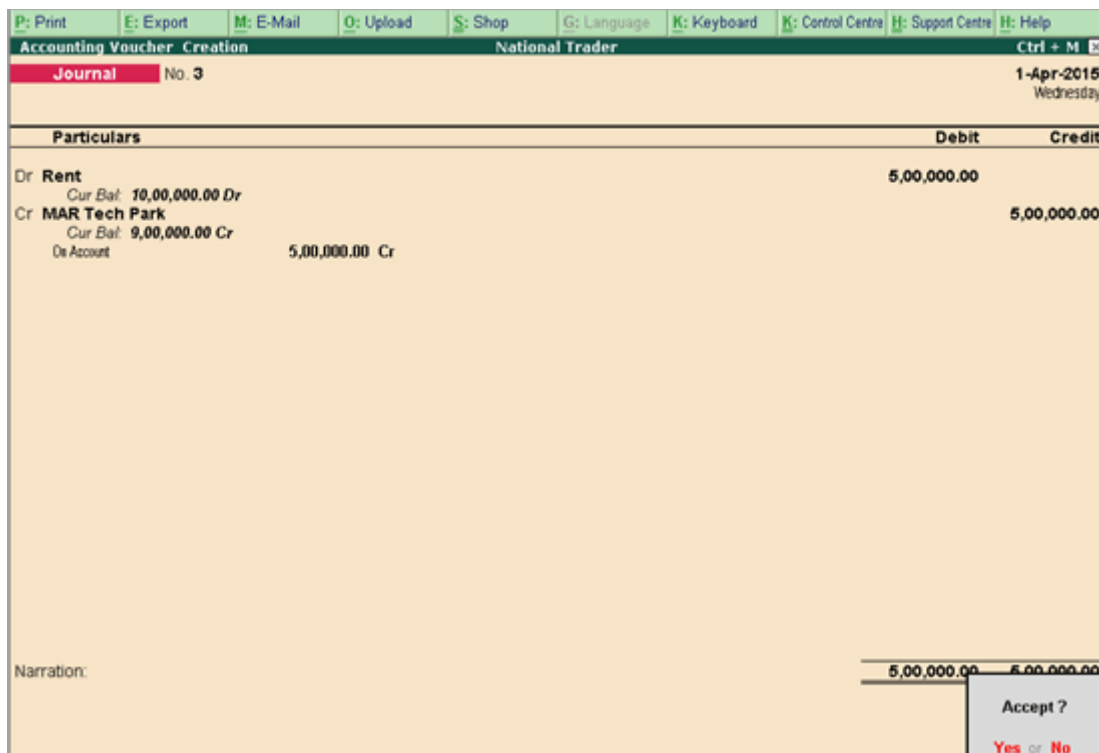
Scenario: On 1-4-2015, ABC Company paid MAR Tech Park ₹ 5,00,000 as rent (accounting only expenses). On 14-4-2015, deducting applicable tax.

### Accounting for Expenses

#### To create a journal voucher

1. Go to **Gateway of Tally > Accounting Voucher > F7: Journal**.
2. Click **F2: Date** to change the date to **1-4-2015**.

3. Debit the **Rent** expense ledger.
4. Enter **500000** in the amount field.
5. Credit MAR Tech Park.
6. Enter **500000** in the amount field.
7. Press **Enter**.
8. Enter **Narration**, if required. The **Journal** voucher appears as shown below:



The screenshot shows the 'Accounting Voucher Creation' window for 'National Trader'. The voucher is a 'Journal' type, No. 3, dated 1-Apr-2015 (Wednesday). The table below shows the entries:

Particulars	Debit	Credit
Dr <b>Rent</b> <i>Cur Bal: 10,00,000.00 Dr</i>	5,00,000.00	
Cr <b>MAR Tech Park</b> <i>Cur Bal: 9,00,000.00 Cr</i>		5,00,000.00
<i>De Account</i> 5,00,000.00 Cr		
Narration:		
	5,00,000.00	5,00,000.00

An 'Accept ?' dialog box is visible at the bottom right with 'Yes' and 'No' options.

9. Press **Ctrl+A** to save the voucher.

### Deducting Applicable TDS

#### To create a journal voucher

1. Go to **Gateway of Tally > Accounting Voucher > F7: Journal**.
2. Click **F2: Date** to change the date to **14-4-2015**.
3. Debit **MAR Tech Park**.
4. Enter **100000** in the amount field.

5. Enter the required details in the **Bill-wise Details** screen.

Bill-wise Details				National Trader	
Journal		No. 2			
Particulars					
Bill-wise Details for : <b>MAR Tech Park</b> Upto: ₹ <b>1,00,000.00 Dr</b>					
Type of Ref	Name	Due Date, or Credit Days (wef: 1-Apr-2015)	Amount	Dr/ Cr	
On Account			<b>1,00,000.00</b>	<b>Dr</b>	
			<b>1,00,000.00</b>	<b>Dr</b>	

6. Press **Enter**.
7. Credit **TDS on Rent** ledger.
8. Enter **100000** in the amount field.
9. Enter the required details in the **TDS Details** screen.

TDS Details		National Trader	
Journal	No. 2		
Particulars			
Dr MAR Tech Park			
Cr 5,00,000.00 Cr			
TDS Nature of Payment Details			
Type of Ref	Name	Nature of Payment	Assessable Amount
Agst Ref Jml / 1 / 5		Rent of Land, Building Or Furniture	5,00,000.00 Cr
	Income Tax 20 % On	5,00,000.00 Cr	1,00,000.00 Cr
	Surcharge 0 % On	1,00,000.00 Cr	
	Education Cess 0 % On	1,00,000.00 Cr	
	Secondary Education Cess 0 % On	1,00,000.00 Cr	
<b>Total</b>			<b>5,00,000.00 Cr</b>

10. Press **Enter**.

11. Enter **Narration**, if required. The **Journal** voucher appears as shown below:

**Attitude**

Accounting Voucher Creation		National Trader		Ctrl + M
Journal No. 2				14-Apr-2015 Tuesday
Particulars		Debit	Credit	
Dr MAR Tech Park		1,00,000.00		
Cur Bal: 4,00,000.00 Cr				
De Account	1,00,000.00 Dr			
Cr TDS on Rent			1,00,000.00	
Cur Bal: 1,00,000.00 Cr				
Narration:		1,00,000.00	1,00,000.00	
				Accept ? Yes or No
Q: Quit	A: Accept	D: Delete	X: Cancel	

12. Press **Ctrl+A** to save the voucher.

## Accounting for TDS on Transport

You can create an accounting voucher for transport-related expenses, along with the applicable TDS.

Section 194C of Income Tax Act is amended to include TDS deduction of 1 % for individuals and Hindu Undivided Families owning more than 10 goods carriage, and at the rate of 2% in case of other payees. For others not owning more than 10 goods carriage at any time during the previous financial year, and who has furnished a declaration to this effect along with his PAN, no TDS is applicable.

**Note:** A TDS of 20% is applicable for parties without a valid PAN.

Scenario: Rekha Traders availed transportation services from ABC Transporters (owns more than 10 goods carriers) on 24-4-15 on which a TDS of 2% is applicable.

### To create a journal voucher

1. Go to **Gateway of Tally > Accounting Voucher > F7: Journal**.
2. Click **F2: Date** to change the date to **24-4-2015**.

3. Debit **Transport Expense** ledger, by **50000**.
4. Credit **ABC Transporter**, amount is automatically filled.
5. Enter the required details in the **Bill-wise Details** screen.
6. Press **Ctrl+A** to save.
7. Credit TDS ledger, amount is automatically filled.
8. Enter **Narration**, if required.

The journal voucher appears as shown below:

Accounting Voucher Creation		Rekha Traders		Ctrl + M
Journal No. 7				24-Apr-2015 Friday
Particulars		Debit	Credit	
Dr <b>Transport Expense</b>		50,000.00		
<i>Cur Bal: 76,000.00 Dr</i>				
Cr <b>ABC Transporter</b>			49,000.00	
<i>Cur Bal: 72,400.00 Cr</i>				
New Ref 7	50,000.00 Cr			
New Ref 7	1,000.00 Dr			
Cr <b>TDS Any</b>			1,000.00	
<i>Cur Bal: 2,600.00 Cr</i>				
Narration:		50,000.00	50,000.00	
				Accept ?
				Yes or No

9. Press **Ctrl + A** to save the voucher.

Scenario: Rekha Traders availed transportation services from XYZ Transporters (owns less than 10 goods carriers) on 28-4-15.

### To create a journal voucher

1. Go to **Gateway of Tally > Accounting Voucher > F7: Journal**.
2. Click **F2: Date** to change the date to **28-4-2015**.
3. Debit **Transport Expense** ledger, by **30000**.



4. Credit **XYZ Transporters**, amount is automatically filled.
5. Enter the required details in the **Bill-wise Details** screen.
6. Press **Ctrl+A** to save.
7. Enter **Narration**, if required.

The journal voucher appears as shown below:

Accounting Voucher Creation		Rekha Traders		Ctrl + M
<b>Journal</b> No. 7				28-Apr-2015 Tuesday
Particulars		Debit	Credit	
Dr Transport Expense		30,000.00		
<i>Cur Bal: 56,000.00 Dr</i>				
Cr XYZ Transporters			30,000.00	
<i>Cur Bal: 30,000.00 Cr</i>				
De Account	30,000.00 Cr			
Narration:				
		30,000.00	30,000.00	

Accept ?  
 Yes or No

8. Press **Ctrl + A** to save the voucher.

## Deducting TDS when expenses are paid through Cash in Release 5.x

Using purchase vouchers, you can account for TDS when expenses are paid through cash.

1. Go to **Gateway of Tally > Accounts Vouchers > F9: Purchase:**
  - Select **Cash** in **Party's A/C name**.
  - In **Supplementary Details** screen,

- Under Supplier details, press **Alt + M: Party List**
- Select the party from the list instead of cash.

Other Reference(s) :	<b>List of Ledger Accounts</b>
<b>Supplier's Details</b>	ABC Agency
Supplier : <b>Cash</b>	Cash
Address :	
Sales Tax No. :	
CST Number :	
Type of Dealer :	

2. Select Expenses and TDS duty ledgers. Once you select Duty ledger, party details will appear with Party name, PAN number and deductee type.

<u>Partys' Details</u>	
Party Name	: ABC Agency
PAN Number	: A SQLJ4528Q
Deductee Type	: Company - Resident

**Note:** A party which is selected in **Supplementary Details** screen details will appear after selecting TDS duty ledger. In **Supplementary Details** screen instead of selecting the party from the list, party name can be entered manually if required. In such case after selecting duty ledger, mention PAN number of party and deductee type.

<u>Partys' Details</u>	
Party Name	: XYZ Agency
PAN Number	:
Deductee Type	: Company - Resident

3. Press **Enter** to accept.

## Form 26Q (TDS)

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

This is applicable for Resident and the due date for Government entities is July 31st, October 31st, January 31st, and May 15th; for non-government entities the due dates for filing returns are July 15th, October 15th, January 15th, and May 15th.

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

### To generate Form 26Q

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

The Form 26Q report can be filed with accurate information available in this report. It has three main sections:

- [Statistics of Vouchers](#)
- [Deduction Details](#)
- [Payment Details](#)

## Statistics of Vouchers - Form 26Q (TDS)

The Statistics of Vouchers section of Form 26Q displays the total number of transactions pertaining to a period which are categorised as **Included**, **Excluded** and **Uncertain Transactions**.

**Total Number of Transactions:** Drill-down on this item to view the **Statistics** report comprising of voucher types with the corresponding voucher count. The total count of vouchers displayed for the **Total Number of Transactions** row is categorized

as **Included, Excluded** and **Uncertain Transactions** with the voucher count against each of the categories.

**Included Transactions:** Displays all vouchers that have the requisite information in their corresponding masters and transactions to comply with the requirements for filing the returns. These vouchers will be a part of TDS forms as applicable.

**Excluded Transactions:** Displays the count of all vouchers which are not a part of returns. As TDS details are not provided in these transactions, there will be no implications on forms and annexures.

**Uncertain Transactions:** Displays the count of all vouchers with insufficient information. These vouchers contain TDS related information and are not included in the count of **Included Transactions** and **Excluded Transactions**.

A few examples of insufficient information include:

- Country, state and dealer type are not defined for party ledger.
- Tax details are not defined for stock item.
- Duty type is not defined for TDS ledger.
- Mismatch in country or state selected in party master and transactions.
- Mismatch in tax amount.

## Total Number of Transactions

The statistics report displays the count of each voucher type used for recording transactions under **Total Number of Transactions, Included Transactions, Excluded Transactions**, and **Uncertain Transactions**.

### To display the statistics report

1. Go to **Gateway of Tally > Display > Statutory Reports > TDS Reports > Form 26Q or Form 27Q**.
2. Select **Total Number of Transactions**.
3. Press **Enter** to view all transactions for the period.
4. Select any voucher type and press **Enter** to view the **Voucher Monthly Register**.

5. Select any month and press **Enter** to view **Voucher Register**. The **Voucher Register** screen appears.
6. Select the required voucher.
7. Press **Enter** to edit the voucher.

## Deduction Details (TDS)

The **Deduction Details** section under the TDS Reports for Form 26Q or 27Q denotes the type of deduction under which each of the **Included transaction** is grouped.

The deduction details are classified into:

- **Deduction at Normal Rate**
- **Deduction at Higher Rate**
- **Lower Rated Taxable Expense**
- **Zero Rated Taxable Expense**
- **Under Exemption Limit**
- **Exempt in lieu of PAN Available**

The assessable value, tax deductible, and the tax deducted for transactions grouped in the above categories are displayed here.

### To view the Deduction Details

1. Go to **Gateway of Tally > Display > Statutory Reports > TDS Reports > Form 26Q or Form 27Q**.
2. Select the required deduction under **Deduction Details**, and press **Enter**.

The **Deduction Details** screen appears as shown below:

Deduction Details		National Traders				Ctrl + M	
Deduction at Normal Rate		1 Jul 2015 to 30 Sep 2015					
Particulars	Assessable Value			Tax	Deducted		Balance
	Prev. Period	Current Period	Total	Deductible	Prev. Period	Current Period	Total
Aarti Foods	6,12,900.00		6,12,900.00	71,290.00		71,290.00	71,290.00
Crisil Limited - Fees for Professional Services	1,00,000.00		1,00,000.00	10,000.00		10,000.00	10,000.00
GK Enterprise	34,05,000.00		34,05,000.00	6,21,500.00		6,21,500.00	6,21,500.00
MRS Tech Park		30,08,000.00	30,08,000.00	3,00,800.00		3,00,800.00	3,00,800.00
Ramesh Trading - Int. on Securities	2,01,000.00		2,01,000.00	20,100.00		20,100.00	20,100.00
RC & Co.	1,50,000.00		1,50,000.00	18,750.00		18,750.00	18,750.00
TSPL - Software Services	1,00,000.00		1,00,000.00	5,000.00		5,000.00	5,000.00
VR Trading - Rent of Land, Building Or Furniture	31,00,000.00		31,00,000.00	3,10,000.00		3,10,000.00	3,10,000.00
<b>Total</b>			<b>1,06,76,900.00</b>	<b>13,57,440.00</b>		<b>3,00,800.00</b>	<b>13,57,440.00</b>

**To view the PAN number of each deductee**

1. Click **F12:Configure**.
2. Set the option **Show PAN Number** to **Yes**.

The **Deduction Details** screen with PAN numbers appears as shown below:



Deduction Details		National Traders				Ctrl + M		
Deduction at Normal Rate		1-Apr-2015 to 31-Jul-2015						
Particulars	PAN	Assessable Value		Tax	Deducted		Balance	
		Prev. Period	Current Period	Total	Deductible	Prev. Period	Current Period	Total
Aarti Foods	ARAPV2635A	6,12,500.00	6,12,500.00	71,290.00		71,290.00	71,290.00	
Crisil Limited - Fees for Professional Services	AYDPG3654A	1,00,000.00	1,00,000.00	10,000.00		10,000.00	10,000.00	
GK Enterprise	AYDPG2536A	34,05,000.00	34,05,000.00	6,21,500.00		6,21,500.00	6,21,500.00	
MRS Tech Park	ANHPQ2342E	30,08,000.00	30,08,000.00	3,00,800.00		3,00,800.00	3,00,800.00	
Ramesh Trading - Int. on Securities	AYDPV2635A	2,01,000.00	2,01,000.00	20,100.00		20,100.00	20,100.00	
RC & Co.	AYDPV2536A	1,50,000.00	1,50,000.00	18,750.00		18,750.00	18,750.00	
TSPL - Software Services	AUFPG3654D	1,00,000.00	1,00,000.00	5,000.00		5,000.00	5,000.00	
VR Trading - Rent of Land, Building Or Furniture	ADHPG2539D	31,00,000.00	31,00,000.00	3,10,000.00		3,10,000.00	3,10,000.00	
<b>Total</b>		<b>1,06,76,500.00</b>	<b>1,06,76,500.00</b>	<b>13,57,440.00</b>		<b>13,57,440.00</b>	<b>13,57,440.00</b>	

## 26Q TDS Payment Details

This section contains details of all TDS payment vouchers of the current period and displays all payment entries recorded for interest, penalty, late fee, and so on. These other payment entries for interest, penalty, and late fee, and so on will be displayed under **Other Payments**.

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

### To view the deductee-wise break-up of the paid TDS amount

1. Select the nature of payments under **Particulars** and press **Enter**.
2. Select the required deductee in **Payment Voucher** screen.

The **Payment Voucher** report is displayed company-wise, by default, as shown below:.

Payment Voucher		National Traders							Ctrl + M	
Category : Commission Or Brokerage								1-Apr-2015 to 31-Jul-2015		
Date	Particulars	Vch No	Income Tax	Surcharge	Education Cess	Secondary Education Cess	Interest	Other	Late Fee	Paid Amount
30-4-2015	Aarti Foods	5	1,000.00							1,000.00
30-4-2015	Aarti Foods	6	2,290.00							2,290.00
5-5-2015	GK Enterprise	7	60,000.00							60,000.00
5-5-2015	Aarti Foods	7	11,000.00							11,000.00
6-5-2015	Aarti Foods	16	7,000.00							7,000.00
30-6-2015	GK Enterprise	20	15,000.00							15,000.00
30-6-2015	RC & Co.	21	18,750.00							18,750.00
30-6-2015	Aarti Foods	21	50,000.00							50,000.00

3. Select the required voucher and press **Enter** to view all the deduction vouchers recorded for the selected party.

### To view other payments

1. Select **Other payments (Interest, penalty, late fee, etc.)** under **Particulars** in **Payment Details**, as shown below:

*Attitude*



Form 26Q		National Traders				Ctrl + M			
Form 26Q		1-Apr-2015 to 31-Jul-2015							
<b>Statistics of Vouchers</b>									
<b>Total Number of Transactions</b>		76							
Included Transactions		51							
Excluded Transactions		23							
Uncertain Transactions		2							
Particulars		Assessable Value		Tax		Deducted		Balance	
		Prev. Period	Current Period	Total	Deductible	Prev. Period	Current Period	Total	Deductible
<b>Deduction Details</b>									
Deduction at Normal Rate			1,06,76,900.00	1,06,76,900.00	13,57,440.00		13,57,440.00	13,57,440.00	
Deduction at Higher Rate			1,00,000.00	1,00,000.00	20,000.00		20,000.00	20,000.00	
Lower Rated Taxable Expense			75,000.00	75,000.00	3,750.00		3,750.00	3,750.00	
Zero rated Taxable Expense			45,000.00	45,000.00					
Under Exemption limit			29,000.00	29,000.00					
Exempt in lieu of PAN available			5,95,000.00	5,95,000.00	1,19,000.00		1,19,000.00	1,19,000.00	
<b>Total Deducted</b>						15,00,190.00			
<b>Payment Details</b>									
1-Apr-2015 to 31-Jul-2015									
Included Transactions		19							
Not Included Transactions		0							
Particulars		Paid Amount		Amount					
↑ ... 6 more									
Payment to Transporters				1,19,000.00					
Rent of Land, Building Or Furniture				3,65,000.00					
Winnings From Horse Race				2,07,500.00					
Other payments (Interest, penalty, late fee, etc.)								1,000.00	
<b>Total Paid</b>				12,03,140.00				1,000.00	
<b>Balance Payable</b>				2,97,050.00					

2. Press **Enter**.

The **Payment Voucher** report for other payments appears as shown below:

Deduction Voucher		National Traders				Ctrl + M						
Deduction Details for challan No. : 76801		1-Apr-2015 to 31-Jul-2015										
Date of Payment /Credit	Party Name	Deduction Type	PAN	Rate	Payment Code	Challan Date	Assessable Value	Income Tax	Surcharge	Education Cess	Secondary Education Cess	Paid Amount
30-Apr-2015	Aarti Foods	for Company	AMFY2625A	10 %	94H	30-Apr-2015	10,000.00	1,000.00				1,000.00

### To export the payment voucher

1. Press **Alt+E** to view the **Exporting** screen.
2. Select the required **Format**.
3. Enter the required **Output File Name**.
4. Press **Enter** to export the vouchers.

A brief explanation of each field in the exported voucher report is given below:

Field Name	Description
<b>Deduction Details for</b>	Displays the challan number used for

<b>challan No. :</b>	making payments to the government.
<b>Date of Payment / Credit</b>	Displays the date when TDS booking or advance payment was made (whichever is earlier).
<b>Party Name</b>	Displays the name of the deductee to whom TDS booking or advance payment entry was made.
<b>Deductee Type</b>	Displays the type of deductee specified at the <b>TDS Nature of Payment</b> screen.
<b>PAN</b>	Displays the PAN number of the deductee specified in the <b>TDS Nature of Payment</b> screen.
<b>Rate</b>	Displays the rate of TDS specified in the <b>TDS Nature of Payments</b> screen.
<b>Payment Code</b>	Displays the <b>Section Code</b> specified in the <b>TDS Nature of Payments</b> screen.
<b>Challan Date</b>	Displays the challan date specified in the <b>Challan Reconciliation</b> screen.
<b>Assessable Value</b>	Displays the assessable value of the TDS item for which booking or advanced payment entry was made.
<b>Income Tax</b>	Displays the income tax amount which was calculated at the TDS booking or advanced payment entry journal.
<b>Surcharge</b>	Displays the amount of surcharge calculated for the TDS booking or advanced payment entry, as per the rate specified in <b>TDS Surcharge Details</b> screen in <b>F3: Statutory &amp; Taxation</b> features screen.
<b>Education Cess</b>	Displays the amount of education cess for the TDS booking or advanced payment entry, as per the rate specified at <b>TDS</b>

	<b>Surcharge Details</b> screen, in <b>F3: Statutory &amp; Taxation</b> features screen.
<b>Secondary Education Cess</b>	Displays the amount of secondary education cess for the TDS booking or advanced payment entry, as per the rate specified at <b>TDS Surcharge Details</b> screen in <b>F3: Statutory &amp; Taxation</b> features screen.
<b>Paid Amount</b>	Displays the total amount paid for TDS booking or advance payment made. This is the consolidated amount of income tax, surcharge, education cess, and secondary education cess in the TDS booking or advanced payment entry voucher.

## TDS Reconciliation Report

The TDS Reconciliation report displays the all the reconciled TDS payments.

### To view the Challan Reconciliation report and reconcile TDS payment challans

1. Go to **Gateway of Tally > Display > Statutory Reports > TDS Reports > Challan Reconciliation**.
2. Click **F5: Reconcile Challan**.
3. Enter the **Challan No.**
4. Press **Alt+S** to set **Challan Date**.
5. Press **Alt+L** to show all or pending challan.

**Note:** As per NSDL department file validation tool, challan number and challan date are not mandatory. In case of online TDS duty payment, user can provide the challan number and challan date or leave the fields blank, and validate E-TDS file successfully.

Column Names	Description
<b>Date</b>	Displays the payment

	voucher date.
<b>Particulars</b>	Displays the duty ledger selected in the voucher.
<b>E-TDS Quarter Period</b>	Displays the <b>From</b> and <b>To</b> dates entered at the <b>Statutory Payment Details</b> screen. If TDS duty payment is recorded manually, the quarterly period has to be entered manually here.
<b>Section No.</b>	Displays the section number of the TDS <b>Nature of Payments</b> entered at the <b>Statutory Payment Details</b> screen of the TDS duty payment entry.
<b>Deductee Type</b>	Displays the <b>Deductee Status Type</b> entered at the <b>Statutory Payment Details</b> screen of the TDS duty payment entry.
<b>Resident Type</b>	Displays the <b>Residential Status</b> entered at the <b>Statutory Payment Details</b> screen of the TDS duty payment entry.
<b>Cheque/DD No.</b>	Displays the cheque or DD number which were entered manually at the time of reconciliation.
<b>Cheque/DD</b>	Displays the cheque or DD

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<b>Date.</b>	date which were entered manually at the time or reconciliation.
<b>BSR Code</b>	Displays the <b>BSR Code</b> of the bank which was entered manually at the time or reconciliation.
<b>Challan No.</b>	Displays the challan number provided by the bank which was entered manually at the time of reconciliation.
<b>Challan Date</b>	Displays the challan date provided by the bank which was entered manually at the time of reconciliation.
<b>Vch No.</b>	Displays the payment voucher number.
<b>Amount</b>	Displays the amount paid recorded in the TDS payment voucher.

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## TDS Outstanding Report

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

### To view TDS Nature of Payment Outstandings report

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

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

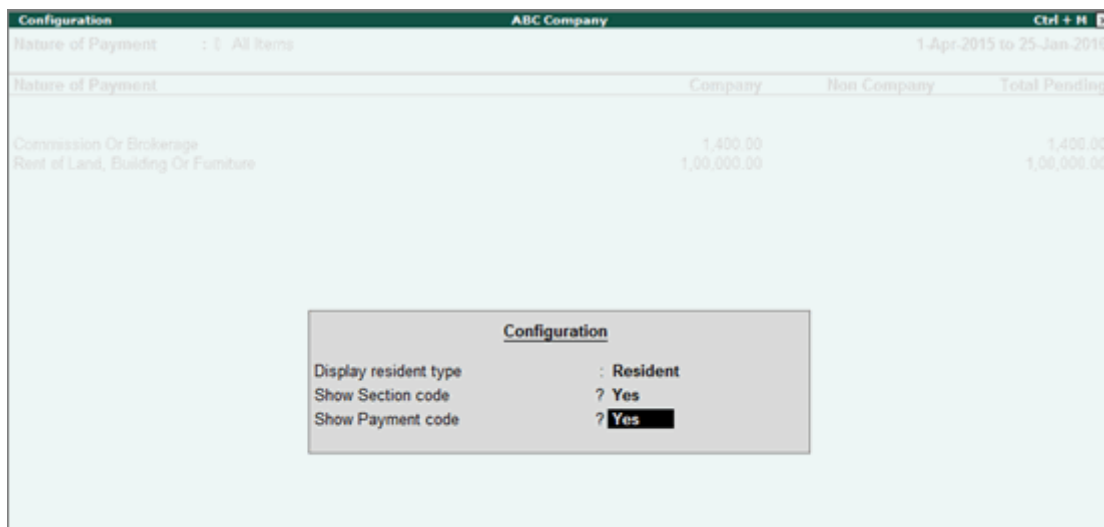
TDS Nature of Payment Outstandings		National Traders		Ctrl + M
Nature of Payment : All Items		1-Apr-2015 to 12-Jan-2016		
Nature of Payment	Company	Non Company	Total Pending	
Commission Or Brokerage	10,000.00		10,000.00	
Rent of Land, Building Or Furniture		50,000.00	50,000.00	
Short-Term Capital Gains U/s 111A		3,00,000.00	3,00,000.00	
Winning From Horse Race	1,35,000.00		1,35,000.00	
<b>Grand Total</b>	<b>1,45,000.00</b>	<b>3,50,000.00</b>	<b>4,95,000.00</b>	

A brief explanation about the fields in the report is given below:

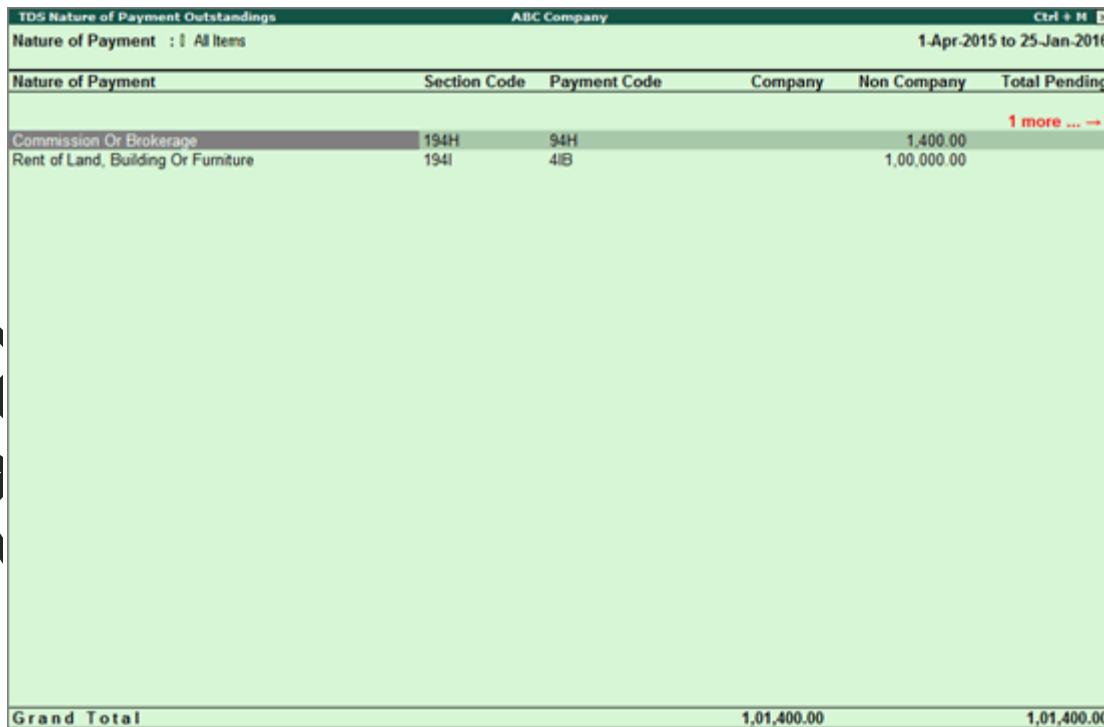
Field Name	Description
<b>Nature of Payment</b>	Displays the name of the TDS <b>Nature of Payment</b> as specified in the duty ledger which was used in recording the TDS booking with deduction or TDS deduction entry.
<b>Company</b>	Displays the total amount of outstanding for all parties of <b>Company-resident</b> deductee type used in recording the TDS booking with deduction or TDS deduction entry.
<b>Non Company</b>	Displays the total amount of outstanding for all parties of <b>Individual/HUF-resident</b> deductee type used while recording the TDS booking with deduction or TDS deduction entry.
<b>Total Pending</b>	Displays the total outstanding amount of all TDS payment from all parties.

To view section code, payment code and pending payment payable details of non-resident, resident, or both

- Click **F12:Configure**
- Set the options in the **Configuration** screen.



- Press **Ctrl+A**.

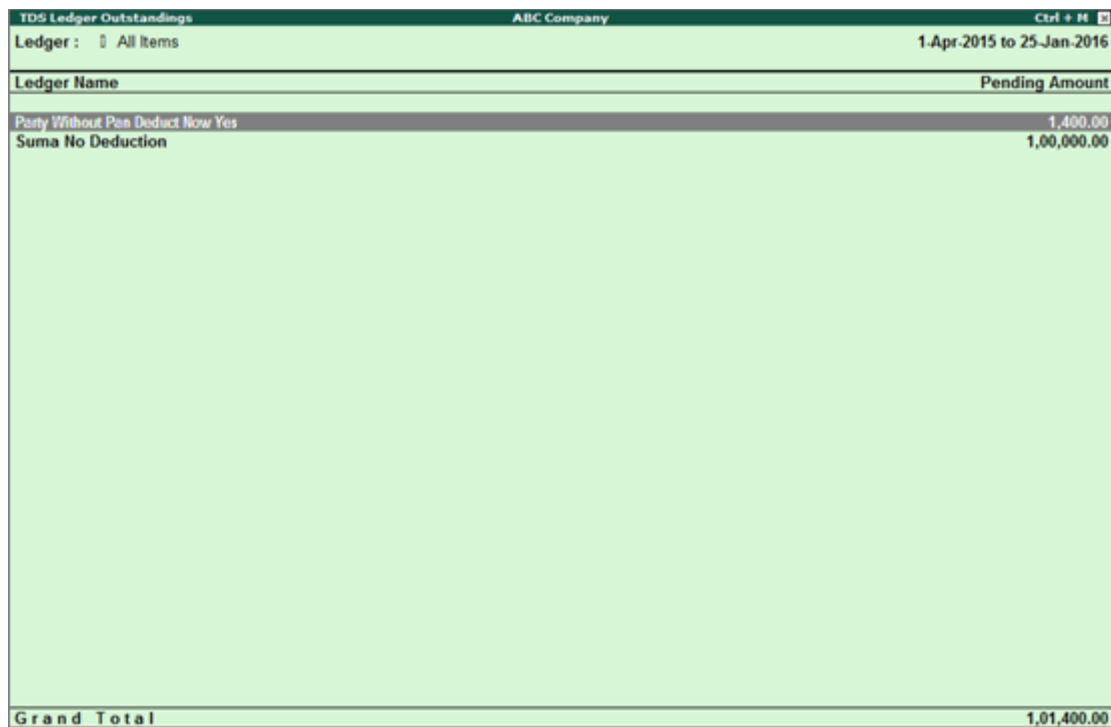


By default the report appears category-wise, you the change it to party-wise using the option **F6: Party-wise**.

### To view the party-wise information

- Click **F6:Party-wise**

The party-wise report appears as shown below:



TDS Ledger Outstandings		ABC Company	Ctrl + H
Ledger : All Items		1-Apr-2015 to 25-Jan-2016	
Ledger Name	Pending Amount		
Party Without Pan Deduct Now Yes	1,400.00		
Suma No Deduction	1,00,000.00		
<b>Grand Total</b>		<b>1,01,400.00</b>	

### To view the transaction details of the each nature of payment

1. Select the required **Nature of Payment** and pres **Enter**.

The **TDS Nature of Payment Outstandings** report for the selected nature of payment appears as shown below:

**ALL**



TDS Nature of Payment Outstandings			National Traders		Ctrl + M
Nature of Payment : Rent of Land, Building Or Furniture			1-Apr-2015 to 12-Jan-2016		
Date	Ref. No.	Party's Name	Opening Amount	Pending Amount	Due on Overdue by days
10-Jan-2016	Jrnl / 2 / 6	Party Non- Company	50,000.00 Cr	50,000.00	7-Feb-2016 0
	10-Jan-2016 Journal	2			
			50,000.00 Cr	50,000.00	

2. Click **F7: Deductee Type** to view the report of the selected nature of payment to only company or non-company deductees.
3. Click **F12: Configure** to change the display of report in terms of the following options:
  - o **Range of Bills to show**
  - o Appearance of Names
  - o Sorting Method

A brief explanation about the report fields is given below:

Field Name	Description
<b>Date</b>	Displays the date of recording payment, journal or purchase voucher.
<b>Ref. No.</b>	Displays the reference number entered in the payment, journal or purchase voucher.
<b>Party's Name</b>	Displays the party name from where TDS is deducted and the payment for the same are yet to be made.

<b>Opening Amount</b>	Displays the opening amount of TDS.
<b>Pending Amount</b>	Displays the pending amount of payment to be made to the government.
<b>Due On</b>	Displays the last date of payment.
<b>Overdue By Days</b>	Displays the number of days passed after the due date.

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# Point of Sale (POS) in Tally.ERP 9

**POS** is an acronym for **Point of Sale**. Point of Sale could mean a retail shop, a check-out counter in a shop or any other location, where a sales transaction takes place. The various POS equipment used in retail outlets are Cash registers, card readers and barcode scanners.

It is a computerized Cash Register which adds the sales total, computes the State sales tax or VAT, calculates the change from the money tendered and automatically adjusts the store's inventory to debit the amount of inventory sold.

**More:**

[Features of POS Invoicing](#)

[Creating a POS Voucher Type with Voucher Class](#)

[Creating a POS Voucher Type without Voucher Class](#)

[Creating a POS Invoice with Single Payment](#)

[Creating a POS Invoice with Multi-Mode Payment](#)

[Creating a POS Invoice using Voucher Class](#)

[POS Invoicing with Advanced Configurations](#)

[Creating a POS Invoice with Batch wise Details](#)

[Creating a POS Invoice with different Actual & Billed Qty](#)

## Features of POS Invoicing

The **POS (Point-of-Sale)** feature allows you to create POS Invoices and allows receipt of payments from the customers and print them in the required formats.

**Features of POS Invoicing in Tally.ERP 9**

The POS Invoicing functionality in Tally.ERP 9 is:

- Simple and user friendly
- Quick and easy to setup and use
- Facilitates faster data entry and calculations
- Helps you to calculate sales and sale proceeds
- Manages inventory and facilitates bar code scanner operations
- Offers a flexible and simple way of querying your inventory and sales information
- Helps you to track the movement of items and how much you are spending on them
- Tracks and records the date and time of every sale made at the store
- Helps faster printing of Invoices

## **Creating POS Voucher Type with Voucher Class**

To create a POS Invoice Voucher Type with Voucher Class, you may create a new POS Invoice Voucher Type or alter an existing Sales Voucher Type with **Use for POS Invoicing** option set to **Yes**.

To create POS Voucher Type with Voucher Class,

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

Tab down to **Name of Class** field and specify the name of the Voucher Class

Voucher Type Creation		ABC Company	Ctrl + M
Name : POS Invoice (alias) :			
<b>General</b>		<b>Printing</b>	<b>Name of Class</b>
Type of Voucher : Sales		Print after saving Voucher ? Yes	POS Class
Abbr. : Sale		Use for POS Invoicing ? Yes	
Method of Voucher Numbering ? Automatic		Print Message 1 : Thank You	
Use Advance Configuration ? No		Print Message 2 : Visit Again	
Use Common Narration ? Yes		Default Print Title :	
Narrations for each entry ? No		<b>Declaration :</b>	

The payments against POS Invoices are generally made by way of Cash, Gift Vouchers, Cheques/Drafts or through Credit/Debit Cards. To account for receipt of payments from customers by different modes, set the required option to **Yes** and select the required ledger in the respective fields.

ABC Company					
Class : POS Class					
Default Ledger Accounts for POS Invoice :					
	Enable	Ledger Name			
Gift Vouchers	: Yes	Gift Vouchers			
Credit/Debit Card Payment:	Yes	National Visa Card			
Cheque/DD	: Yes	Local Bank			
Cash	: Yes	Cash			
Default Accounting Allocations for each Item in Invoice					
Ledger Name	VAT/Tax Class	Percentage %	Rounding Method	Rounding Limit	Override using Item Default ?
Sales @ 4%	Sales @ 4%	100 %			No
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 VAT Rate	4%	Not Applicable		Yes

1. Set **Yes** in **Gift Vouchers** field to enable the option during POS Invoice Entry and select the **Gift Vouchers** under **Ledger Name** field (if does not exist, create using Alt+C. The Gift Vouchers ledger should be created under Sundry Debtors group).

2. Set **Yes** in **Credit/Debit Card Payment** field to enable the option during POS Invoice Entry and select the required **Bank Ledger** under **Ledger Name** field
3. Set **Yes** in **Cheque/DD** field to enable the option during POS Invoice Entry and select the required **Bank Ledger** under **Ledger Name** field
4. Set **Yes** in **Cash** field to enable the option during POS Invoice Entry and select the required **Cash Account** under **Ledger Name** field

**Note:**

- For **Gift Vouchers**, the ledgers should be created under **Sundry Debtors** Group
- For **Credit/Debit Cards**, the respective Bank Ledger should be created under **Bank account or Bank OD/OCC**
- For Payment through **Cheque/DD**, the respective Bank Ledger should be created under the group **Bank Accounts** or **Bank OD/OCC**
- For **Cash**, the **Ledger** should be under group **Cash-in-Hand**

For more details on Voucher Class, please refer [Sales Voucher class](#).

The other entries for each item in Invoice are similar to default [Sales Voucher class](#) creation.

## Creating a POS Voucher Type without Voucher Class

To enable **POS Invoicing** in Tally.ERP 9, create a POS Invoice Voucher Type. You may also alter an existing Sales voucher type for this feature to be enabled.

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

General		Printing		Name of Class
Type of Voucher : Sales		Print after saving Voucher ? Yes		
Abbr. : Sale		Use for POS Invoicing ? Yes		
Method of Voucher Numbering ? Automatic		Print Message 1 : Thank You		
Use Advance Configuration ? No		Print Message 2 : Visit Again		
Use Common Narration ? Yes		Default Print Title :		
Narrations for each entry ? No		Declaration :		
				Accept ? Yes or No

**Name:** Enter the name of the Voucher type (for e.g.: POS Invoice).

**Type of Voucher:** Select the type of Voucher as **Sales** from the predefined Voucher Types.

**Abbreviation:** By default, Sales text will appear in the abbreviation field. However, you can enter the abbreviation as per your requirements

**Used for POS Invoicing?:** On selecting the Sales voucher type from the list, **Used for POS Invoicing?** Option appears, set this option to **Yes**

**Print Message 1 and Print Message 2:** These two additional fields for messages appear on enabling the above POS feature, which can used for custom messages viz., \*Thank You\* or \*Visit Again\* and so on as per your requirements. The same will be printed at the bottom of the POS invoice.

**Default Print Title:** You can specify the printing title of the POS Invoice and the same will be printed in the Invoice.

**Note:**

1. Once **Use POS for Invoicing** option is set to **Yes** in voucher type, you will not be entitled to set this field to **No**, if you have passed any POS Invoice.
2. To know about advanced configurations refer detailed information on Use Advance Configuration usage.

# Creating a POS Invoice

To enter a simple transaction using a **POS Invoice with single payment mode**:

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

1. Select the **POS Invoice** as the Voucher type from the list of Voucher types.
2. Select the **Godown, Sales Ledger** and **VAT/Tax Class** as applicable.
3. Select the **Item** using the **Bar code reader** to scan the bar code or select the Item from the list.
4. The **Rates** of the Item is picked up from **Set Standard Rates** screen (Stock Item Creation screen) or from the **Price List** screen.
5. Select **VAT/Tax** Ledger from the list of Ledger Accounts.
6. By default for the first time, the POS Invoice screen will appear in **Single Mode Payment**.

The screen will appear as below with the **Cash** and **Cash tendered** fields:

Accounting Voucher Creation		ABC Company		Ctrl + M
<b>POS Invoice</b>	No. 5	Voucher Class : POS Class		1-Sep-2008 Monday
Godown :	Godown A			
Party's Ac Name :	Customer A			
Name of Item	Quantity	Rate per Doc %	Amount	
Item 1	10 Nos	55.00 Nos	550.00	
Output VAT @ 4%		4%	22.00	
			10 Nos	572.00
Cash :	Cash	572.00	Cash Tendered :	600.00
Narration : Sale of Item 1		Balance :	28.00	
				Accept ? Yes or No

7. **Accept** to save.

**Configurations in POS Invoice:**



**POS Invoice Configuration**

Accept Supplementary Details <i>(Address Details, Despatch Details etc.)</i>	? <b>Yes</b>
Use Additional Description(s) for Item Name	? <b>No</b>
Skip Qty field during POS Invoicing (faster entry!)	? <b>Yes</b>
Allow modification of Rate field during POS Invoicing	? <b>Yes</b>
Allow Party Details in POS Invoice	? <b>Yes</b>

**Other Options**

Calculate Tax on current Sub-Total <i>(else calculations are on Inventory Total only)</i>	? <b>No</b>
Allow modification of ALL fields during entry	? <b>No</b>
Allow selection of VAT/Tax Class during entry	? <b>No</b>
Warn on Mismatch in VAT Rates	? <b>No</b>
Warn on Negative Stock Balance	? <b>Yes</b>
Honor Expiry Dates usage for Batches	? <b>Yes</b>

- 1. Allow Party Details in POS Invoice:** By setting this option to **Yes**, you are able to select the Customer's Ledger. If you do not want to create a separate Ledger for the Buyer and still would like to print the customer's name in the Invoice print, select **Not Applicable** from the List of Ledger Accounts and specify the Buyer's name and address details in the **Buyer's details**.
- 2. Skip Qty field during POS Invoicing (faster entry):** By default, the same will be set to **Yes** so that while passing the Invoice, the cursor will skip the **Quantity** field. The user may set this option to **No**, to specify the required number of quantity.
- 3. Allow modification of Rate field during POS Invoicing:** The rates are automatically picked as per the **Standard rates** defined in the **Stock Item master** or from the **Price List**. However, you can change the rate during entry, by setting this option to **Yes**.

For more details on printing POS Invoice, please refer [Printing POS Invoice](#).

**More :**

[Creating a POS Invoice with Multi-Mode Payment](#)

[Printing a POS Invoice](#)

# Creating a POS Invoice with Multi-Mode Payment

To create a POS Invoice with **Multi Mode Payment**, click on the **Multi Mode Pymt** button in the Button bar, to account for receipt of payments through other modes like Gift vouchers, Credit card/Debit Card or by cheque/DD etc.

To enter POS Invoice with Multi Mode Payment:

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

1. Select the **POS Invoice** as the Voucher type from the list of Voucher types.
2. Select **Multi Mode Pymt** option from the Button Bar or press **Ctrl+P**.
3. Select the **Godown, Sales Ledger** and **VAT/Tax Class** if applicable.
4. Select the **Item** using the **Bar code reader** to scan the bar code or select the Item from the list.
5. The **Rates** of the Item is picked up from **Set Standard Rates** screen (Stock Item master) or from the **Price List** screen.
6. Select **VAT/Tax** Ledger from the list of Ledger Accounts.
7. Allocate the Bill amount to the relevant modes of payment.

Accounting Voucher Creation		ABC Company		Ctrl + M
<b>POS Invoice</b>	No. 1	Voucher Class : E Not Applicable		30 Aug 2008 Saturday
Godown :	Godown A			
Party's Ac Name :	Customer A			
Sales Ledger :	Sales @ 4%			
VAT/Tax Class :	Sales @ 4%			
Name of Item	Quantity	Rate per	Amount	
Item 1	100 Nos	35.00 Nos	3,500.00	
Item 2	100 Lts	65.00 Lts	6,500.00	
			<b>10,000.00</b>	
Output VAT @ 4%		4 %	400.00	
			<b>10,400.00</b>	
Gift Vouchers :	Gift Vouchers	2,000.00		
Credit/Debit Card Payment :	National Visa Card	3,500.00	Card No :	5176521005640299
Cheque :	Local Bank	4,000.00	Bank Name :	Local Bank
Cash :	Cash	900.00	Cash Tended :	1,000.00
Balance :			100.00	
Narration : Sale of Item 1 and Item 2				
				Accept ? Yes or No

- Select **Gift voucher** from the list and enter the amount OR Select **Credit/Debit Card Payment** and enter the amount and the card number OR Select the **Cheque** and enter the **amount, Bank Name and Cheque Number** OR Select **Cash** ledger from the list and enter the amount to be paid.
- Accept the **POS Sales Invoice** screen.

For more details on printing POS Invoice, please refer Printing POS Invoice.

**Note:**

- Though **Maintain Multiple Godown** feature is set to **Yes** in **F11: Inventory Features**, you can select only one Godown, while passing a POS Invoice.
- Single Mode/ Multi Mode Pymt:** You can toggle between **single** and **multi mode payments** by clicking on the **Single Mode Pymt** button. In **Multi Mode** the customer can choose to make his payment by Credit/Debit cards, Gift Vouchers, Cheque or Cash and have all details available on his invoice. In **Single Mode** only Cash field will be available in the Invoice.
- If **Use Multiple Price level for Invoicing** is enabled for the Item then the rates of the Item is picked up from the price levels. Else, you can set the price of the Item in the Stock Item creation screen using the **Set Standard Rates** to **Yes**. Enter the **standard selling price** of the Item (Press **F12: Configure** button in the Stock Item creation screen and set **Allow Std. Rates** for Stock Items to **Yes**).
- If you have set the rate for an Item both in Price Levels and in **Set Standard Rates** (in Stock Item Creation screen), the rate is picked up from the **Price List** and not from the **Set Standard Rates** in Stock Item creation screen.

## POS Invoicing with Advance Configurations

- Set **Maintain Batch-wise Details** and **Set Expiry Dates for Batches** to **Yes** in the **F11: Inventory Features** screen.
- Set **Use different Actual & Billed Qty.** to **Yes** in **F11: Inventory Features** screen to specify the free items.
- Set **Separate Discount column on Invoices** to **Yes** to specify the discount on any items while making a POS sales invoice.
- Create Stock Items. Place the cursor in the **alias** field and use the Bar Code Reader to scan and read the bar code of the Item. This code will automatically get displayed in the alias field. Select the **Unit of measure** and **Set Maintain in Batches** to **Yes**. On setting this option you will get **Track Date of Mfg** and **Use expiry dates** set these two fields to **Yes**.
- **Set Standard Rates** to **Yes** and enter the standard selling price of the Item (Press **F12: Configure** button in the Stock Item creation screen and **Set Allow Std. Rates** for Stock Items to **Yes**). If you have specified the rates in the price level then you can skip this field.
- **Set Use Security Control** to **Yes** in Company Creation/Alteration screen and create the user login name using the security feature in Tally.ERP 9. The user who logs in to Tally.ERP 9 with the name of the user and password can print the POS Invoice with the user name.

More :

[Creating a POS Invoice using Voucher Class](#)

[Creating a POS Invoice with Batchwise Details](#)

[Creating a POS Invoice with different Actual & Billed Qty](#)

## Creating a POS Invoice using Voucher Class

To create a POS Invoice using Voucher Class:

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

1. Select the **POS Invoice** as the Voucher type from the list of Voucher types.
2. Select **POS Class** from the Voucher Class List.
3. Select **Multi Mode Pymt** option from the Button Bar or press **Ctrl+P**
4. Select the **Godown** and **Party's A/c Name**.
5. Select the **Item** select the Item from the list or using the **Bar code scanner** or
6. The **Rates** of the Item is picked up from **Standard Rates** (Stock Item Creation screen) or from the **Price List** screen.
7. The Item will be allocated to the **Sales Ledger** as defined and Tax will also get calculated automatically.
8. Allocate the Bill amount to the relevant modes of payment.

Accounting Voucher Creation		ABC Company		Ctrl + M
<b>POS Invoice</b>	No. 2	Voucher Class : POS Class		1 Sep-2008 Monday
Godown :	Godown A			
Party's A/c Name :	Customer A			
Name of Item	Quantity	Rate per	Amount	
Item 1	10 Nos	900.00 Nos	9,000.00	
Output VAT @ 4%		4%	360.00	
			9,360.00	
Gift Vouchers :	Gift Vouchers			
Credit/Debit Card Payment :	National Visa Card			
Cheque :	Local Bank	9,000.00	Bank Name : Local Bank	Ch No : 561991
Cash :	Cash	360.00	Cash Tendered :	500.00
Narration : Sale of Item 1			Balance :	140.00
				<b>Accept ?</b> Yes or No

**Cash Tendered Field:** When the payment is made by way of cash and once the user specifies the Cash

tendered value, the balance will be calculated automatically.

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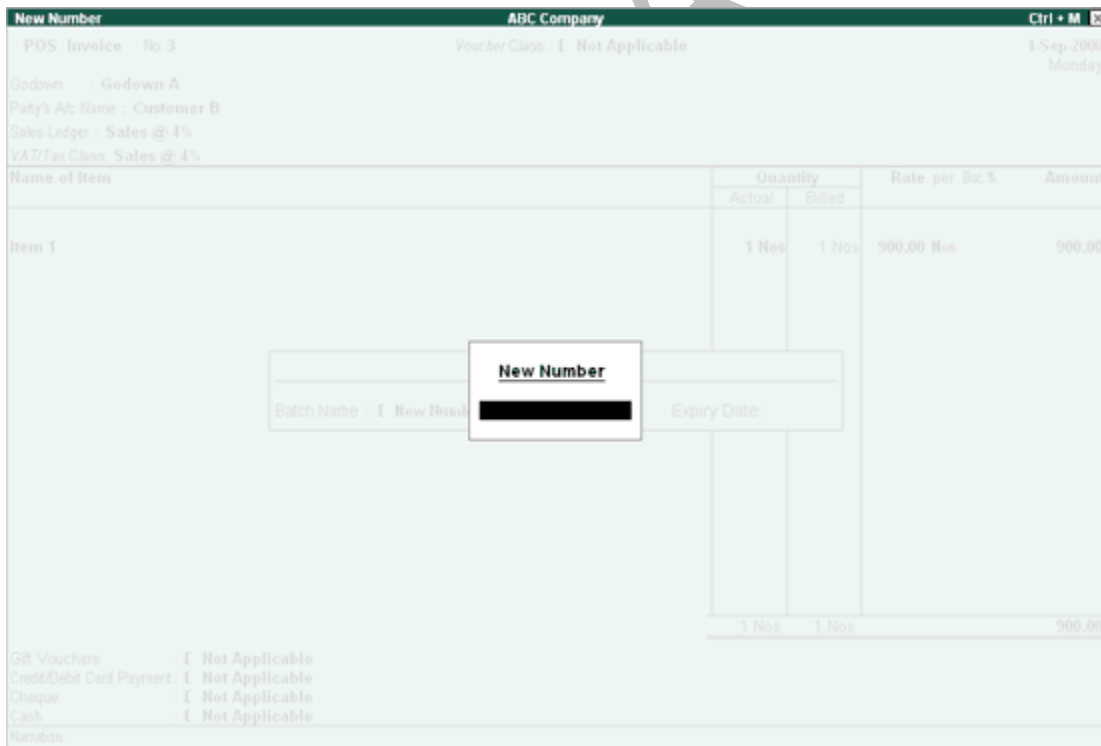
In the above example: the Cash tendered by the buyer is Rs. 500 and payable amount was Rs. 360 and hence the balance to be paid back is Rs. 140.

For more details on printing POS Invoice, please refer [Printing POS Invoice](#).

## Creating a POS Invoice with Batchwise Details

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

1. Select the **POS Voucher Type**
2. Select **Godown, Party A/c Name, Sales Ledger** and **VAT/Tax Class** (if applicable) from the list.
3. Select the **Item** from the list or use the scanner to read the bar code of the item. On selecting the Item from the list or by scanning, you will be prompted to enter the **Batch Name** in the **New Number** screen. Enter the **Batch Name** of the Item.



Name of Item	Quantity		Rate per Qty	Amount
	Actual	Billed		
Item 1	1 Nos	1 Nos	500.00 Bps	500.00
	1 Nos	1 Nos		500.00

Batch Name : [ New Batch ]  Expiry Date:

Gift Vouchers :  Not Applicable  
 Credit/Debit Card Payment :  Not Applicable  
 Cheque :  Not Applicable  
 Cash :  Not Applicable

4. Tally.ERP 9 prompts you to enter the **Manufacturing Date** and the **Expiry Date** as below:

Batch Details			
Batch Name :	Batch123	Mfg Dt. :	Apr-2008
Expiry Date:	30-Jun-2008		

- The **rate** of the Item entered in the **Set Standard Rates** (in Stock Item creation master) or in **Price List** screen will get prefilled in the **Rate** field.

Now, you can print POS Invoice with Batch details. All other configurations are similar to creating a POS Invoice. For more information refer Creating a POS Invoice.

#### Example:

If you buy 2 shirts and get 1 shirt free with it, while entering POS Invoice, enter 3 shirts in the **Actual** Column and 2 shirts in the **Billed** Column. While printing the Invoice, the difference in the actual and billed quantity will be shown as **Free** in the **Rate** Column.

In the example below, for 100 nos. of purchase, 10 quantity is given free.

Accounting Voucher Creation		ABC Company		Ctrl + M		
POS Invoice No. 3		Voucher Class : I Not Applicable		1-Sep-2008 Monday		
Godown : Godown A						
Party's A/c Name : Customer B						
Sales Ledger : Sales @ 4%						
VAT/Tax Class : Sales @ 4%						
Name of Item	Quantity		Rate per Nos %	Amount		
	Actual	Billed				
Item 1	110 Nos	100 Nos	55.00 Nos 10 %	4,950.00		

- Select **VAT/Tax** from the list.
- Select **Gift voucher** from the list OR Select **Credit/Debit Card Payment** and the card number and enter the amount OR Select the **Cheque** and enter the **amount, Bank Name** and **Cheque Number**.
- Select the **Cash** account and enter the cash paid by the customer at the counter. The **balance amount**, which has to be paid to the customer, will be calculated automatically.
- Accept the **POS Sales Invoice** screen to save the transaction.



Accounting Voucher Creation		ABC Company		Ctrl + M		
<b>POS Invoice</b> No. 3		Voucher Class : E Not Applicable		1 Sep-2008 Monday		
Godown : Godown A						
Party's A/c Name : Customer B						
Sales Ledger : Sales @ 4%						
VAT/Tax Class: Sales @ 4%						
Name of Item	Quantity		Rate per Disc %	Amount		
	Actual	Billed				
Item 1	110 Nos	100 Nos	55.00 Nos 10 %	4,950.00		
Output VAT @ 4%			4 %	198.00		
	110 Nos	100 Nos		5,148.00		
Gift Vouchers : Gift Vouchers	1,000.00					
Credit/Debit Card Payment : National Visa Card	1,000.00	Card No : 5176502012330299				
Cheque : Local Bank	2,000.00	Bank Name : Local Bank	Ch No : 543293			
Cash : Cash	1,148.00	Cash Tended : 1,200.00	Balance : 52.00			
Narration: Sale of Batch Item to Customer A						Accept ? Yes or No

For more details on printing POS Invoice, please refer [Printing POS Invoice](#).

#### Extra Features available from a POS Invoice screen are:

**Single Mode/ Multi Mode Pymt:** You can toggle between **single** and **multi mode** payments by clicking on the **Single Mode Pymt** button. In **Multi Mode** the customer can choose to make his payment by Credit/Debit cards, Gift Vouchers, Cheque or Cash and have all details available on his invoice. In Single Mode only the Cash transaction fields will be printed on the invoice.

#### Note:

- If **Use Multiple Price level** for Invoicing is enabled for the Item then the rates of the Item is picked up from the price levels. Else, you can set the price of the Item in the Stock Item creation screen using the Set Standard Rates to Yes. Enter the standard selling price of the Item (Press **F12: Configure** button in the Stock Item creation screen and set **Allow Std. Rates** for Stock Items to **Yes**).

- If you have set the rate for an Item both in **Price Levels** and in **Set Standard Rates** (in Stock Item Creation screen), the rate is picked up from the **Price List** and not from the **Set Standard Rates** in Stock Item creation screen.

10. Set **Use Security Control** to **Yes** in Company Creation/Alteration screen and create the user login name using the security feature in Tally.ERP 9. The user who logs in to Tally.ERP 9 with the name of the user and password can print the POS Invoice with the user name.

# Creating a POS Invoice with different Actual & Billed Qty

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

1. Select the **POS Voucher Type**
2. Select **Godown, Party A/c Name, Sales Ledger** and **VAT/Tax Class** (if applicable) from the list.
3. Select the **Item** from the list or use the scanner to read the bar code of the item. On selecting the Item from the list or by scanning, you will be prompted to enter the **Actual Qty** and **Billed Qty**.

Accounting Voucher Creation		ABC Company		Ctrl + M		
POS Invoice No. 3		Voucher Class : I Not Applicable		1 Sep 2008 Monday		
Godown : Godown A						
Party's A/c Name : Customer C						
Sales Ledger : Sales @ 4%						
VAT/Tax Class : Sales @ 4%						
Name of Item	Quantity		Rate per Qty %	Amount		
	Actual	Billed				
Item 2	110 Lts	100 Lts	56.00 Lts		5,600.00	

4. Select **Gift voucher** from the list OR Select **Credit/Debit Card Payment** and the card number and enter the amount OR Select the **Cheque** and enter the **amount, Bank Name** and **Cheque Number**.
5. Select the **Cash** account and enter the cash paid by the customer at the counter. The **balance amount**, which has to be paid to the customer, will be calculated automatically.
6. Accept the **POS Sales Invoice** screen to save the transaction.

Accounting Voucher Creation		ABC Company		Ctrl + M		
<b>POS Invoice</b> No. 3		Voucher Class : <input type="checkbox"/> Not Applicable		1-Sep-2008 Monday		
Godown : Godown A						
Party's A/c Name : Customer C						
Sales Ledger : Sales @ 4%						
VAT/Tax Class: Sales @ 4%						
Name of Item	Quantity		Rate per Disc %	Amount		
	Actual	Billed				
Item 2	110 Lts	100 Lts	56.00 Lts	5,600.00		
Output VAT @ 4%			4 %	224.00		
	110 Lts	100 Lts		5,824.00		
Gift Vouchers : <input type="checkbox"/> Not Applicable Credit/Debit Card Payment : <input type="checkbox"/> Not Applicable Cheque : Local Bank      4,000.00 Bank Name : Local Bank      Ch No : 512457 Cash : Cash      1,824.00 Cash Tendered : 2,800.00 Balance : 176.00						
Narration: Sale of Item 2 to Customer C						
					Accept ? Yes or No	

Now, you can print POS Invoice with different Actual and Billed Quantities. All other configurations are similar to creating a POS Invoice. For more information refer [Creating a POS Invoice](#).

## Printing a POS Invoice

On accepting the **POS Sales Invoice** screen, press **ALT+P** or click on **Print** button, Tally.ERP 9 prompts you to print. Press **ALT+S** or click on the **Select Printer** button and select the printer from the list. Currently, Tally.ERP 9 support **STAR TSP 600 Compatible**, **Epson TM T88iii Compatible** and **Epson TM U220 Compatible** printers.

<b>Print Mode</b>	<b>POS Printers</b>
Print Mode : <b>Quick / Draft</b>	Epson TM T88III Compatible
Compatibility : <b>Epson TM U220 Compatible</b>	<b>Epson TM U220 Compatible</b>
	STAR SP500 Compatible
	STAR TSP 600 Compatible
	Wep DR400 Compatible
	Wep TH 40 Compatible

Press **ALT+F** or click on the **Print Format** to select the print mode. You can either select the **Neat Mode or Quick /Draft**. In **Neat Mode** format you will be able to preview the POS Invoice where as in **Quick/Draft** mode you cannot preview the POS Invoice.

## 1. Printing a POS Invoice in Single Mode Payment

The **POS Invoice** in preview mode

<b>ABC Company</b>			
No. 225, 9th Cross, AMC Road Bangalore			
VAT TIN	: 72451285236		
Bill No. : 6	Time : 17:24 hrs		
Date : 1-9-2008	User : A		
Party : Customer A			
Address : 482, Ali Asker Road, Hyderabad			
Buyer's VAT TIN	: 32567845231		
SI Description	Qty	Rate	Amount
Batch Mfg Dt.			
1 Item 1	10	55.00	550.00
Output VAT @ 4%		4 %	22.00
<b>Total</b>	<b>10</b>		<b>572.00</b>
Cash :	572.00		
Cash Tendered :	600.00		
Balance :	28.00		
Thank You Visit Again			

## 2. Printing a POS Invoice in Multiple Mode Payment with batch-wise details



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The **POS Invoice** in preview mode

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<b>ABC Company</b> No. 225, 9th Cross, AMC Road Bangalore VAT TIN : 72451285236			
Bill No. : 3	Time : 17:08 hrs		
Date : 1-9-2008	User : A		
Party : Customer A			
Address : 301 Regency Buildings, 2134 Colaba Seaface, Mumbai			
Buyer's VAT TIN : 32567845231			
SI Description	Qty	Rate	Amount
Batch Mfg Dt.		Exp Dt.	
1 Item 1	10	900.00	9000.00
Batch123 1-4-2008		30-6-2008	
Output VAT @ 4%		4 %	360.00
Total	10		9360.00
Gift Voucher :	1000.00		
Cr/Dr Card :	2000.00		
Card No :	xxxx xxxx xxxx 0299		
Cheque :	4000.00		
Cheque No. :	561991, Local Bank		
Cash :	2360.00		
Cash Tendered :	2500.00		
Balance :	140.00		
Thank You Visit Again			

### 3. Print Configurations in POS Invoice:

Press **F12** or click on **F12: Configure** button and set the required options:

**POS Invoice Printing Configuration**

Title of Document	: POS Invoice
Method to use for Stock Item Name	: <b>Name Only</b>
Print Item Name in one line	? <b>Yes</b>
Print Serial No.	? <b>Yes</b>
Print Rate Column	? <b>Yes</b>
Print Additional Description(s) for Item Name	? <b>No</b>
Print Batch Details	? <b>Yes</b>
Print Mfg Date	? <b>Yes</b>
Print MRP/Marginal	? <b>No</b>
Print Card / Cheque No.	? <b>Yes</b>
Print whole Card Number	? <b>Yes</b>
Print VAT Analysis of Items	? <b>Yes</b>
Print Narration	? <b>Yes</b>
Print Default Name & Address of Party	? <b>Yes</b>

1. Set **Print Item Name in One Line** to **Yes** to print the Item details in a single line. If print format is set to **Neat Mode** then Tally.ERP 9 will compress the name of the Item and prints in one single line. However, if the print format is set to **Quick Draft Mode** then Tally.ERP 9 truncates the text and prints in multiple lines.
  2. Set **Print Serial No.** to **Yes** to print the serial number.
  3. Set **Print Rate Column** to **Yes** to print the rate column.
  4. **Print Additional Description(s) for Item Name** is set to **No** by default, set this option to **Yes**, if you wish to print additional description for each item in the POS bill.
  5. Set **Print Batch Details** to **Yes** to print the **Manufacturing Date** and **Expiry Date**.
  6. Set **Print MRP/Marginal** to **Yes** to print MRP on POS Invoice.
  7. Set **Print Card/Cheque No.** to **Yes** to print the Card/Chequenumbers.
  8. **Print whole Card Number** is set to **No** by default, which will print only last 4 digit of card number. Set this option to **Yes** to print the 16 digit card number on the POS Invoice.
  9. Set **Print VAT Analysis of Item** to **Yes** to print the VAT Analysis on POS Invoice.
  10. Set **Print Narration** to **Yes** to print the Narration on POS Invoice.
  11. Set **Print Default Name & Address of Party** to **Yes** to print the Narration on POS Invoice.
- Accept the **Print** screen to view the **POS Invoice** in preview mode (Only for Neat Mode format).

SI	Description Batch	Mfg Dt.	Qty	Rate Exp Dt.	Amount
1	Item 1 Batch123	1-4-2008	10	900.00 30-6-2008	9000.00
	Discount Item 1		1	Free	(-)900.00 --
				Output VAT @ 4%	324.00
Total			11		8424.00
VAT @	4 %	on	8100.00		324.00
				Total Tax	324.00
Gift Voucher	:		1000.00		
Cr/Dr Card	:		2000.00		
Card No	:	5176213255220299			
Cheque	:		5000.00		
Cheque No.	:	321456, Local Bank			
Cash	:		424.00		
Cash Tendered	:		500.00		
Balance	:		76.00		
Sale of Item 1 to Customer C					
Thank You Visit Again					

The Invoice displays the company name and address, TIN, CST, Bill number, time, date, user name, serial number, description, quantity, rate, amount, Batch number, Expiry date, Manufacturing date, Free Item (if any), discount (if any) Vat analysis, payment mode details, balance to be paid to the customer and the print message.

## Displaying POS Register

**POS Register** lists all transactions made over a particular day and by default displays the last invoice entry date of a POS invoice. Each POS Invoice is further drilled down to obtain the lowest level of information.



It could also be set to list all the transactions made over a period. Press **F2: Period** on the button bar or press the keys **Alt+F2**.

To view the list of POS Invoice Statement:

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

Date		Vch Type	Vch No.	Gift Vouchers	Credit Debit Card Payment	Cheque	Cash	Total
15-4-2008	POS Invoice		1			2,000.00	860.00	2,860.00
15-4-2008	POS Invoice		2				1,164.80	1,164.80
30-8-2008	POS Invoice		3	2,000.00	3,500.00	4,000.00	900.00	10,400.00
1-9-2008	POS Invoice		4	1,000.00	2,000.00	4,000.00	2,360.00	9,360.00
1-9-2008	POS Invoice		5	1,000.00	2,000.00	5,000.00	424.00	8,424.00
Total:				4,000.00	7,500.00	15,000.00	5,708.80	32,208.80

**Note:** POS Register option will appear, only if the option **Use for POS Invoicing** is activated in Voucher Type and at least one entry is made.

Press **ALT+F1** or click on **F1: Detailed** button to view the POS Invoice in detailed format with all the tax details.

Date	Vch Type	Vch No.	Gift Vouchers	Credit Debit Card Payment	Cheque	Cash	Total
15-4-2008	POS Invoice	1			2,000.00	860.00	2,860.00
	Output VAT @ 4%	110.00					
	Sales @ 4%	2,750.00					
15-4-2008	POS Invoice	2				1,164.80	1,164.80
	Output VAT @ 4%	44.80					
	Sales @ 4%	1,120.00					
30-8-2008	POS Invoice	3	2,000.00	3,500.00	4,000.00	900.00	10,400.00
	Sales @ 4%	10,000.00					
	Output VAT @ 4%	400.00					
1-9-2008	POS Invoice	4	1,000.00	2,000.00	4,000.00	2,360.00	9,360.00
	Sales @ 4%	9,000.00					
	Output VAT @ 4%	360.00					
1-9-2008	POS Invoice	5	1,000.00	2,000.00	5,000.00	424.00	8,424.00
	Sales @ 4%	8,100.00					
	Output VAT @ 4%	324.00					
Total:			4,000.00	7,500.00	15,000.00	5,708.80	32,208.80

Press **F12** key or click on **F12: Configure** button.

### Configuration

Show Extract of Register	? No
Show Columnar Register	? No
Show Gross Profit estimates	? No
Format	: Detailed
Show Inventory Details also	? <b>Yes</b>
Show Entered/Altered By	? No
Show Forex Transactions	? No
Appearance of Names	: Name Only
Sorting Method	: Default

Set **Show Inventory Details** also to **Yes** and view the List of All POS Vouchers with Inventory details.

POS Register			ABC Company			Ctrl + M		
List of All POS Vouchers							1-Apr-2008 to 1-Sep-2008	
Date	Vch Type	Vch No.	Gift Vouchers	Credit/Debit Card Payment	Cheque	Cash	Total	
15-4-2008	POS Invoice	1			2,000.00	860.00	2,860.00	
	Output VAT @ 4%	110.00						
	Sales @ 4%	2,750.00						
	Item 2	50 Lts	2,750.00					
15-4-2008	POS Invoice	2				1,164.80	1,164.80	
	Output VAT @ 4%	44.80						
	Sales @ 4%	1,120.00						
	Item 2	20 Lts	1,120.00					
30-8-2008	POS Invoice	3	2,000.00	3,500.00	4,000.00	900.00	10,400.00	
	Sales @ 4%	10,000.00						
	Item 1	10 Nos	10,000.00					
	Output VAT @ 4%	400.00						
1-9-2008	POS Invoice	4	1,000.00	2,000.00	4,000.00	2,360.00	9,360.00	
	Sales @ 4%	9,000.00						
	Item 1	10 Nos	9,000.00					
	Output VAT @ 4%	360.00						
1-9-2008	POS Invoice	5	1,000.00	2,000.00	5,000.00	424.00	8,424.00	
	Sales @ 4%	8,100.00						
	Item 1	10 Nos	8,100.00					
	Output VAT @ 4%	324.00						
Total:			4,000.00	7,500.00	15,000.00	5,708.80	32,208.80	

**F5: Columnar:** This button allows you to select different columns for the report. For additional information refer to Columnar Sales Register.

**F6: Extract:** Provides you with a break down of the POS Invoice vouchers and groups them to provide totals for each group and ledger used in all POS Invoice for that particular date.

Click on the **Print** button or press **ALT+P** to view the POS Register in print preview mode. Press **ALT+Z** to zoom the print preview screen.

# Setting Credit Limit for Party Ledgers in Tally.ERP 9

*Did you know that you can set credit limits for your business partners in Tally.ERP 9 to ensure that no invoice is wrongfully generated beyond this line of credit?*

It is a good practice for a business to monitor the credit limits of customers and suppliers. This helps in managing the receivables and payables of a business in a better way. Credit limit is normally set based on the credibility, volume of transactions, capacity of repayment etc. of the customer and supplier. To ensure better credit management, Tally.ERP 9 provides the Credit Limit option to set the maximum amount of credit that can be allowed to a customer or a supplier. Using this feature, business owners can ensure that no invoice will be generated beyond the set credit limit unless the user has the right to modify the same.

Setting up Credit Limit for the party ledgers in Tally.ERP 9 is very simple and effortless. All it takes is enabling the option and setting the limit on the party ledger creation or alteration screen.

## To enable Credit Limit:

- Go to Gateway of Tally > F11: Accounting Features
- Under 'Budgets and Scenario Management', set 'Yes' to 'Maintain Budgets and Controls'

Company: <u>National Traders</u>			
<u>Accounting Features</u>			
<u>General</u>		<u>Invoicing</u>	
Integrate Accounts and Inventory	? Yes	Allow Invoicing	? Yes
Income/Expense Statement instead of P & L	? No	Enter Purchases in Invoice Format	? Yes
Allow Multi-Currency	? Yes	Use Debit/Credit Notes	? No
<u>Outstandings Management</u>		Use Invoice mode for Credit Notes	? No
Maintain Bill-wise Details (for Non-Trading A/cs also)	? Yes ? No	Use Invoice mode for Debit Notes	? No
Activate Interest Calculation (use advanced parameters)	? Yes ? Yes	<u>Budgets &amp; Scenario Management</u>	
		Maintain Budgets and Controls	? <b>Yes</b>
		Use Reversing Journals & Optional Vouchers	? Yes

## To set Credit Limit for a Single Ledger:

- Go to Gateway of Tally > Accounts Info. > Ledgers > Select 'Alter' under 'Single Ledger'
- Select the required party ledger from the 'List of Ledgers' Set

the 'Default Credit Period' and 'Credit Limit' amount as shown:

Ledger Alteration		National Traders											
Name	: Modern Timbers	<table border="1"> <thead> <tr> <th colspan="2">Total Op. Bal.</th> </tr> </thead> <tbody> <tr> <td>52,400.00</td> <td>Dr</td> </tr> <tr> <td>50,000.00</td> <td>Cr</td> </tr> <tr> <td colspan="2">Difference</td> </tr> <tr> <td>2,400.00</td> <td>Dr</td> </tr> </tbody> </table>		Total Op. Bal.		52,400.00	Dr	50,000.00	Cr	Difference		2,400.00	Dr
Total Op. Bal.													
52,400.00	Dr												
50,000.00	Cr												
Difference													
2,400.00	Dr												
(alias)	:												
Under	: Sundry Debtors (Current Assets)												
Currency of Ledger	: ₹	<b>Mailing Details</b> Name : Modern Timbers Address : State : PIN Code :											
Maintain balances bill-by-bill	? Yes												
Default Credit Period	: 1 Years												
Set Credit Limit	: 1,00,000.00 Dr												
Inventory values are affected	? No												
Cost centres are applicable	? No												
Activate Interest Calculation	? No												

*Note: You can also specify the Credit Limit and Credit Period at the time of ledger creation or alteration.*

## To set Credit Limit for multiple party ledgers:

- Go to Gateway of Tally > Accounts Info. > Ledgers > Credit Limits
- Select the required 'Group' in 'List of Groups' like Sundry Debtors, Sundry Creditors
- On 'Multi Ledger Limit Alteration' screen, set the 'Credit Limit' for the ledgers as required

Multi Ledger Limit Alteration		National Traders		Ctrl + M
Under Group : Sundry Debtors		1-Apr-2011 to 30-Jan-2012		
S.No.	Name of Ledger	Credit Limit	Credit Period	
1.	Audio/Video House	3,65,000.00 Dr	6 Months	
2.	Data Link Technologies	5,60,000.00 Dr	10 Months	
3.	Modern Timbers	1,00,000.00 Dr	1 Years	
4.	Spectrum Computers			
5.	Supreme Computers			

- Accept the screen

To demonstrate how Credit Limit effects the transaction, let's try to pass a Sales Invoice using a ledger called 'Modern Timbers' (Sundry Debtors) for an amount of more than `1,00,000 which is the specified credit limit for this ledger. Whenever the invoice is raised beyond this limit, Tally.ERP 9 will display a prompt message saying 'Credit Limit of the selected party exceeded' as shown:

Accounting Voucher Creation		National Traders		Ctrl + M
Sales No. 1		1-Apr-2012 Sunday		
Ref. :				
Party's A/c Name : Modern Timbers				
Current Balance : 5,00,000.00 Dr Credit Limit: 1,00,000.00 Dr				
Particulars	Rate	per	Amount	
Sales				1,10,000.00
Narration:				

Error!

Eh ?

Credit Limit  
of 'Modern Timbers'  
1,00,000.00 Dr  
exceeded !  
(Current :6,10,000.00 Dr)

The current balance and the credit limit of the Ledger accounts are displayed in the Order and Invoice entry vouchers (Sales and Purchase) and these show the available limits. In case, you need to pass the transaction beyond the Credit Limit, you can alter the credit limit if you have the right permission.

Hence, with Tally.ERP 9, you can easily set credit limits for your party ledgers and take control of your business's receivables and payables. This in turn reduces risks and improves collection for your business.



A high-angle photograph of a person wearing an orange and white checkered button-down shirt, sitting on a dark grey chair and typing on a silver laptop. The person's hands are visible, with red nail polish and a ring on the left hand. The laptop is open and positioned diagonally across the frame. The background is a dark, textured surface.

TCS Intro

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# TCS Intro

- The person collecting tax at source in accordance with provisions of **Section 206C** is required to issue a certificate of collection of tax at source in **Form No. 27D** to the Buyer (or lessee or licensee) from whom the tax is collected. Such certificate shall be furnished within one month from the end of the month during which the amount is debited to the account of the buyer (or licensee or lessee) or payment is received from the buyer (or licensee or lessee).
- If more than one certificate is required to be furnished to a buyer (or licensee or lessee) for the period ending **30th September** or **31st March** in a financial year, the person collecting the tax on request from such buyer issue a consolidated certificate in **Form 27D** for tax collected during whole of such period.
- If an issued TCS certificate is lost, the person collecting tax at source may issue a duplicate certificate on plain paper, with necessary details as contained in **Form-27D**.



## Total Exemption: No TCS Collection

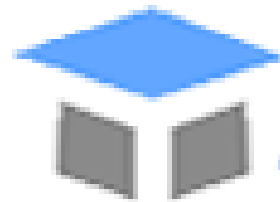
- TCS can be totally exempted or fixed at a lower rate under some circumstances.
- **Total Exemption: No TCS Collection**
- A declaration by the buyer in Form Number 27C (in duplicate) has to be made for total exemption. The declaration is if the goods listed are to be used for the purpose of manufacturing or processing and not trading. A copy of the declaration has to be given to the person collecting tax.
- The person collecting this declaration form has to submit the copy to the authorities concerned on or before the seventh day of the following month.
- **Lower Rate of TCS**
- The buyer (Collectee) can apply to the Assessing Officer (AO) for a lower rate, using Form No.13, subject to the condition that the AO is convinced that the total income of the buyer (Collectee) justifies the lower rate. The AO may issue a certificate, specifying the rate of collection.



# TCS Returns

**TCS** returns are to be filed quarterly, in addition to annual returns.

Form	Periodicity	Due Date
Form 27EQ	Quarterly	On or before 15th July, 15th October, 15th January and 30th April.
Form 27 E	Annual	On or before 30th June, following the financial year.
Form 27B	Annual / Quarterly	Filed in physical form with each return i.e., Form 27E and Form 27EQ.



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# Enabling TCS

To get started, you have to enable the Tax Collected at Source (TCS) module in Tally.ERP 9 and enter your company's registration details.

## To Enable Service Tax

1. Go to **Gateway of Tally > F11: Features > Statutory and Taxation.**
2. In the **Company Operations Alteration** screen, set **Enable Tax Collected at Source (TCS)** to **Yes**.
3. Enable the option **Set/alter TCS details**.

The **Company Operations Alteration** screen appears as shown below:



4. Enter the **TAN registration number**.
5. Enter the **Tax Deduction Account Number (TAN)**.

6. Select the **Collector Type**.
7. Enable the option [Set/alter details of person responsible](#).
8. Press **Enter**.
9. Enable **Ignore IT Exemption Limit**, if required.
10. Press **Enter**.

The **TCS Collector Details** screen appears as shown below:

<u>Company TCS Collector Details</u>	
TAN registration number	: T22098876DAC
Tax deduction and collection Account Number (TAN):	BLRB33715B
Collector Type	: Individual/HUF
Collector branch/division	:
Set/alter details of person responsible	? No
<u>Rate &amp; Exemption Details</u>	
Ignore IT exemption limit	? <b>No</b>

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

For more TCS configurations, click [here](#).

## Creating Party Ledger (TCS)

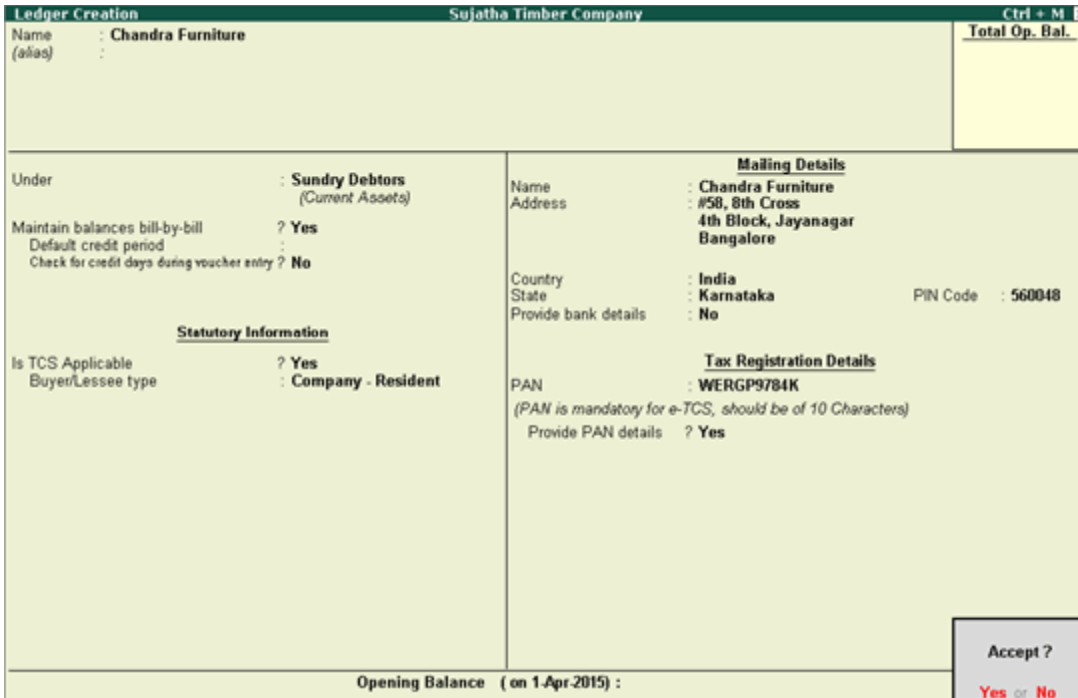
You can create a ledger for your customers under sundry debtors and also set their TCS details.

### To create a party ledger (Buyer)

1. Go to **Gateway of Tally > Accounts Info. > Ledgers > Create**
2. Enter the **Name**.
3. Select **Sundry Debtor** as the group name in the **Under** field.
4. Enable the option [Maintain bill-by-bill](#), if required.

5. Enable the option **Is TCS Applicable**.
6. Select a **Collectee Type** in the **Buyer/Lessee** field.
7. Enter the **Name** of the service provider under **Mailing Details**.
8. Enter the **Address**.
9. Select the **Country** from the **List of Countries**.
10. Select the **State** from the **List of States**.
11. Enter the **PIN Code**.
12. Enable **Provide Bank Details**, if required.
13. Enter the **PAN** under **Tax Information**.
14. Enable the option **Provide PAN Details** to enter PAN details of the party.

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



Ledger Creation		Sujatha Timber Company		Ctrl + M
Name	: Chandra Furniture			Total Op. Bal.
(alias)	:			
Under	: Sundry Debtors (Current Assets)	<b>Mailing Details</b>		
Maintain balances bill-by-bill	? Yes	Name	: Chandra Furniture	
Default credit period	:	Address	: #58, 8th Cross	
Check for credit days during voucher entry	? No		: 4th Block, Jayanagar	
			: Bangalore	
		Country	: India	
		State	: Karnataka	PIN Code : 560048
		Provide bank details	: No	
		<b>Tax Registration Details</b>		
<b>Statutory Information</b>		PAN	: WERGP9784K	
Is TCS Applicable	? Yes	(PAN is mandatory for e-TCS, should be of 10 Characters)		
Buyer/Lessee type	: Company - Resident	Provide PAN details	? Yes	
Opening Balance (on 1-Apr-2015) :				Accept ?
				Yes or No

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

For more configurations, click [here](#).

In the text file generated as per File Validation Utility (FVU) version 5.6, the letter **C** appears as remarks when transactions are recorded for all TCS natures when the party PAN is entered as:

- PANAPPLIED
- PANINVALID
- PANNOTAVBL

## Creating Sales Ledger (TCS)

You can create sales ledger with TCS nature of goods under Sales Accounts.

### To create a sales ledger

1. Go to **Gateway of Tally > Accounts Info. > Ledgers > Create**
2. Enter the **Name**.
3. Select **Sales Accounts** as the group name in the **Under** field.
4. Set **Inventory values are affected** to **Yes**.
5. Set the option **Is TCS Applicable** to **Applicable**.
6. Select the **Nature of Goods** from the **List of Nature of Goods**.

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

**Attitude**

Ledger Creation		Sujatha Timber Company		Ctrl + M
Name	: Sales Ledger			Total Op. Bal.
(alias)	:			
Under	: Sales Accounts	<b>Mailing Details</b>		
Inventory values are affected	? Yes	Name	:	
		Address	:	
		Provide bank details	: No	
		<b>Tax Registration Details</b>		
		PAN	:	
<b>Statutory Information</b>				
Is TCS Applicable	? <b>Applicable</b>			
Nature of Goods	: <b>Timber Obtained Under Forest Lease</b>			
Opening Balance (on 1-Apr-2015) :				Accept ?
				Yes or No

7. Press **Enter** to save the details.

## Creating Nature of Goods (TCS)

You can define the TCS nature of goods your business deals.

### To create TCS nature of goods

1. Go to **Gateway of Tally > Accounts Info. > Statutory Info. > TCS Nature of Goods > Create.**
2. Press **Ctrl+C** and select the **Name**.
3. The **Section** number and **Payment Code** appears automatically.
4. Enter the **Rate** of TCS.
5. Enter the **Threshold/exemption limit**.

The **TCS Nature of Goods** screen appears as shown below:

TCS Nature of Goods	
Name	: <b>Timber Obtained Under Forest Lease</b>
Section	: <b>206C</b>
Payment code	: <b>6CA</b>
Rate	: <b>2.50 %</b>
Rate, if PAN not available	: <b>0 %</b>
Threshold/exemption limit	: <b>10,00,000.00</b>

**Accept ?**  
Yes or No

6. Press **Enter** to save the details.

In the text file generated as per File Validation Utility (FVU) version 5.6, the letter **C** appears as remarks when transactions are recorded for all TCS natures when the party PAN is entered as:

- PANAPPLIED
- PANINVALID
- PANNOTAVBL

## Ignoring Surcharge Exemption Limit

### To ignore surcharge exemption limit

1. Click **F12: Configure** in the **Ledger Creation** screen.
2. Enable the option **Allow advanced entries in TCS masters**.
3. Press **Ctrl + A** to save the details. A new option **Use Advanced TCS Entries** will be available.
4. Enable the option **Use Advanced TCS Entries**.
5. Enable the option **Ignore Surcharge Exemption Limit**.
6. Press **Ctrl + A** to save the details.
7. Press **Ctrl + A** to save the party master.

## Ignoring Income Tax Exemption Limit



### To ignore income tax exemption limit

1. Click **F12: Configure** in the Ledger Creation screen.
2. Enable the option **Allow advanced entries in TCS masters**.
3. Press **Ctrl + A** to save the details. A new option **Use Advanced TCS Entries** will be available.
4. Enable the option **Use Advanced TCS Entries**.
5. Select **Applicable** in the **Set/Alter Ignore Income Tax Exemption Limit**.
6. Select the required TCS nature of goods from the **List of TCS Nature of Goods**.
7. Select **End of List** to exit the screen.
8. Press **Ctrl + A** to save the details.
9. Press **Ctrl + A** to save the party master.

## Set Zero/Lower Rate for TCS

### To set zero or lower rate for TCS

1. Click **F12: Configure** in the Ledger Creation screen.
2. Enable the option **Allow advanced entries in TCS masters**.
3. Press **Ctrl + A** to save the details. A new option **Use Advanced TCS Entries** will be available.
4. Enable the option **Use Advanced TCS Entries**.
5. Select **Applicable** in the **Set/Alter Zero/Lower Collection**.
6. Select the required TCS nature of goods from the **List of TCS Nature of Goods**.
7. Select the **Section Number**.
8. Enter the **Applicable From** date.
9. Enter the **Applicable To** date.
10. Enter the rate of TCS in the **TCS** field.
11. Repeat steps 6 to 10 for the required TCS nature of goods.

12. Select **End of List** to exit the screen.
13. Press **Ctrl + A** to save the details.
14. Press **Ctrl + A** to save the party master.

## Creating TCS Duty Ledger

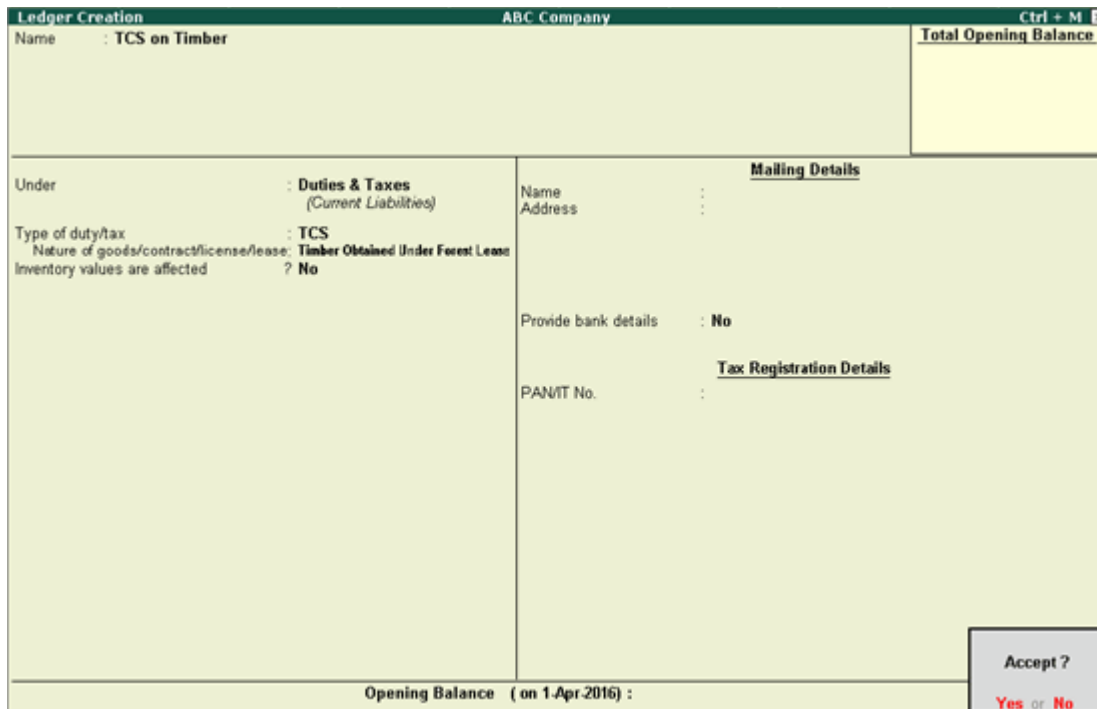
You can create a duty ledger for accounting for TCS and also specify the nature of goods.

### To create a TCS duty ledger

1. Go to **Gateway of Tally > Accounts Info. > Ledgers > Create.**
2. Enter the **Name**
3. Select **Duties and Taxes** as the group name in the **Under** field.
4. Select **TCS** as the **Type of Duty/Tax.**
5. Select a **Nature of Goods/Contract/License/Lease** from the **List of Nature of Goods.**
6. Press **Enter.**

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

Attitude



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

## Creating Stock Item (TCS)

You can create stock item masters for goods that are classified under the TCS nature of goods.

### To create a Stock item for TCS

1. Go to **Gateway of Tally > Inventory Info. > Stock Item > Create**.
2. Enter the **Name**.
3. Select a stock group from the **List of Stock Groups** in the **Under** field.
4. Select a unit of measurement in the Units field.
5. Set the option **Is TCS applicable** to **Applicable**.
6. Select the **Nature of Goods** from the **List of Nature of Goods**.

The **Stock Item Creation** screen appears as shown below:

Stock Item Creation		Sujatha Timber Company		Ctrl + M
Name : <b>Timber</b> (alias) :				
Under : <b>Primary</b>	<b>Statutory Information</b>		<b>Behaviour</b>	
Units : <b>MT</b>	Is TCS Applicable : <b>Applicable</b>	Nature of Goods : <b>Timber (Mined Under Forest Lease)</b>	Costing Method : <b>Avg. Cost</b>	Market Valuation Method : <b>Avg. Price</b>
			Ignore Diff. due to Physical Counting ? <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>	
Opening Balance :		Quantity	Rate per	Value
				Accept ? Yes or No

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

## Creating Stock Item (TCS)

You can create stock item masters for goods that are classified under the TCS nature of goods.

### To create a Stock item for TCS

1. Go to **Gateway of Tally > Inventory Info. > Stock Item > Create.**
2. Enter the **Name.**
3. Select a stock group from the **List of Stock Groups** in the **Under** field.
4. Select a unit of measurement in the Units field.
5. Set the option **Is TCS applicable** to **Applicable.**
6. Select the **Nature of Goods** from the **List of Nature of Goods.**

The **Stock Item Creation** screen appears as shown below:

Stock Item Creation		Sujatha Timber Company		Ctrl + M
Name : <b>Timber</b> (alias) :				
Under : <b>Primary</b>	<b>Statutory Information</b>		<b>Behaviour</b>	
Units : <b>MT</b>	Is TCS Applicable ? <b>Applicable</b>	Nature of Goods : <b>Timber Obtained Under Forest Lease</b>	Costing Method : <b>Avg. Cost</b>	Market Valuation Method : <b>Avg. Price</b>
			Ignore Diff. due to Physical Counting ? <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>	
Opening Balance :		Quantity	Rate per	Value
				Accept ? Yes or No

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

## Recording Sales Transaction (TCS)

TCS sales can be of two types, sale of goods under TCS and transfer of right to use. This topic tells you how to record both these transactions.

### Sales of TCS Goods

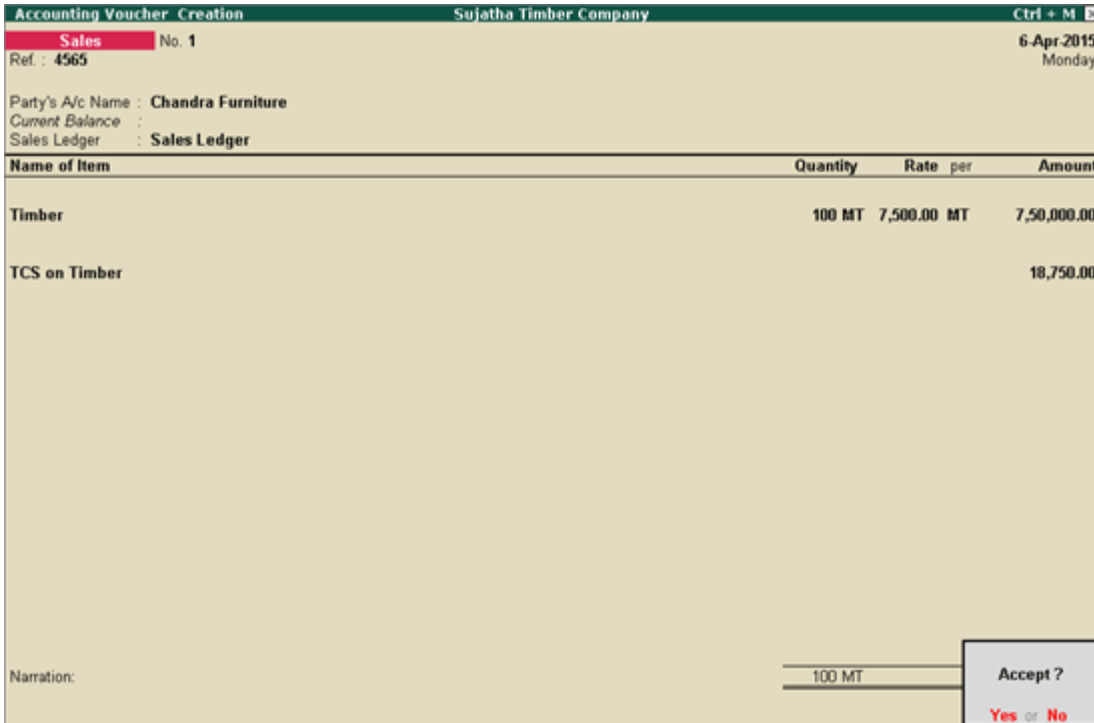
**For example**, Sujatha Timer Company trade in timber that is obtained from forest lease. This is subject to TCS at 2.5%. On 6-4-2015, Sujatha Timber Company sold 100 metric ton (MT) at ₹ 7,500/MT of timber to Chandra Furniture.

#### To record a sales transaction

1. Go to **Gateway of Tally > Accounting Vouchers > F8: Sales > Item Invoice**
2. Enter the **Ref.**, if required.
3. Select **Chandra Furniture** in the **Party's A/c Name** field.
4. Select the sales ledger from the **List of Ledger Accounts**.
5. Select **Timber** from the **List of Stock Items**.

6. Enter **100** in the **Quantity** field.
7. Enter **7500** in the **Rate** field. The **Amount** will be automatically calculated.
8. Press **Enter** from the **Amount** field.
9. Press **Enter**.
10. Select the TCS ledger which is created under **Duties and Taxes**. The TCS amount will get calculated automatically.
11. Press **Enter**.
12. Enter **Narration**, if required.

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



Name of Item	Quantity	Rate per	Amount
Timber	100 MT	7,500.00 MT	7,50,000.00
TCS on Timber			18,750.00

Narration: \_\_\_\_\_

100 MT

Accept ?  
Yes or No

13. Press **Ctrl + A** to save the invoice.

## Transfer of Right to Use

Every person, who grants lease or a license or enters into a contract or otherwise transfers any right or interest (in any parking lot or toll plaza or mine or quarry) either in whole or in part to another person for the purpose of business, is liable to

collect tax at source from the licensee or lessee of any such license, contract or lease at the prescribed percentage.

**For example**, MAR Teck Park is renting out their parking lot to Prakash Enterprises for ₹ 2,00,000 for the month of May.

### To record the transaction

1. Go to **Gateway of Tally > Accounting Vouchers > F8: Sales > Accounting Invoice**
2. Enter the **Ref.**, if required.
3. Select **Prakash Enterprises** in the **Party's A/c Name** field.
4. Select the Rent (Income) ledger under **Particulars**.
5. Enter **200000** in the **Amount** field.
6. Press **Enter**.
7. Select the TCS ledger which is created under **Duties and Taxes**. The TCS amount will get calculated automatically.
8. Press **Enter**.
9. Enter **Narration**, if required.

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

## Recording Sale of TCS Goods at Lower Rate

Where the Assessing Officer is satisfied that the total income of the buyer justifies the collection of tax at any lower rate than the relevant rate specified in Section 206C (1), Buyer (or licensee or lessee) will be allowed a lower rate of TCS on an application made by the buyer (or licensee or lessee) under **sub-section (9)** of **section 206C** in **Form No. 13**.

The certificate granted shall be valid for the assessment year specified and is valid only for the person named therein. In Tally.ERP 9, the user can record and compute TCS on transactions, on which lower rate of collection is applicable.

**For example**, on 20-04-2015, Sujatha Timer Company sold 200MT of Timber at ₹ 7500/MT to Tirumala Timber at a lower rate of 1.5% TCS.

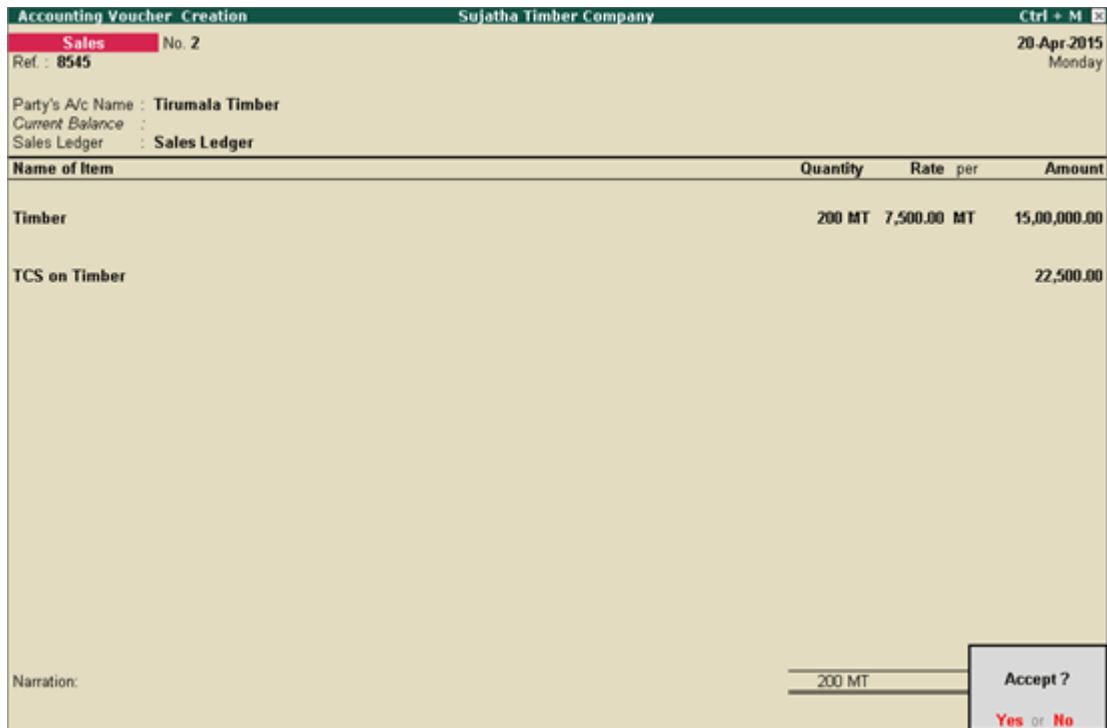
### To record the transaction

1. Go to **Gateway of Tally > Accounting Vouchers > F8: Sales > Item Invoice**
2. Enter the **Ref.**, if required.
3. Select **Tirumala Timber** in the **Party's A/c Name** field. To set lower rate of TCS for this party click [here](#).
4. Select the sales ledger from the **List of Ledger Accounts**.
5. Select **Timber** from the **List of Stock Items**.
6. Enter **200** in the **Quantity** field.
7. Enter **7500** in the **Rate** field. The **Amount** will be automatically calculated.
8. Press **Enter** from the **Amount** field.
9. Press **Enter**.
10. Select the TCS ledger which is created under **Duties and Taxes**. The TCS amount will get calculated automatically.
11. Press **Enter**.
12. Enter **Narration**, if required.

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

Attitude





Name of Item	Quantity	Rate per	Amount
Timber	200 MT	7,500.00 MT	15,00,000.00
TCS on Timber			22,500.00

13. Press **Ctrl + A** to save the invoice.

## Recording Payment Transaction (TCS)

You can record the payment of TCS collected to department in a payment invoice using the Stat Payment button.

**For example**, on 05-05-2015, Sujatha Timber Company paid TCS to the government

### To record a payment transaction

1. Go to **Gateway of Tally > Accounting Vouchers > F5: Payment**
2. Click **S: Stat Payment** button.
3. Select **TCS** as the **Tax Type**.
4. Enter the **Period From** and **To** dates.
5. Enter the **Collected Till Date**.
6. Select the **Section** from the **List of Section**.
7. Select the **Nature of Good(s)**.

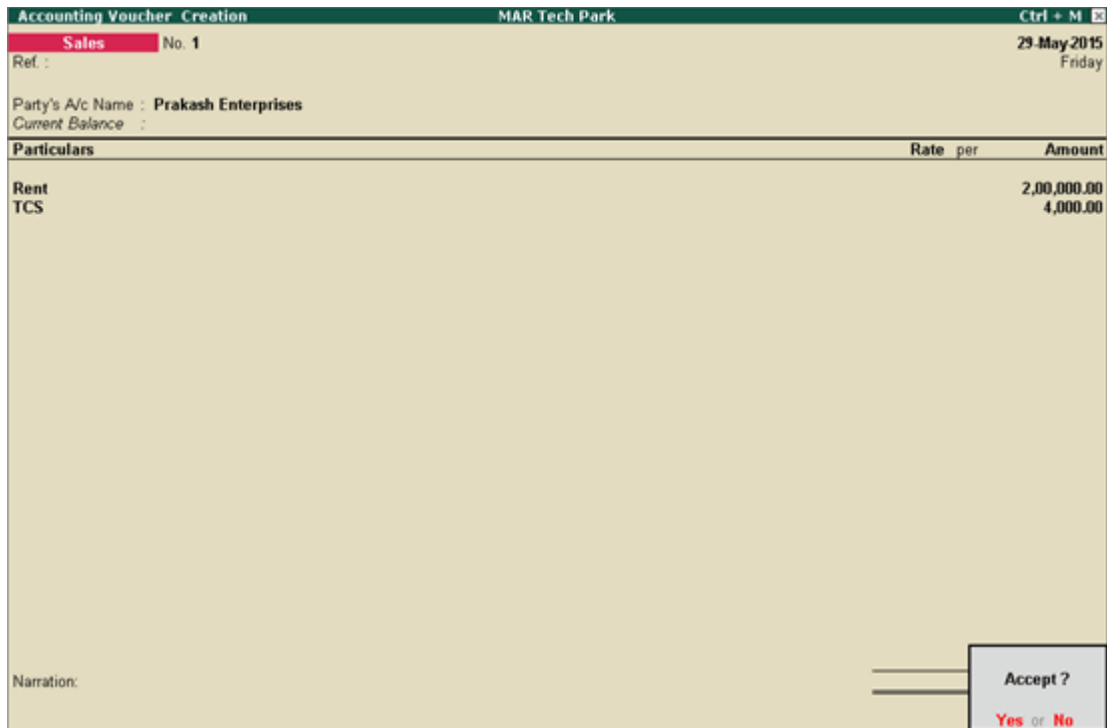
8. Select the **Collectee Status**.
9. Select the **Residential Status**.
10. Select either bank or cash ledger in the **Cash/Bank** field.
11. Press **Enter**.
12. Enter **Narration**, if required.

The **Payment** invoice will be automatically filled with the relevant details, as shown below:

Accounting Voucher Creation		Sujatha Timber Company		Ctrl + M
<b>Payment</b> No. 1				5-May-2015 Tuesday
Account: <b>State Bank of India</b> Cur Bal: 9,58,750.00 Dr				
Particulars			Amount	
<b>TCS on Timber</b>			18,750.00	
Cur Bal: 82,500.00 Cr				
<b>Agst Ref Sale / 1 / 1</b>			18,750.00 Dr	
Income Tax			18,750.00 Dr	
Surcharge				
Education Cess				
Secondary Education Cess				
<b>TCS on Timber</b>			22,500.00	
Cur Bal: 82,500.00 Cr				
<b>Agst Ref Sale / 2 / 2</b>			22,500.00 Dr	
Income Tax			22,500.00 Dr	
Surcharge				
Education Cess				
Secondary Education Cess				
Narration:				41,250.00
				Accept ? Yes or No

13. Press **Ctrl + A** to save the invoice.





Particulars	Rate per	Amount
Rent		2,00,000.00
TCS		4,000.00

10. Press **Ctrl + A** to save the invoice.

## Form 27EQ (TCS)

As per the Income Tax Act, 1961, every corporate and government entity responsible for collection of tax at source should furnish TCS returns containing details of collectee(s) and challan details relating to deposit of tax with the Income Tax Department. Form 27EQ is the quarterly return statement for TCS. The due dates for filing returns are July 15th, October 15th, January 15th, and for the last quarter, April 30th.

The Form 27EQ report in Tally.ERP 9 assists you in generating accurate the returns to be filed.

The report can be drilled down to the voucher entry level to display complete information of each transaction.

### To generate the Form ER1

1. Go to **Gateway of Tally > Display > Statutory Reports > TCS Reports > Form 27EQ**
2. Click **F1: Detailed**.

The statistics screen appears as shown below:

Form 27 EQ		Sujatha Timber Company		Ctrl + M				
Form 27 EQ		1-Jan-2011 to 31-Mar-2011						
<b>Statistics of Vouchers</b>								
<b>Total Number of Transactions</b>					328			
Included Transactions					0			
Excluded Transactions					322			
Uncertain Transactions					6			
<b>Particulars</b>	<b>Assessable Value</b>		<b>Tax</b>	<b>Collected</b>		<b>Balance</b>		
	Prev. Period	Current Period	Total	Collectable	Prev. Period	Current Period	Total	Collectable
<b>Collection Details</b>								
Collection at Normal Rate								
Collection at Zero/Lower Rate								
<b>Total Collected</b>								
<b>Payment Details</b>						1-Jan-2011 to 31-Mar-2011		
Included Transactions								0
Not Included Transactions								3
<b>Particulars</b>	<b>Paid Amount</b>							
<b>Balance Payable</b>								

The Form 27 EQ report can be filed with accurate information available in this report. It has three main sections:

1. [Statistics of Vouchers](#)
2. [Collection Details](#)
3. [Payment Details](#)

## Total Number of Vouchers

This displays the total number of transactions which are considered for the generation of **Form 27 EQ**.

- Press **Enter** on **Total Number of Transactions** to view the **Statistics of Vouchers**.

## Included Transactions

Transactions that will be considered as Included for generating Form 27EQ:

- Sales entries in the current period, with TCS collection
- Entries recorded in Debit Note/Journal voucher for increase in sales value and/or TCS value
- Entries for payments received in advance from collectee
- TCS adjustment entries
- Entries accounting for TCS reversals and TCS deduction w.r.t escalations and de-escalations
- TCS 'book entries' for collections made by or on behalf of the Government

## Excluded Transactions

These are transactions that do not carry the TCS details that are requisite to generate Form 27EQ, and hence will be excluded while generating the form.

Transactions that will be considered as Excluded for generating Form 27EQ:

- All entries where TCS is not applied
- Entries recorded using any of the following Voucher Types:
  - Payment
  - Contra
  - Inventory Vouchers
  - Order Vouchers
  - Debit Note (entries with no TCS implications)
  - Credit Note (entries with no TCS implications)
  - Vouchers marked as Optional
  - Reversing Journal

- Memorandum Vouchers
- Payroll Vouchers
- Journal Vouchers recorded with adjustment entries not related to TCS
- Press **Enter** on **Excluded Voucher Details** to view the **Excluded Voucher Details**.

## Uncertain Transactions


It displays the complete list of information gaps found in transactions. Until these details are specified, either in masters or transactions, the transaction cannot be considered for filing return. It consists of two broad categories,

- Master Related Exceptions
- Transactions Related Exceptions

All the transactions which are displayed here requires user's intervention to provide the appropriate details. Provision to completely exclude uncertain transactions is also made available. Hence, any transaction which has information gaps but is not required to be shown in the quarterly return, can be moved to **Excluded Transactions**.

## Collection Details

Details of all TCS entries are listed here under two heads:

- 
- Collection at Normal Rate
  - Collection at Zero Rate

## Payment Details

This will contain the statistics of all TCS payments (deemed or actual) that exist in the data till date. This will not contain any of the payment entries that are not related to the current period. Any payment entries other than TCS payment entry will not appear here.

## **Included Transactions**

All the TCS payment to department till date which is applicable for the report period, will be listed as Included Transactions under this section.

## **Not Included Transactions**

Payment transactions that may possibly be TCS payments, but cannot be ascertained due to missing information, will be listed here. Transactions will be listed here under the following circumstances:

- The Duty Type has not been set for the duty ledger
- The type of TCS Payment is not available. That is, whether the payment is made towards Late Fee, Interest, Income Tax, Surcharge, Education Cess, Secondary Education Cess, or Other Payments.
- Details of the bank where the payment has been made, is unavailable
- The period for which the payment is made, is not available
- The payment entry has not been linked to a deduction entry
- The payment amount has not been rounded off. As per rules, TCS payments need to be rounded off figures.

## **Payment Summary**

All payment vouchers that have been 'included' for generating returns, will be captured in this section based on the category of payment.

Drill down to view the Payment Voucher report, where the date, voucher number, duty type (education cess, secondary education cess, etc.) and the respective amount, payment type (Interest, Late Fee, etc.) and the respective amount, and the total amount paid.

Drill down further to view the Deduction Voucher report, the following details will be displayed:

- Party Name

- Collectee Type
- PAN
- Rate
- Assessable Value
- Income Tax
- Surcharge
- Education Cess
- Secondary Education Cess
- Total amount paid

## Budgetary Changes 2016-17

As per the Union Budget for the financial year 2016-17, three new natures of goods have been introduced, which are described below.

- **Sale of Motor Vehicle:** Attracts 1% TCS if the value exceeds the threshold limit of Rs. 10,00,000.
- **Sale in Cash of Any Goods (Other Than Bullion/Jewellery):** Attracts 1% TCS if the value exceeds the threshold limit of Rs. 2,00,000.
- **Providing of Any Services (Other Than Ch-XVII-B):** Attracts 1% TCS if the value exceeds the threshold limit of Rs. 2,00,000.

### To create the nature of goods

1. Go to **Gateway of Tally > Accounts Info. > Statutory Info. > TCS Nature of Goods > Create.**
2. Press **Ctrl+C** to view the **List of Nature of Goods.**
3. Select **Sale of Motor Vehicle.**
4. Enter the **Rate.**



5. Enter the **Threshold/exemption limit** as 10,00,000. The **TCS Nature of Goods** screen appears as shown below:

TCS Nature of Goods	
Name	: Sale of Motor Vehicle
Section	: 206C
Payment code	:
Rate	: 1 %
Threshold/exemption limit	: 10,00,000.00
Accept ? Yes or No	

6. Press **Enter** to accept.

Similarly, create the nature of goods for **Sale in Cash of Any Goods (Other Than Bullion/Jewellery)** and **Providing of Any Services (Other Than Ch-XVII-B)** as shown below:

TCS Nature of Goods	
Name	: Sale in Cash of Any Goods (Other Than Bullion/Jewellery)
Section	: 206C
Payment code	:
Rate	: 1 %
Threshold/exemption limit	: 2,00,000.00
Accept ? Yes or No	

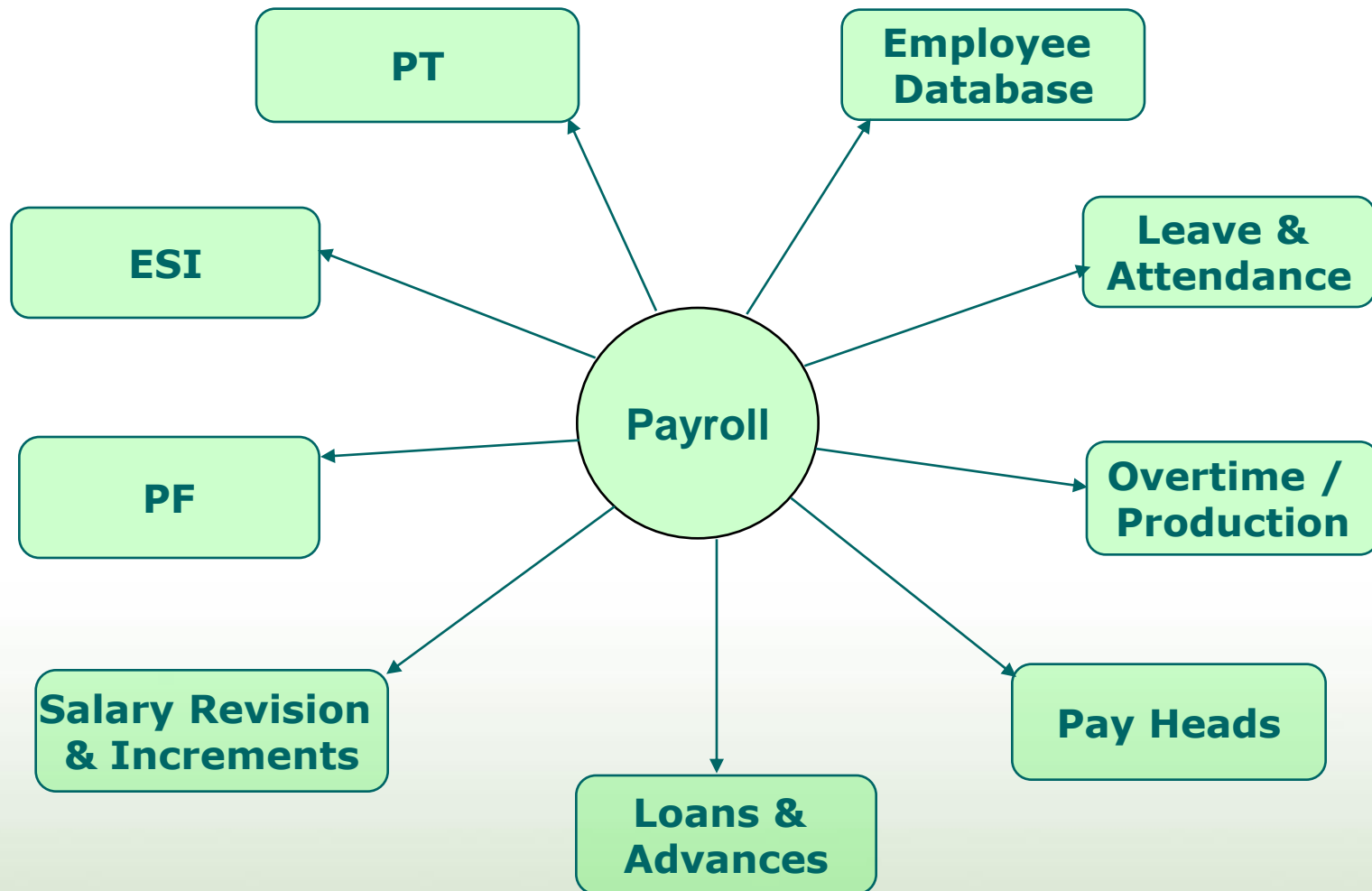
TCS Nature of Goods	
Name	: Providing of Any Services (Other Than Ch-XVII-B)
Section	: 206C
Payment code	:
Rate	: 1 %
Threshold/exemption limit	: 2,00,000.00
Accept ? Yes or No	

Attitude

# Payroll in Tally.ERP 9



# Payroll in Tally.ERP 9



# Features of Payroll



- Instant Access to Employee Information
- Pay the right amount - on time
- Manage Increments and Arrears
- Loans and advances
- Meet all accounting and Regulatory norms
- Payroll and Statutory Reports

# Instant Access to Employee Information

- Centralized Database for Employees
- Instant access to Personal, Statutory and Expat details
- Manage Employees by Groups, Designation, Location and Shifts etc.
- Complete lifecycle support - Joining to Resignation
- Manage – Attendance, Leave, Overtime and Production details



# Pay the right amount - on time

ZERO RISK OF MISCALCULATION IN PAYROLL ...



- Salary Calculation as per your specific business needs
- Flexibility to define the method of Salary Calculation
- Payment Advice to bank- for on time Salary Payment
- Email Pay slips to Employees on click of a button

# Improve employee satisfaction

- Handle Salary Revision
- Instant Arrears Calculation
- Manage the impact of Salary increment on PF, ESI and PT
- Handle Bonus and Gratuity



# On time recovery of loans and advances



- Flexible options for Loan recovery
- Recover Loan while processing payroll or separately
- Facility to track the Loans recovered



## Meets accounting and Regulatory norms -instantly

- Integrated with Accounts – save time
- Compliance for PF, ESI and PT as per the central and state rules
- All required Payroll and Statutory Reports and Forms are provided



# Payroll and Statutory Reports - 1

- Payroll Reports
  - Pay Slip
  - Pay Sheet
  - Payroll Statement
  - Payment Advice
  - Payroll Register
  - Employee Profile
  - Employee Pay Head Breakup
  - Pay Head Employee Breakup
- Attendance Reports
  - Attendance Sheet
  - Attendance Register

ABC Company 201, 202 Road, 10th Block, Kowangi Bangalore			
Pay Slip for April 2010			
Employee D			
Employee Number:	001	Item Inflow/Pay:	AS00000101
Function:	RD	PF Account Number:	KA01000001
Designation:	Manager	ESI Number:	
Location:	Bangalore	Passport Details:	
Bank Details:	00000001, HDFC, Kowangi	Visa Entry Date:	
Term of Joining:	1-Apr-2010		
Attendance Details		Value	
OverTime:		3.00 Hrs	
Paid Leave:		1 Day	
Earnings		Amount	Deductions
Basic Pay		32,000.00	Professional Tax
HRA		14,000.00	Income Tax
Conveyance		800.00	Gratuity Deduction
Variable Pay		4,000.00	PF Deduction
<b>Total Earnings</b>		<b>50,800.00</b>	<b>14,000.00</b>
		<b>Net Amount</b>	<b>₹ 37,250.00</b>

Amount in Rupees for ABC Company  
₹ 11,111.11 (Rupees) (11,111.11) (Rupees)

Submitted By: [Name]

ABC Company Pay Slip for May 2006			
Employee A			
Employee Number:	001	PF Account Number:	KA01000001
Function:	Sales	Employee I.T. PAN:	AA00000000
Designation:	Senior Executive	Bank Details:	00000001, HDFC, 2/P Hager
Location:	Bangalore	ESI Number:	00000001
Attendance Details		Value	
OverTime:		0.00 Hrs	
Unpaid Leave:			
Earnings		Amount	Deductions
Basic Salary		22,000.00	Employee PF
DA		11,440.00	Gratuity
HRA		12,376.00	Professional Tax
Conveyance		800.00	
Medical Allowance		1,200.00	
<b>Total Earnings</b>		<b>48,816.00</b>	<b>4,012.00</b>
		<b>Total Deductions</b>	<b>4,012.00</b>
		<b>Net Amount</b>	<b>44,804.00</b>

## Payroll and Statutory Reports - 2

- Expat Reports
  - Passport Expiry
  - Visa Expiry
  - Contract expiry
- PF Reports
  - Form 5
  - Form 10
  - Form 12A
  - Monthly Statement
  - Form 3A (hard copy and E-return format)
  - Form 6A
  - Computation

# Payroll and Statutory Reports - 3

- ESI Reports
  - Form 3
  - Monthly Statement
  - Form 5
  - Form 6
  - Computation
- Professional Tax
  - Computation sheet
  - Statement
- Gratuity
  - Gratuity Summary

# Upcoming Enhancements - 1

- Leave Management (all scenarios)
  - Encashable / Non Encashable
  - Carry Forward / No Carry Forward
  - Accrual method – Monthly, Quarterly, Half yearly, Yearly
  - Compensatory Holidays
- Employee Details
  - Employee Auto Numbering
  - Photo
  - Other statistics
- Multi-classification for Employees with History
- Formulae Builder



## Upcoming Enhancements - 2

- CTC Based Calculation
- New Pay Process
  - Single click
  - Category-wise process
  - Selective Employees
  - Full & Final Settlement
- Employee Self Service
- Pay Slip Designer
- Incremental Slab calculation



# Thank you

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*Tally*

POWER OF SIMPLICITY

**Implementation of  
Payroll in Tally.ERP 9**



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Version: Implementation of Payroll in Tally.ERP 9/1.8/June 2010

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## Introduction

The term **Payroll** refers to a series of accounting transactions involved in the process of paying employees for the services rendered after taking all the statutory and non-statutory deductions into account, in conformance with the terms of employment, company policy and the law of the land i.e., payment of payroll taxes, insurance premiums, employee benefits and other deductions.

An efficient payroll system facilitates an error-free, accurate and timely employee payment while ensuring that the employment is well within the valid work permit.

---

# Lesson 1: Configuring Payroll in Tally.ERP 9

## Lesson Objectives

On completion of this lesson, you will have learnt:

- The features of Payroll in Tally.ERP 9
- How to enable Payroll in Tally.ERP 9

Payroll in Tally.ERP 9 is easy to use and can handle all the functional, accounting and statutory requirements of the payroll department.

## Salient Features of Payroll in Tally.ERP 9

The key features of the Payroll functionality in Tally.ERP 9 are as follows:

- It is fully integrated with accounts to give you the benefits of simplified Payroll processing and accounting.
- It has user defined classifications and sub-classifications for comprehensive reporting. This may be related to the employees, employee groups, pay components, departments etc.
- It provides the facility to create user-defined earnings and deductions Pay Heads.
- It allows flexible and User-definable criteria for simple or complex calculations.
- It allows unlimited grouping of Payroll Masters.
- It supports user-defined production units i.e., attendance/ production/ time based remuneration units.
- It provides a flexible payroll processing period.
- It provides comprehensive Cost Centre as well as employee-wise costing reports
- It ensures an accurate & timely Salary Processing, Employee Statutory Deductions & Employer Statutory Contributions with the help of predefined processes.
- It provides auto-fill facility to expedite the Attendance, Payroll & Employer Contributions processes.

- It facilitates an accurate computation and deduction of ESI, EPF, Professional Tax, Gratuity etc.
- It helps in the generation of Statutory Forms & Challans for EPF & ESI, as prescribed.
- It allows to drill-down to voucher level for any kind of alteration.
- It facilitates computation of arrears pertaining to prior period(s).
- It helps in tracking employee loan details.

## **Enabling Payroll in Tally.ERP 9**

In Tally.ERP 9 activation of Payroll requires a one time simple setup. Create a new company in Tally.ERP 9 and follow the steps given below to enable Payroll.

### **Case Study Company**

M/s. Spectrum Software Solutions is engaged in the Software services Business. It is a Bangalore-based company with the following three major departments:

- Sales
- Administration
- R & D

### **Step 1: Company Setup**

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

In the Company Creation screen,

- Select **India** in the field **Statutory compliance for** from the List of Countries provided
- Type **1-4-2009** as the **Financial Year from** date and press **Enter**

The completed **Company Creation** screen is displayed as shown:

Company Creation		Ctrl + M	
Directory	: AData		
Name	: Spectrum Software Solutions		
<b>Mailing &amp; Contact Details</b>		<b>Company Details</b>	
Mailing Name	: Spectrum Software Solutions	Currency Symbol	: Rs.
Address	: 14, Mysore Road, Bangalore	Maintain	: Accounts with Inventory
		Financial Year from	: 1-4-2009
		Books beginning from	: 1-4-2009
		<b>Security Control</b>	
Statutory compliance for	: India	Disallow opening in Educational mode ?	No
State	: Karnataka	TallyVault Password (if any)	:
PIN Code	: 560022	Repeat Password	:
Telephone No.	: 080-22587457	<i>(WARNING: forgetting your TallyVault password will render your data unusable!)</i>	
E-Mail	: sales@spectrum.com	Use Security Control	? No
		<i>(Enable Security to avail Tally.NET Features)</i>	
<b>Base Currency Information</b>			
Base Currency Symbol	: Rs.	Show Amounts in Millions	? No
Formal Name	: Indian Rupees	Put a SPACE between Amount and Symbol	? Yes
Number of Decimal Places	: 2	Decimal Places for Printing Amounts in V	
Is Symbol SUFFIXED to Amounts ?	No		
Symbol for Decimal Portion	: paise		
			<b>Accept ?</b>
			Yes or No

Figure 1.1 Company Creation screen

- Press **Enter** to **Accept** the completed Company Creation screen

## Step 2: Enable Payroll

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

In the **F11: Accounting Features** screen:

- Set **Maintain Payroll** to **Yes**
- Set **More than ONE Payroll / Cost Category** to **Yes**

The completed **F11: Accounting Features** screen is displayed as shown:

Company: <u>Spectrum Software Solutions</u>			
<u>Accounting Features</u>			
<b><u>General</u></b>		<b><u>Invoicing</u></b>	
Integrate Accounts and Inventory	? <b>Yes</b>	Allow Invoicing	? <b>Yes</b>
Income/Expense Statement instead of P & L	? <b>No</b>	Enter Purchases in Invoice Format	? <b>Yes</b>
Allow Multi-Currency	? <b>No</b>	Use Debit/Credit Notes	? <b>No</b>
<b><u>Outstandings Management</u></b>		Use Invoice mode for Credit Notes	? <b>No</b>
Maintain Bill-wise Details (for Non-Trading A/cs also)	? <b>Yes</b>	Use Invoice mode for Debit Notes	? <b>No</b>
Activate Interest Calculation (use advanced parameters)	? <b>No</b>	<b><u>Budgets &amp; Scenario Management</u></b>	
<b><u>Cost/Profit Centres Management</u></b>		Maintain Budgets and Controls	? <b>No</b>
Maintain Payroll	? <b>Yes</b>	Use Reversing Journals & Optional Vouchers	? <b>No</b>
Maintain Cost Centres	? <b>No</b>	<b><u>Other Features</u></b>	
Use Cost Centre for Job Costing	? <b>No</b>	Enable Cheque Printing	? <b>No</b>
More than ONE Payroll / Cost Category	? <b>Yes</b>	Set/Alter Cheque Printing Configuration	? <b>No</b>
Use Pre-defined Cost Centre Allocations during Entry	? <b>No</b>	Allow Zero valued entries	? <b>No</b>
F1: Accounts    F2: Inventory    F3: Statutory    F5: Audit			

Figure 1.2 F11: Accounting Features screen

- Press **Enter** to **Accept** the **F11: Accounting Features** screen



*The option **More than ONE Payroll / Cost Category** is set to **Yes**, when separate cost categories are created to allocate Employee cost. In cases, where only one cost category i.e., primary cost category is used to allocate multiple cost centres, this option may be set to **No**.*

Once the **Payroll** feature is activated in Tally.ERP 9, the following two new options get activated in the **F11: Statutory & Taxation Master**

### Step 3: Enable Payroll Statutory Features

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

In **F11: Statutory & Taxation Features** screen:

- Set **Enable Payroll Statutory** to **Yes**



□ **Set Set/Alter Payroll Statutory Details to Yes**

Company: Spectrum Software Solutions

**Statutory & Taxation**

Enable Excise	? No	Enable Tax Deducted at Source (TDS)	? No
Set/Alter Excise Details <i>(Note : 'Enable Maintain Multiple Godowns' for Multiple Excise Units)</i>	? No	Set/Alter TDS Details	? No
Follow Excise rules for Invoicing	? No	Enable Tax Collected at Source (TCS)	? No
Enable Value Added Tax (VAT)	? No	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	? <b>Yes</b>
		Set/Alter Payroll Statutory Details	? <b>Yes</b>

**Tax Information**

Local Sales Tax Number :  
Inter-state Sales Tax Number :  
PAN / Income - Tax No. :

F1: Accounts    F2: Inventory    F3: Statutory    F5: Audit

Figure 1.3 F11: Statutory & Taxation Features screen

□ **Press Enter**

In the **Payroll Statutory Details** screen:

- Enter the **Provident Fund & Employee State Insurance** details of the company as shown:

**Payroll Statutory Details**

**Provident Fund**

Company Code : KA/BN/12345/00129  
Company Account Group Code : KA/BN/12345/00009  
Company Security Code : KA/BN/12345/54321

**Employee State Insurance**

Company Code : KA/BN/12345/234234  
ESI Branch Office : Koramangala  
Standard Working Days (per month) : **26 Days**

Figure 1.4 Payroll Statutory Details screen

### **Provident Fund**

**Company Code:** This field denotes the Provident Fund Code of the Company allotted by the Department.

**Company Account Group Code:** This field denotes the Provident Fund Group Code of the Company allotted by the Department.

**Company Security Code:** This field denotes the Security Code of the Company allotted by the Department.



### **Employee State Insurance**

**Company Code:** This field denotes the ESI Code of the Company allotted by the Department.

**ESI Branch Office:** This field denotes the nearest ESI office under whose jurisdiction, the company is situated.

**Standard Working days (per month):** This field denotes the consistent Pay Period to be considered for ESI Calculation. If this field is left blank, the calculation is done based on the Calendar days in each month.

- Press **Enter** to **Accept** the screen and go back to **F11: Statutory & Taxation Features** screen
- Press **Ctrl+A** to **Accept** the screen.

## Lesson 2: Creation of Payroll Masters

### Lesson Objectives

On completion of this lesson, you will have learnt how to:

- Create Payroll Masters in Tally.ERP 9

The Payroll feature in Tally.ERP 9 requires minimal effort for accurate payroll processing. It takes five easy steps to process payroll & generate Pay Slip in Tally.ERP 9.

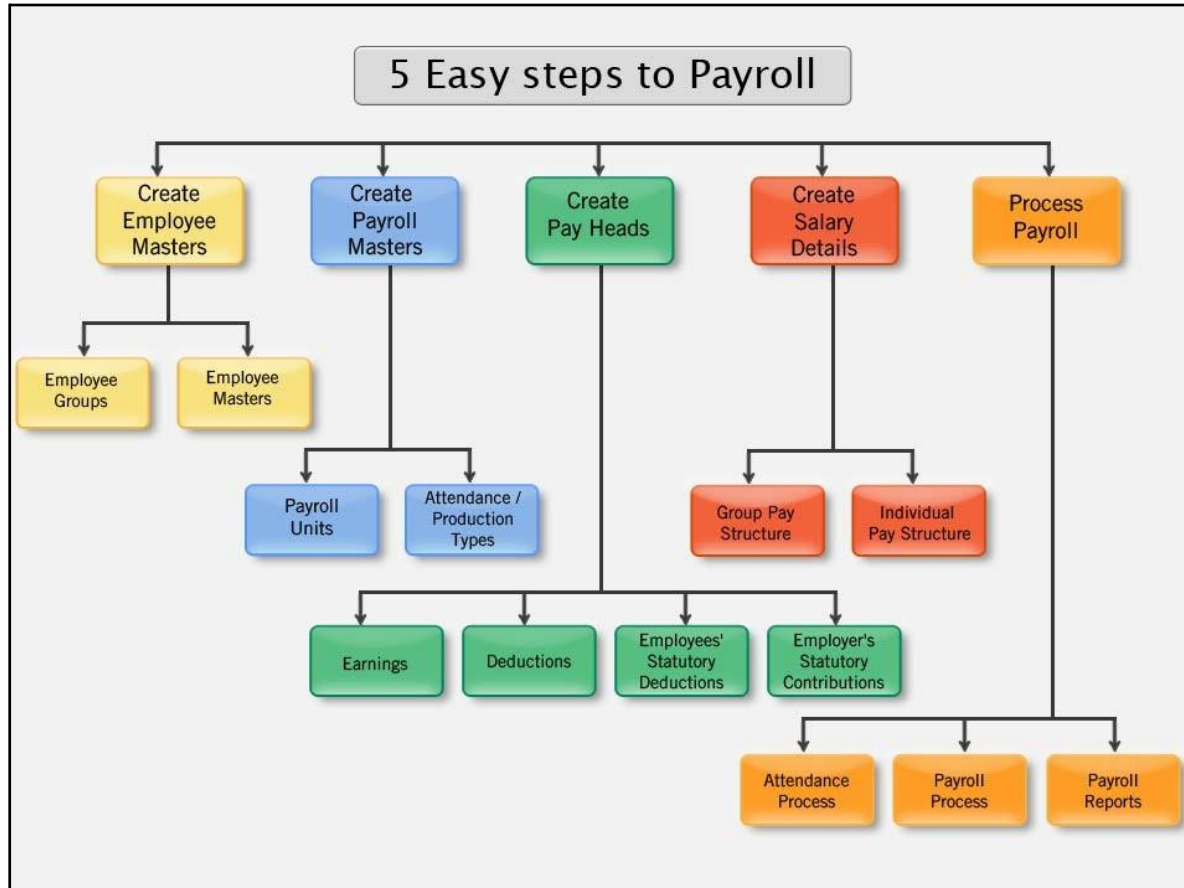


Figure 2.1 Payroll Cycle

Essentially, Payroll involves the calculation of amounts due for an employee on the following basis:

- Pay on Hourly wages
- Pay on a fixed basis such as certain amount per week, per month and so on
- Pay to sales persons on commission
- Reimbursement of expenses such as travel expenses, either as paid by the employee or based on per item rate
- Pay on the basis of number of pieces produced/ manufactured/ sold

It is therefore essential to quantify the following payroll information for the purpose of computation of payments to employees. For this purpose, the following Payroll masters have to be created in Tally.ERP 9 in the manner as discussed:

- Employee Masters
- Payroll Masters
- Pay Heads

- Salary Details

## Employee Setup

The Employee Master records employee information – department, date of joining, date of leaving, ID number, designation, location, function, employee bank details, statutory details, Passport and Visa details, and so on.

Tally.ERP 9 provides the flexibility to create the Employees and Group them under specific Employee Group which in turn can be created under specific Employee Categories.

The following masters can be created in Tally.ERP 9 to successfully record the Employee Details:

- Employee Category
- Employee Groups
- Employees



*The **Employee Category** will provide an additional level to classify the Employees in a logical manner. In the case study, in this book all the Employee Groups are created under Primary Cost Category, hence creation of an additional Category is not shown.*

## Employee Groups

Businesses with multiple departments, divisions, functions or activities may create the required employee groups and classify individual employees under a specified group i.e., Production, Sales, Marketing, Stores, Support or a particular group of employees such as managers, supervisors, sub-staff and so on.

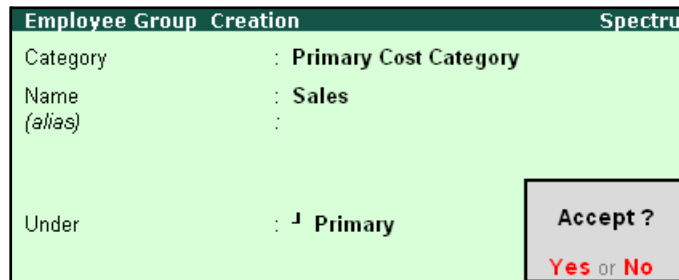
To create **Sales** as an **Employee Group**:

Go to **Gateway of Tally > Payroll Info. > Employee Groups > Create**

In the **Employee Group Creation** screen,

1. Select **Primary Cost Category** as the **Category** (You can also create a separate cost category to segregate Employee Cost based on respective categories)
2. Type **Sales** as the **Name** of the Employee Group
3. Select the group as **Primary** (Tally.ERP 9 allows an unlimited grouping of Employee Groups)

The **Employee Group Creation** screen is displayed as shown:



Employee Group Creation		Spectrum
Category	: Primary Cost Category	
Name	: Sales	
(alias)	:	
Under	: Primary	
		Accept ?
		Yes or No

Figure 2.2 Employee Group Creation screen

4. Press **Enter** to **Accept** the **Employee Group Creation** screen

Similarly, create the other Employee Groups such as **Administration** and **R&D**.

### Employee Master

After creating the Employee Groups, create individual Employee Masters, with or without grouping them, under the Employee Group Master.

In Tally.ERP 9, you can record all the necessary information of the employees in the Employee Masters. Tally.ERP 9 also allows you to enter the Statutory, Expat and Contract details of the employees.

To display the options for entering the Statutory, Expat and Contract details enable these options from the Company Configuration screen as explained below:

Go to **Gateway of Tally > F12:Configure > Payroll Configuration**

Set the following options:

- Show Statutory Details to Yes**
- Show Passport & Visa Details to Yes**
- Show Contact Details to Yes**

The **F12: Payroll Configuration** screen is displayed as shown:

<u>Payroll Configuration</u>	
Show Statutory Details	? Yes
Show Passport & Visa Details	? Yes
Show Contract Details	? Yes
Show Deactivated Employees	? No
Information in Payment Advice	: Please make the payroll transfer from above account number to the below mentioned account numbers towards employee salaries:
Pay Slip Note	: This is a Computer Generated Pay Slip
Pay Slip Message	: Happy New Year!!!!

Figure 2.3 F12: Payroll Configuration screen

- Press **Enter** to **Accept**



*Tally.ERP 9 allows you to configure the above settings from the **Employee Creation** screen by pressing **F12: Configure**.*

- *The information to be printed in the Payment Advice is automatically pre-filled in Tally.ERP 9. However, you can also modify the same as per your requirements.*
- ***Pay Slip Note** will be printed if you does not want the Authorised details to be printed while emailing or printing the Pay Slips if set to **Yes** in the **F12: Configuration**.*
- *A customised message for specific occasion can be entered as Pay Slip Message and will be printed if set to yes ion **F12** screen while emailing or printing.*

Create the following Employee Masters:

Employee Name	Department	Date of Joining
Vijay Kumar	Administration	1-4-2009
Rahul	R&D	1-4-2009
Mahesh	Sales	1-4-2009
Ajay	Sales	1-4-2009

Go to **Gateway of Tally > Payroll Info. > Employees > Create**

In the **Employee Creation** screen,

1. Select the **Primary Cost Category** as the **Category**
2. Type the **Name** of the Employee as **Vijay Kumar**
3. Specify the Name of the Employee Group as **Administration** in the field '**Under**'

4. Specify the **Date of Joining** as **01-04-2009**
5. Type the other details of the employee as shown:

Employee Creation		Spectrum Software Solutions		Ctrl + M	
Category	: Primary Cost Category				
Name	: Vijay Kumar				
(alias)	:				
Under	: Administration				
	( <sup>J</sup> Primary)				
Date of Joining	: 1-Apr-2009				
<b>General Info</b>		<b>Payment Details</b>		<b>Passport &amp; Visa Details</b>	
Employee Number	: 549	Bank Name	: HDFC Bank	Passport Number	: IND/BN/PASS130/005
Designation	: Manager	Branch	: Koramangala	Country of Issue	: India
Function	: Administration	Bank A/c Number	: 001254624565	Passport Expiry Date	: 31-Dec-2010
Location	: Bangalore	<b>Statutory Details</b>		Visa Number	:
Gender	: Male	Income Tax Number (PAN)	: APD192D4D	Visa Expiry Date	:
Date of Birth	: 24-May-1968	EPS Account Number	: KA/BN/18184/563	<b>Contract Details</b>	
Blood Group	: O Positive	PF Account Number	: KA/BN/18184/563	Work Permit Number	:
Father / Mother Name	: Mr. Suresh Kumar	PF Date of Joining	: 1-Apr-2009	Contract Start Date	:
Spouse Name	: Anjali	ESI Number	:	Contract Expiry Date	:
Address	: 15, Woods Street, Bangalore	ESI Dispensary Name	:		
Contact Numbers	: 080-55669878				<b>Accept ?</b> Yes or No
E-Mail ID	: vijay@spectrum.com				

Figure 2.4 Employee Creation screen

6. Press **Enter** to **Accept** the screen



The option **Date of Leaving** and **Reason for Leaving** will be available only in the Alteration mode.

Similarly, create the Employee Masters for other employees with their respective departments.

## Payroll Masters

As discussed in the above section Pay components are computed based on the Payroll Units. Therefore, create the following Payroll masters in Tally.ERP 9:

- Payroll Units
- Attendance / Production Types

### Payroll Units

A payroll unit refers to a unit of measurement based on which pay heads are calculated. Payroll units can be classified into two types viz., Simple Payroll Units and Compound Payroll Units. Simple Payroll Units refer to individual units such as Day, Week, Month, Hours, Pcs, Box, Nos etc., Whereas, Compound Payroll Units refer to Units which are combination of two simple units, i.e., an Hour of 60 Minutes, Month of 26 days, Day of 8 Hrs.

Usually, the Pay components are computed based on a single or compound payroll units. Sometimes an employee may be paid on the basis of a combination of two or more units. For



example, an employee is paid a regular salary and an hourly rate for the overtime hours. In this case, the two likely units are **Calendar Month** and **Hours**. In Tally.ERP, you can create simple as well as compound units.

By default, Tally.ERP 9 contains four preset **Calculation Periods – Days, Fortnights, Months & Weeks**. However, you can also create new Payroll Units based on your business requirements.

Name	Type	Symbol
Hours	Simple	Hrs
Minutes	Simple	Mins
Hrs of 60 Mins	Compound	Hrs of 60 Mins

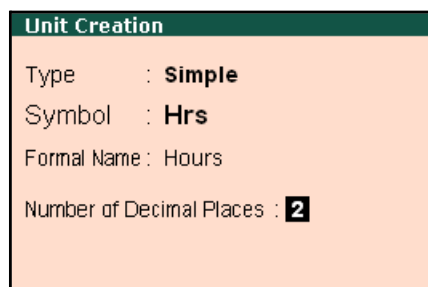
### i. Simple Payroll Units

Go to **Gateway of Tally > Payroll Info. > Units (Work) > Create**

In the **Unit Creation** screen,

1. **Simple** is defaulted as the **Type of Unit**
2. Specify **Hrs** as the **Symbol**
3. Type **Hours** as the **Formal Name**
4. Specify **2** as the **Number of Decimal Places**

The completed **Unit Creation** screen is displayed as shown:



**Unit Creation**

Type : **Simple**

Symbol : **Hrs**

Formal Name : Hours

Number of Decimal Places : **2**

Figure 2.5 Simple Unit Creation screen

5. Press **Enter** to **Accept** the **Unit Creation** screen. Similarly, create **Minutes** as another Simple Unit.

### ii. Compound Payroll Units

Create **Hrs of 60 Mins** as a Compound Unit.

In the **Unit Creation** screen:

1. Press **Backspace** and select **Compound** as the **Type** of Unit
2. Specify **Hrs** as the **First Unit**
3. Enter **60** as the **Conversion**

4. Specify **Mins** as the **Second Unit**

Unit Creation		Spectrum Software Solution	
Type	: <b>Compound</b>	Current Date	Wednesday, 1 Apr, 2009
<b>Units with Multiplier Factors</b> (example: Kgs of 1000 gms)		Companies	
First Unit Conversion	Second Unit	Units	
Hrs of 60	<b>Mins</b>	Mins	(Minutes)

Figure 2.6 Compound Unit Creation screen

5. Press **Enter** to Accept the Unit Creation screen.

**Types of Units:**



- **Simple Units** are individual units with no relationship with other units i.e., Hrs, Nos, Pieces and so on.
- **Compound Units** are a combination of two simple units, where the two units have an arithmetical relationship with each other. For example, an Hour of 60 Minutes.

**Attendance/ Production Types**

Attendance/Production Type masters are used to record the nature of attendance/ production i.e., time and work rate. In Tally.ERP 9, you can create Attendance types based on time such as **Present** and **Absent** or based on work based production units such as **Piece productions**, **Sales performance** and so on.

Create the following Attendance Types for M/s. Spectrum Software Solutions.

Name	Under	Attendance/Production Type	Period Type
Present	Primary	Attendance/ Leave with Pay	Days
Absent	Primary	Leave without Pay	Days
Overtime	Primary	Production	Hrs of 60 Mins

**i. Present Attendance Type**

Go to **Gateway of Tally > Payroll Info. > Attendance / Production Types > Create**

In the **Attendance Type Creation** screen,

1. Type **Present** as the **Name** of the **Attendance type**
2. Specify the group as **Primary** in the field '**Under**'. By default primary is selected.

3. Select **Attendance/ Leave with Pay** as the **Attendance Type** and the **Period Type** appears as **Days**, by default.

The screenshot shows the 'Attendance/Production Type Creation' screen. The 'Name' field is set to 'Present'. The 'Under' field is set to 'Primary'. The 'Attendance Type' field is currently empty, and a dropdown menu is open, showing the following options: 'Attendance / Leave with Pay', 'Leave without Pay', 'Production', and 'User Defined Calendar Type'. The 'Attendance / Leave with Pay' option is highlighted.

Figure 2.7 Attendance/ Production Type Creation screen

The completed **Attendance Type Creation** screen is displayed as shown:

The screenshot shows the completed 'Attendance/Production Type Creation' screen. The 'Name' field is 'Present'. The 'Under' field is 'Primary'. The 'Attendance Type' field is 'Attendance / Leave with Pay'. The 'Period Type' field is 'Days'. There is an 'Accept?' button with 'Yes or No' options below it.

Figure 2.8 Attendance/Production Type Creation Screen

4. Press **Enter** to Accept the **Attendance Type** Creation screen. Similarly, create another Attendance Type as **Absent**. Enter **Leave without Pay** in the field **Attendance Type**.

**ii. Absent Attendance Type**

The completed **Attendance Type Creation** screen is displayed as shown:

The screenshot shows the completed 'Attendance/Production Type Creation' screen. The 'Name' field is 'Absent'. The 'Under' field is 'Primary'. The 'Attendance Type' field is 'Leave Without Pay'. The 'Period Type' field is 'Days'. There is an 'Accept?' button with 'Yes or No' options below it.

Figure 2.9 Attendance/ Production Type Creation screen

- Press **Enter** to **Accept** the **Attendance Type** Creation screen.

In the same way, create **Overtime** as the **Production Type** with **Production** as the **Attendance Type**.

### iii. Overtime Production Type

The completed **Overtime - Production Type Creation** screen is displayed as shown below:

Attendance/Production Type Creation		Spectrum
Name	: Overtime	
(alias)	:	
Under	: Primary	
Attendance Type	: Production	
Unit	: Hrs of 60 Mins	
		Accept ? Yes or No

Figure 2.10 Overtime - Production Type Creation screen

- Press **Enter** to **Accept** the **Production Type** Creation screen.

#### *Attendance/Production Types details:*



- **Present Attendance Type** may be used when the pay value is measured on the basis of positive attendance units, i.e. number of days present.
- **Absent Attendance Type** may be used when the pay value is measured on the basis of negative attendance units, i.e. number of days absent.
- **Production Attendance Type** may be used when the pay value is measured on the basis of units produced, for e.g., number of boxes produced.
- **User Defined Calendar Type** may be used to allow the per day pay value calculation when the user want to have different number of working days in each month by considering the Holidays and Sundays etc.. in January 23 days, in Febraury 24 days, in March 25 days etc.

## Pay Heads

Pay Heads may be broadly considered as Earnings and Deductions from an employee's point of view. However, these pay heads would still be Expense and Liability from the employer's view point.

Some examples of Earnings Pay Heads are Basic Salary, Dearness Allowance, City Compensatory Allowance, House Rent Allowance, Night Shift Allowance, Uniform Allowance, Sales Commission and so on. Some examples of Deductions pay heads are Employees' Provident Fund (EPF), Employees' State Insurance (ESI), Professional Tax, Income Tax, TDS, Advance (if any).

In Tally.ERP 9, each pay head is to be created as an individual ledger account and grouped under its respective group i.e., all Earnings pay heads under Indirect Expenses group or Direct

Expenses group and all Deductions pay heads under Current Liabilities, Current Assets and Duties & Taxes group.

The preset Pay Head types in Tally.ERP 9 are:

1. Earnings for Employees
2. Deductions from Employees
3. Employees' Statutory Deductions
4. Employer's Statutory Contributions
5. Employer's Other Charges
6. Bonus
7. Gratuity
8. Loans and Advances
9. Reimbursements to Employees

The pay heads marked with the above pay head types will be available during payroll processing, and if the Pay Head Type is marked as **Not Applicable**, it will not be available. The Salary Payable, PF Payable, ESI Payable ledgers should be created by selecting Not Applicable as the Pay Head Type.

Create the following pay heads in the books of M/s. Spectrum Software Solutions.

### Earning Pay Heads

Create the following Earnings Pay Heads:

Pay Head Name	Pay Head Type	Under	Affect Net Salary	Name to Appear in Pay Slip	Use for Gratuity	Calculation Type	Calculation Period/ Production Type
Basic Pay	Earnings for Employees	Indirect Expenses	Yes	Basic	Yes	On Attendance	Months
House Rent Allowance	Earnings for Employees	Indirect Expenses	Yes	HRA	No	As Computed Value	—
Conveyance	Earnings for Employees	Indirect Expenses	Yes	Conveyance	No	Flat Rate	Months
Overtime Pay	Earnings for Employees	Indirect Expenses	Yes	Overtime	No	On Production	Overtime
Variable Pay	Earnings for Employees	Indirect Expenses	Yes	Variable Pay	No	As User Defined Value	—

#### i. Basic Pay Head Creation

Go to **Gateway of Tally > Payroll Info. > Pay Heads > Create**

In the **Pay Heads** Creation screen,

1. Type **Basic Pay** as the **Name** of the Pay Head
2. Select **Earnings for Employees** in the field **Pay Head Type**.

The Pay Head Creation screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions	
Name	: Basic Pay	Total Op. Bal.	
(alias)	:		
<p><b>Pay Head Info</b></p> <p>Pay Head Type : <b>Earnings for Employees</b></p> <p>Under : <b>Direct Expenses</b></p> <p>Affect Net Salary ? <b>Yes</b></p> <p>    Name to appear in Payslip : <b>Basic Pay</b></p> <p>Use for Gratuity ? <b>No</b></p> <p>Calculation Type : <b>As User Defined Value</b></p>		<p>List of Pay Head Types</p> <ul style="list-style-type: none"> <li>↓ Not Applicable</li> <li>Bonus</li> <li>Deductions from Employees</li> <li><b>Earnings for Employees</b></li> <li>Employees' Statutory Deductions</li> <li>Employer's Other Charges</li> <li>Employer's Statutory Contributions</li> <li>Gratuity</li> <li>Loans and Advances</li> <li>Reimbursements to Employees</li> </ul>	
Opening Balance ( on 1-Apr-2009) :			

Figure 2.11 Basic Pay Head Creation – Pay Head Type Selection

3. Specify the group as **Indirect Expenses** in the field **Under** and press **Enter**
4. Set **Affect Net Salary** to **Yes**
5. Specify **Basic** in the field **Name to appear in Pay Slip**
6. Set **Use for Gratuity** to **Yes**
7. Select **On Attendance** in the field **Calculation Type** and press **Enter**

*Description of general parameters in **Pay Head** creation:*



**Affect Net Salary** – If this option is set to **Yes**, then the Pay Head will appear in the Salary Slip for calculation of Net salary.

**Name to appear in the Pay Slip** – If **Affect Net Salary** is set to **Yes**, then the required name for the Pay Head that appears in the Pay Slip should be specified against this field.

**Use for Gratuity** – This parameter should be set to **Yes**, for the Pay Head components that will be used for the Gratuity calculation (e.g. Basic and DA

The **Pay Head Creation** screen with the **List of Calculation** is displayed as shown:

Pay Head Creation		Spectrum Software Solutions													
Name	: Basic Pay	<u>Total Op. Bal.</u>													
(alias)	:														
<b>Pay Head Info</b>															
Pay Head Type	: Earnings for Employees	<table border="1"> <thead> <tr> <th colspan="2">List of Calculation</th> </tr> </thead> <tbody> <tr> <td>As Computed Value</td> <td></td> </tr> <tr> <td>As User Defined Value</td> <td></td> </tr> <tr> <td>Flat Rate</td> <td></td> </tr> <tr> <td><b>On Attendance</b></td> <td></td> </tr> <tr> <td>On Production</td> <td></td> </tr> </tbody> </table>		List of Calculation		As Computed Value		As User Defined Value		Flat Rate		<b>On Attendance</b>		On Production	
List of Calculation															
As Computed Value															
As User Defined Value															
Flat Rate															
<b>On Attendance</b>															
On Production															
Under	: Indirect Expenses														
Affect Net Salary	? Yes														
Name to appear in Payslip	: Basic														
Use for Gratuity	? Yes														
Calculation Type	: <b>On Attendance</b>														
Opening Balance ( on 1-Apr-2009) :															

Figure 2.12 Basic Pay Head Creation - Calculation Type

**Calculation Type** refers to the method of computation of pay components. In Tally.ERP 9, there are basically 5 calculation types.

**As Computed Value** – This method is used when the pay value is computed based on certain predefined factors i.e., slab rates, pay heads and so on.

**As User-Defined Value** – This method is used when the value of pay is not fixed and does not depend upon any pay components.

**Flat Rate** – This method is used when the value of the pay heads is fixed for the given month. This calculation type is not dependant upon attendance/production. For example, conveyance of Rs. 800 per month.

**On Attendance** — This calculation type depends upon Attendance records and is used along with rate per unit of attendance. For example, Overtime of Rs. 25 per hour.

**On Production** — This method is used when the pay value is measured based on work done i.e., pieces or numbers produced/manufactured.



8. Select **Present** in the field **Attendance/ Leave with Pay**.

The **Pay Head Creation** screen with the **List of Attendance Types** is displayed as shown below:

Pay Head Creation		Spectrum Software Solutions							
Name	: Basic Pay	Total Op. Bal.							
(alias)	:								
<b>Pay Head Info</b>		<table border="1"> <thead> <tr> <th colspan="2">List of Attendance Types</th> </tr> </thead> <tbody> <tr> <td>Not Applicable</td> <td></td> </tr> <tr> <td>Present</td> <td>Primary</td> </tr> </tbody> </table>		List of Attendance Types		Not Applicable		Present	Primary
List of Attendance Types									
Not Applicable									
Present	Primary								
Pay Head Type	: Earnings for Employees								
Under	: Indirect Expenses								
Affect Net Salary	? Yes								
Name to appear in Payslip	: Basic								
Use for Gratuity	? Yes								
Calculation Type	: On Attendance								
Attendance / Leave with Pay	: Present								
<b>Rounding Info</b>									
Rounding Method	: Not Applicable								
Opening Balance ( on 1-Apr-2009 ) :									

Figure 2.13 Pay Head Creation screen with List of Attendance Types



*If the user intends to record **Negative Attendance** viz., **Absent** (i.e if the pay value is measured on the basis of negative attendance units), select **Not Applicable** in the **Attendance/ Leave with Pay** field and press Enter & then select **Absent** in the **Leave without Pay** field. In the above example we are selecting **Positive Attendance** unit i.e **Present**.*

**9. Select Months in Calculation period field and press Enter**



The **Pay Head Creation** screen with the **List of Calculation Periods** is displayed as shown:

Pay Head Creation		Spectrum Software Solutions			
Name	: Basic Pay	<u>Total Op. Bal.</u>			
(alias)	:				
<b>Pay Head Info</b>					
Pay Head Type	: Earnings for Employees	<div style="border: 1px solid black; padding: 5px;"> <b>List of Calculation Periods</b>  Days  Fortnights  <b>Months</b>  Weeks </div>			
Under	: Indirect Expenses				
Affect Net Salary	? Yes				
Name to appear in Payslip	: Basic				
Use for Gratuity	? Yes				
Calculation Type	: On Attendance				
Attendance / Leave with Pay	: Present				
Calculation Period	: <b>Months</b>				
<b>Rounding Info</b>					
Rounding Method	: Not Applicable			Opening Balance ( on 1-Apr-2009 ) :	

Figure 2.14 Pay Head Creation - Calculation Period selection



*Tally.ERP 9 contains four predefined Calculation periods – **Days, Fortnights, Months and Weeks.***

10. Select **User defined** in the **Per Day Calculation Basis** field

Pay Head Creation		Spectrum Software Solutions	
Name	: Basic Pay	Total Op. Bal.	
(alias)	:		
<b>Pay Head Info</b>			
Pay Head Type	: Earnings for Employees		
Under	: Indirect Expenses		
Affect Net Salary	? Yes		
Name to appear in Payslip	: Basic		
Use for Gratuity	? Yes		
Calculation Type	: On Attendance		
Attendance / Leave with Pay	: Present		
Calculation Period	: Months		
Per Day Calculation Basis	: <b>User defined</b>		
<b>Calculation Basis</b>			
As per Calendar Period			
<b>User defined</b>			
User Defined Calendar Type			
<b>Rounding Info</b>			

Figure 2.15 Pay Head Creation screen - Calculation Basis Selection

11. Press **Enter** to **Accept**

**Calculation Basis** refers to the periodicity of the given calculation period.

- **As per Calendar Period** refers to the perpetual calendar month, i.e. if the payroll process is carried out for the month of March, then the attendance records will be entered for 31 days.
- **User Defined** Value refers to the consistent payroll period irrespective of calendar month, i.e. If an employee's salary is based on a standard month of 30 days irrespective of the calendar month, then you can select **User Defined** as the **Calculation Basis** and define the periodicity of the specified period or month.



For example, an employee's monthly salary is Rs. 3,000 and the calculation basis is defined as a month of 30 days. If he takes 3 days leave in January (which consists of 31 days), then the salary per day is computed as (Rs. 3000/30 days, i.e. 100). The net salary after deducting the leave salary [i.e. Rs. 300 (3 days x Rs. 100)] amounts to Rs. 2,700.

- **User Defined Calendar Type** will provide flexibility to change the per day salary for the Employee based on the User Defined Calendar days.

For example, for Basic salary of 3000 if the number of days in a month are defined as 30 then per days salary will be Rs. 100. In the next month if the number of days is 25 then per day salary will be Rs. 120.

12. Specify the **Months of 26 Days** and press **Enter**

Pay Head Creation		Spectrum Software Solutions	Total Op. Bal.
Name	: Basic Pay		
(alias)	:		
<b>Pay Head Info</b>			
Pay Head Type	: Earnings for Employees		
Under	: Indirect Expenses		
Affect Net Salary	? Yes		
Name to appear in Payslip	: Basic		
Use for Gratuity	? Yes		
Calculation Type	: On Attendance		
Attendance / Leave with Pay	: Present		
Calculation Period	: Months		
Per Day Calculation Basis	: User Defined		
	Months of <b>26</b> Days		
<b>Rounding Info</b>			
Rounding Method	: <input type="checkbox"/> Not Applicable		
Opening Balance ( on 1-Apr-2009) :			

Figure 2.16 Pay Head Creation screen - Calculation period

13. Select **Normal Rounding** as the **Rounding Method** and press **Enter**.

Pay Head Creation		Spectrum Software Solutions	Total Op. Bal.
Name	: Basic Pay		
(alias)	:		
<b>Pay Head Info</b>			
Pay Head Type	: Earnings for Employees		
Under	: Indirect Expenses		
Affect Net Salary	? Yes		
Name to appear in Payslip	: Basic		
Use for Gratuity	? Yes		
Calculation Type	: On Attendance		
Attendance / Leave with Pay	: Present		
Calculation Period	: Months		
Per Day Calculation Basis	: User Defined		
	Months of 26 Days		
<b>Rounding Info</b>			
Rounding Method	: <b>Normal Rounding</b>		
Opening Balance ( on 1-Apr-2009) :			

Rounding Methods  
 Not Applicable  
 Downward Rounding  
 **Normal Rounding**  
 Upward Rounding

Figure 2.17 Pay Head Creation screen – Rounding Method selection

14. Specify **1** as the rounding **Limit** (The Rounding limit allows the value to be in multiples of the limit specified and is based on the Rounding Method selected)

There are 4 methods of **Rounding Off** in Tally.ERP 9 which are as follows:



- **Not Applicable** – The decimal points will be taken into consideration, and the amount will not be rounded off.
- **Downward Rounding** – The decimal points will not be taken in to consideration and the amount will be rounded off to the lower value.
- **Normal Rounding** – The amount will be rounded off to the nearest currency value.
- **Upward Rounding** – The amount will be rounded off to the higher value.

The completed **Basic Pay Head Creation** screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions	
Name	: Basic Pay	<u>Total Op. Bal.</u>	
(alias)	:		
<b>Pay Head Info</b>			
Pay Head Type	: Earnings for Employees		
Under	: Indirect Expenses		
Affect Net Salary	? Yes		
Name to appear in Payslip	: Basic		
Use for Gratuity	? Yes		
Calculation Type	: On Attendance		
Attendance / Leave with Pay	: Present		
Calculation Period	: Months		
Per Day Calculation Basis	: User Defined		
	Months of 26 Days		
<b>Rounding Info</b>			
Rounding Method	: Normal Rounding	Limit	: 1
Opening Balance (on 1-Apr-2009) :			<b>Accept ?</b> Yes or No

Figure 2.18 Completed Basic Pay Head Creation screen

15. Press **Enter** to **Accept** the screen.

**ii. House Rent Allowance Pay Head Creation**

In the **Pay Head Creation** screen,

1. Type **House Rent Allowance** as the **Name** of the Pay Head
2. Select **Earnings for Employees** in the field **Pay Head Type**
3. Specify the group as **Indirect Expenses** in the field **Under** and then press **Enter**
4. Set **Affect Net Salary** to **Yes**
5. Specify **HRA** as the **Name to appear in Pay Slip**
6. Set **Use for Gratuity** to **No**
7. Select **As Computed Value** in the **Calculation Type** field and press **Enter**

Pay Head Creation		Spectrum Software Solutions							
Name	: House Rent Allowance	Total Op. Bal.							
(alias)	:								
<b>Pay Head Info</b>									
Pay Head Type	: Earnings for Employees	<table border="1"> <thead> <tr> <th>List of Calculation</th> </tr> </thead> <tbody> <tr> <td><b>As Computed Value</b></td> </tr> <tr> <td>As User Defined Value</td> </tr> <tr> <td>Flat Rate</td> </tr> <tr> <td>On Attendance</td> </tr> <tr> <td>On Production</td> </tr> </tbody> </table>		List of Calculation	<b>As Computed Value</b>	As User Defined Value	Flat Rate	On Attendance	On Production
List of Calculation									
<b>As Computed Value</b>									
As User Defined Value									
Flat Rate									
On Attendance									
On Production									
Under	: Indirect Expenses								
Affect Net Salary	? Yes								
Name to appear in Payslip	: House Rent Allowance								
Use for Gratuity	? No								
Calculation Type	: <b>As Computed Value</b>								
Opening Balance ( on 1-Apr-2009 ) :									

Figure 2.19 HRA Pay Head Creation screen - Calculation Type selection

8. Select **Normal Rounding** as the **Rounding Method** and **1** as the rounding **Limit** and press **Enter**

9. In the **Computation Info** screen, select **On Specified Formula** in the **Compute** field

Pay Head Creation		Spectrum Software Solutions		Total Op. Bal.																				
Name : House Rent Allowance (alias) :																								
<b>Pay Head Info</b> Pay Head Type : Earnings for Employees Under : Indirect Expenses  Affect Net Salary ? Yes Name to appear in Payslip : House Rent Allowance Use for Gratuity ? No Calculation Type : As Computed Value Calculation Period : Months		<b>Computation Info</b> Compute : <b>On Specified Formula</b> <table border="1"> <thead> <tr> <th>Effective From</th> <th>Fi Am</th> <th>Computation On</th> <th>Value Basis</th> </tr> </thead> <tbody> <tr> <td>1-Apr-2009</td> <td></td> <td>On Current Deductions Total</td> <td></td> </tr> <tr> <td></td> <td></td> <td>On Current Earnings Total</td> <td></td> </tr> <tr> <td></td> <td></td> <td>On Current SubTotal</td> <td></td> </tr> <tr> <td></td> <td></td> <td><b>On Specified Formula</b></td> <td></td> </tr> </tbody> </table>			Effective From	Fi Am	Computation On	Value Basis	1-Apr-2009		On Current Deductions Total				On Current Earnings Total				On Current SubTotal				<b>On Specified Formula</b>	
Effective From	Fi Am	Computation On	Value Basis																					
1-Apr-2009		On Current Deductions Total																						
		On Current Earnings Total																						
		On Current SubTotal																						
		<b>On Specified Formula</b>																						
<b>Rounding Info</b> Rounding Method : Normal Rounding Limit : 1																								
Opening Balance ( on 1-Apr-2009 ) :																								

Figure 2.20 Pay Head Creation screen with Compute method

**Computation on details:**

**On Current Deductions Total** – This calculation type is used when the value of a pay head depends upon the total of the deductions pay heads previously defined.

**On Current Earnings Total** – This calculation type is used when the value of a pay head depends upon the total earnings pay heads previously defined.

**On Current Sub Total** – This calculation type is used when the value of a pay head depends upon the net totals of earnings and deductions previously defined.

**On Specified Formula** – This calculation type is used when the pay head value is computed on the value of one or more pay heads already defined in the pay structure. (Tally.ERP 9 allows the addition and subtraction of pay heads already defined in the pay structure and multiplication and divisions using attendance types. For example, HRA is computed as 40% of the basic salary.)



10. Press **Enter** and the **Compute** sub-screen is displayed
11. In the Sub-screen **Compute**:
  - Select **Basic Pay** as the **Add Pay Head** function and press **Enter**

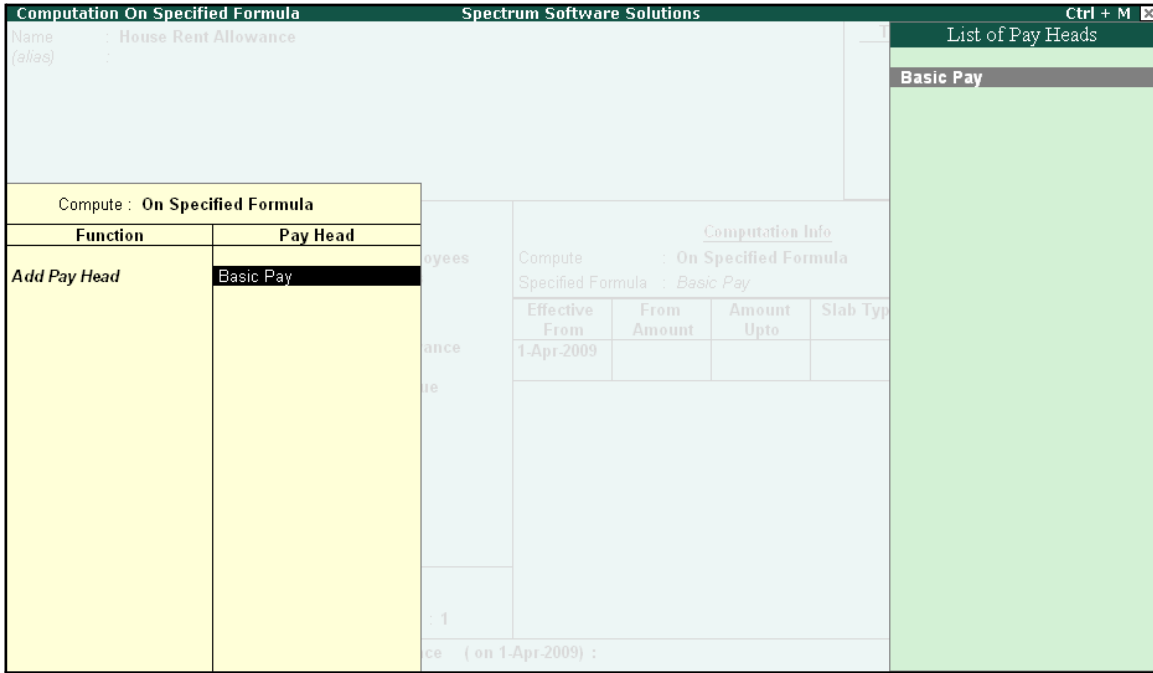


Figure 2.21 Compute sub-screen

The pay head drop-down box contains pay heads already created. If any pay head(s) is a component for the given Pay Head, you may create the required Pay Head by pressing **Alt+C** from the above Pay Head field and make the necessary alterations in the required pay head.

- **Select End of List**

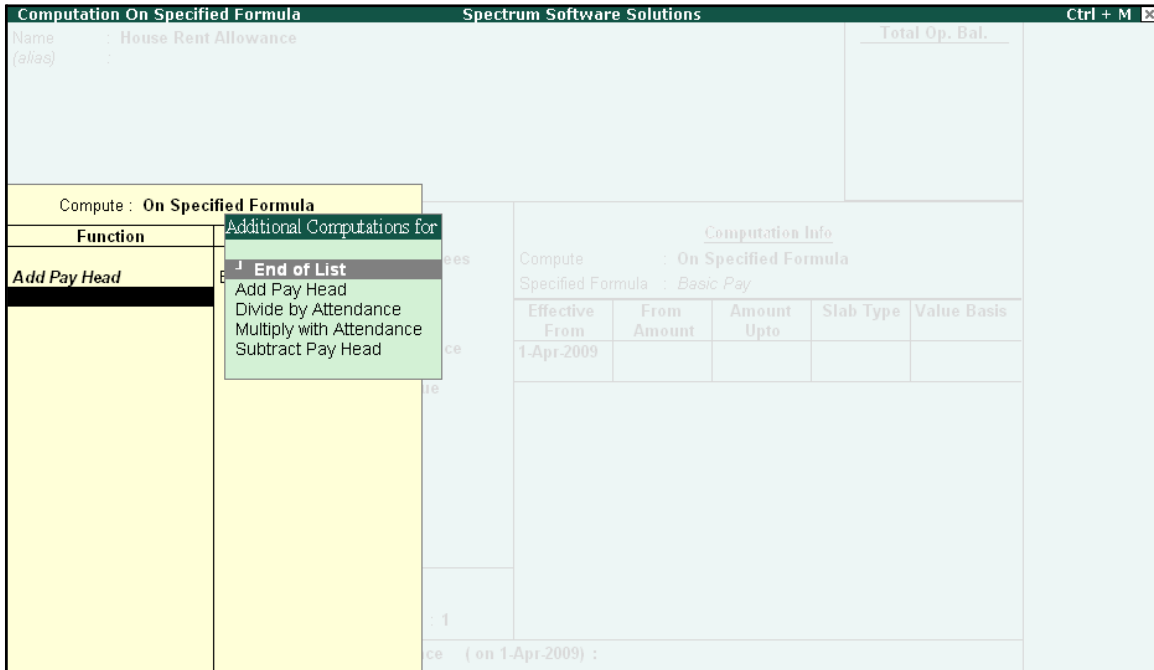


Figure 2.22 Compute: On Specified Formula sub-screen

- Press **Enter** to **Accept** the screen
12. Specify **1-4-2008** as the **Effective From** date (In case of a revision in pay structure, you can define the revised computation information for the given pay head, by giving the effective from date)
  13. The **From Amount** column is automatically skipped, assuming it to be zero. Press **Enter** to skip the **Amount Upto** column



**14. Select Percentage as the Slab Type from the List of Slabs**

Pay Head Creation		Spectrum Software Solutions				Total Op. Bal.	Ctrl + M
Name : House Rent Allowance (alias) :							
<p><b>Pay Head Info</b></p> Pay Head Type : Earnings for Employees Under : Indirect Expenses  Affect Net Salary ? Yes Name to appear in Payslip : House Rent Allowance Use for Gratuity ? No Calculation Type : As Computed Value Calculation Period : Months		<p><b>Computation Info</b></p> Compute : On Specified Formula Specified Formula : Basic Pay					
		Effective From	From Amount	Amount Upto	Slab Type	Value Basis	
		1-Apr-2009			Percentage	Percentage Value	
						List of Slabs	
<p><b>Rounding Info</b></p> Rounding Method : Normal Rounding      Limit : 1							
Opening Balance ( on 1-Apr-2009 ) :							

Figure 2.23 Pay Head Creation screen - Slab Type selection

**Slab Type Details:**



**Percentage** – This Slab rate is used when the amount is stated as a proportion of a whole.

**Value** – This Slab rate is used when the amount is stated as absolute value.

15. Specify **40%** in the **Value Basis** field and press **Enter**

Pay Head Creation		Spectrum Software Solutions					Total Op. Bal.
Name : House Rent Allowance (alias) :							
<b>Pay Head Info</b> Pay Head Type : Earnings for Employees Under : Indirect Expenses  Affect Net Salary ? Yes Name to appear in Payslip : House Rent Allowance Use for Gratuity ? No Calculation Type : As Computed Value Calculation Period : Months			<b>Computation Info</b> Compute : On Specified Formula Specified Formula : Basic Pay				
			Effective From	From Amount	Amount Upto	Slab Type	Value Basis
			1-Apr-2009			Percentage	40%
<b>Rounding Info</b> Rounding Method : Normal Rounding      Limit : 1							
Opening Balance ( on 1-Apr-2009 ) :							

Figure 2.24 Pay Head Creation - Value Basis screen

The completed **House Rent Allowance (HRA) Pay Head Creation** screen is displayed as shown.

Pay Head Creation		Spectrum Software Solutions					Total Op. Bal.
Name : House Rent Allowance (alias) :							
<b>Pay Head Info</b> Pay Head Type : Earnings for Employees Under : Indirect Expenses  Affect Net Salary ? Yes Name to appear in Payslip : House Rent Allowance Use for Gratuity ? No Calculation Type : As Computed Value Calculation Period : Months			<b>Computation Info</b> Compute : On Specified Formula Specified Formula : Basic Pay				
			Effective From	From Amount	Amount Upto	Slab Type	Value Basis
			1-Apr-2009			Percentage	40 %
<b>Rounding Info</b> Rounding Method : Normal Rounding      Limit : 1							
Opening Balance ( on 1-Apr-2009 ) :						Accept ? Yes or No	

Figure 2.25 Completed HRA Pay Head Creation screen

16. Press **Enter** to **Accept** the screen

### iii. Conveyance Pay Head Creation

Create the **Conveyance** Pay Head with **Calculation Type** as **Flat Rate**.

The completed **Conveyance Pay Head Creation** screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions	
Name : Conveyance (alias) :			Total Op. Bal.
<p><b>Pay Head Info</b></p> Pay Head Type : Earnings for Employees Under : Indirect Expenses  Affect Net Salary ? Yes Name to appear in Payslip : Conveyance Use for Gratuity ? No Calculation Type : Flat Rate Calculation Period : Months			
<p><b>Rounding Info</b></p> Rounding Method : Normal Rounding    Limit : 1			
Opening Balance ( on 1-Apr-2009 ) :			Accept ? Yes or No

Figure 2.26 Conveyance Pay Head Creation

- Press **Enter** to **Accept** the screen

#### iv. Overtime Pay Head Creation

Create the **Overtime** Pay Head with **Calculation Type** as **Production**.

The completed **Overtime Pay Head Creation** screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions		Total Op. Bal.
Name	: Overtime Pay			
(alias)	:			
<p style="text-align: center;"><b>Pay Head Info</b></p> Pay Head Type : Earnings for Employees Under : Indirect Expenses  Affect Net Salary ? Yes Name to appear in Payslip : Overtime Pay Use for Gratuity ? No Calculation Type : On Production Production Type ? Overtime				
<p style="text-align: center;"><b>Rounding Info</b></p> Rounding Method : Normal Rounding    Limit : 1				
Opening Balance ( on 1-Apr-2009) :				<b>Accept ?</b> Yes or No

Figure 2.27 Overtime Pay Head Creation screen

- Press **Enter** to **Accept** the screen

### v. Variable Pay Head Creation

Similarly, create the **Variable Pay Head** with **Calculation Type** as **User Defined Value**.

Pay Head Creation		Spectrum Software Solutions	
Name	: Variable Pay	Total Op. Bal.	
(alias)	:		
<p><b>Pay Head Info</b></p> Pay Head Type : Earnings for Employees Under : Indirect Expenses  Affect Net Salary ? Yes Name to appear in Payslip : Variable Pay Use for Gratuity ? No Calculation Type : As User Defined Value		Accept ? <b>Yes or No</b>	
Opening Balance ( on 1-Apr-2009 ) :			

Figure 2.28 Variable Pay Head Creation

### Deduction Pay Heads

Create the following Deduction Pay Heads.

Pay Head Name	Pay Head Type	Statutory Pay Type	Under	Affect Net Salary	Name to Appear in Pay Slip	Calculation Type	Computation Method
<b>Employees' PF Contribution @ 12%</b>	Employees' Statutory Deductions	PF Account (A/c No.1)	Current Liabilities	Yes	EPF @ 12%	As Computed Value	On Specified Formula
<b>Employees' ESI Contribution @ 1.75%</b>	Employees' Statutory Deductions	Employee State Insurance	Current Liabilities	Yes	ESI @ 1.75%	On Specified Formula	Basic Pay + House Rent Allowance + Conveyance + Overtime Pay (or Current Earnings - Variable Pay)
<b>Professional Tax</b>	Employees' Statutory Deductions	Professional Tax	Current Liabilities	Yes	Profession Tax	As Computed Value	On Current Earnings Total

**i. Employee's PF Contribution @ 12% Pay Head Creation**

Go to **Gateway of Tally > Payroll Info. > Pay Heads > Create**

In the **Pay Head Creation** screen,

1. Type **Employee's PF Contribution @ 12%** as the **Name** of the Pay Head
2. Select **Employees' Statutory Deductions** in the field **Pay Head Type** and press **Enter**

Pay Head Creation		Spectrum Software Solutions													
Name	: Employee's PF Contribution @ 12%	Total Op. Bal.													
(alias)	:														
		<table border="1"> <thead> <tr> <th colspan="2">List of Pay Head Types</th> </tr> </thead> <tbody> <tr><td>↓ Not Applicable</td></tr> <tr><td>Bonus</td></tr> <tr><td>Deductions from Employees</td></tr> <tr><td>Earnings for Employees</td></tr> <tr><td><b>Employees' Statutory Deductions</b></td></tr> <tr><td>Employer's Other Charges</td></tr> <tr><td>Employer's Statutory Contributions</td></tr> <tr><td>Gratuity</td></tr> <tr><td>Loans and Advances</td></tr> <tr><td>Reimbursements to Employees</td></tr> </tbody> </table>		List of Pay Head Types		↓ Not Applicable	Bonus	Deductions from Employees	Earnings for Employees	<b>Employees' Statutory Deductions</b>	Employer's Other Charges	Employer's Statutory Contributions	Gratuity	Loans and Advances	Reimbursements to Employees
List of Pay Head Types															
↓ Not Applicable															
Bonus															
Deductions from Employees															
Earnings for Employees															
<b>Employees' Statutory Deductions</b>															
Employer's Other Charges															
Employer's Statutory Contributions															
Gratuity															
Loans and Advances															
Reimbursements to Employees															
<b>Pay Head Info</b>															
Pay Head Type	: <b>Earnings for Employees</b>														
Under	: <b>Direct Expenses</b>														
Affect Net Salary	? <b>Yes</b>														
Name to appear in Payslip	: <b>Employee's PF Contribution @ 12%</b>														
Use for Gratuity	? <b>No</b>														
Calculation Type	: <b>As User Defined Value</b>														
Opening Balance ( on 1-Apr-2009) :															

Figure 2.29 Employees' PF Contribution @ 12% Pay Head Creation

3. Select **PF Account (A/c No. 1)** in the **Statutory Pay Type** field as shown:

Pay Head Creation		Spectrum Software Solutions		Total Op. Bal.
Name	: Employee's PF Contribution @ 12%			
(alias)	:			
<b>Pay Head Info</b>		<b>Employees' Statutory Deductions</b>		
Pay Head Type	: Employees' Statutory Deductions	Employee State Insurance		gs Total
Statutory Pay Type	: <b>PF Account (A/c No. 1)</b>	<b>PF Account (A/c No. 1)</b>		Slab Type Value Basis
Under	: Direct Expenses	Professional Tax		
		Voluntary PF (A/c No. 1)		
Affect Net Salary	? Yes			
Name to appear in Payslip	: Employee's PF Contribution @ 12%			
Calculation Type	: As Computed Value			
Calculation Period	: Months			
<b>Rounding Info</b>				
Rounding Method	: Not Applicable			
Opening Balance ( on 1-Apr-2009 ) :				

Figure 2.30 Employees' PF Contribution @ 12% Statutory Pay Type selection

4. Specify the group as **Current Liabilities** in the field '**Under**' and press **Enter** (In Tally.ERP 9, only relevant groups appear during selection, to reduce erroneous data inputs)
5. Set **Affect Net Salary** to **Yes**
6. Specify **EPF @ 12%** in the field **Name to appear in Pay Slip**
7. **As Computed Value** appears in the field **Calculation Type** by default
8. Select **Normal Rounding** as the **Rounding Method**. Specify **1** as the rounding **Limit** and press **Enter**
9. Select **On Specified Formula** as the **Compute** method and press **Enter**

- In the **Compute** sub-screen, select **Basic Pay** as the **Add Pay Head** function and press **Enter**

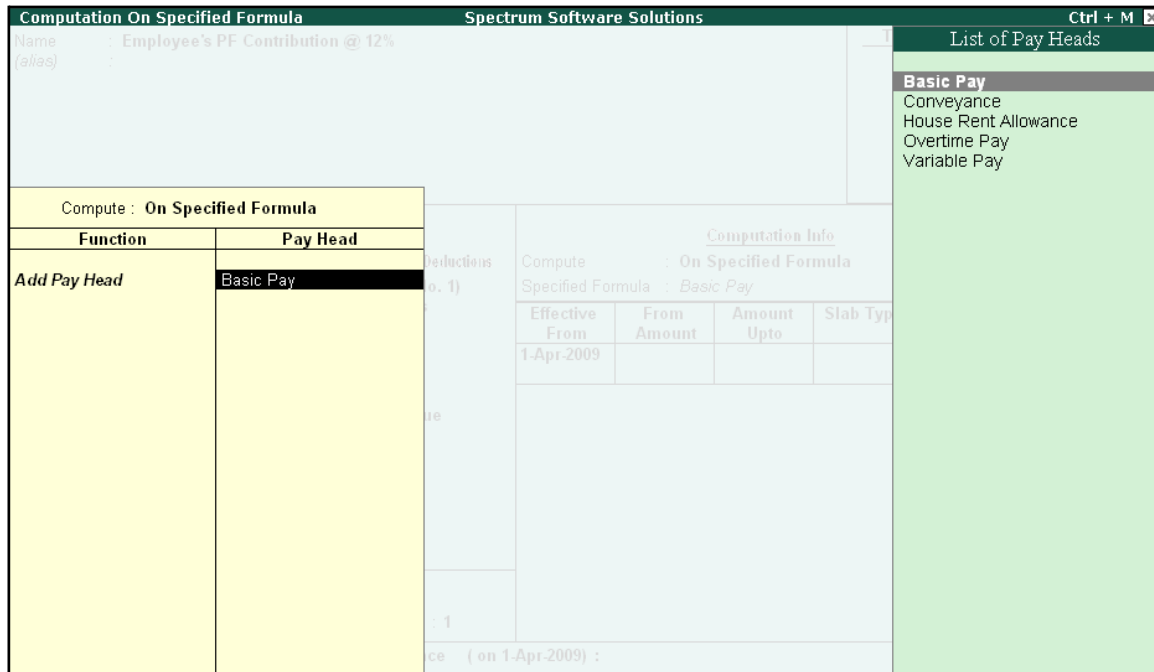


Figure 2.31 Deduction Pay Head Creation screen – Compute On selection

- Press **Enter** to **Accept** the screen
- Specify **1-4-2008** as the **Effective From** date
- The column **From Amount** is automatically skipped, with the assumption that the amount is zero



14. Specify **6500** in the **Amount Upto** column and press **Enter**

Pay Head Creation		Spectrum Software Solutions				Total Op. Bal.
Name : <b>Employee's PF Contribution @ 12%</b> (alias) :						
<p><b>Pay Head Info</b></p> Pay Head Type : <b>Employees' Statutory Deductions</b> Statutory Pay Type : <b>PF Account (A/c No. 1)</b> Under : <b>Current Liabilities</b>			<p><b>Computation Info</b></p> Compute : <b>On Specified Formula</b> Specified Formula : <i>Basic Pay</i>			
Affect Net Salary ? Yes Name to appear in Payslip : <b>EPF @ 12%</b>			Effective From	From Amount	Amount Upto	Slab Type
Calculation Type : <b>As Computed Value</b> Calculation Period : <b>Months</b>			1-Apr-2009		<b>6,500.00</b>	
<p><b>Rounding Info</b></p> Rounding Method : <b>Normal Rounding</b> Limit : <b>1</b>						
Opening Balance ( on 1-Apr-2009) :						

Figure 2.32 Deduction Pay Head Creation – Computation Info.

15. Select **Percentage** as the **Slab Type** from the **List of Slabs**

16. Specify **12%** as the **Value Basis Percentage** and press **Enter** (the **From Amount** is defaulted as **6500**)

17. Press **Enter** to accept the upper level as **0** and select **Value** as the **Slab Type** from the **List of Slabs**

18. Specify Rs. 780 in the Value Basis field and then press Enter

Pay Head Creation		Spectrum Software Solutions				Total Op. Bal.
Name : Employee's PF Contribution @ 12%						
(alias) :						
<b>Pay Head Info</b>			<b>Computation Info</b>			
Pay Head Type : Employees' Statutory Deductions			Compute : On Specified Formula			
Statutory Pay Type : PF Account (A/c No. 1)			Specified Formula : Basic Pay			
Under : Current Liabilities						
Affect Net Salary ? Yes			Effective From	From Amount	Amount Upto	Slab Type
Name to appear in Payslip : EPF @ 12%			1-Apr-2009	6,500.00	6,500.00	Percentage Value
Calculation Type : As Computed Value						12 %
Calculation Period : Months						<b>780</b>
<b>Rounding Info</b>						
Rounding Method : Normal Rounding			Limit : 1			
Opening Balance ( on 1-Apr-2009) :						

Figure 2.33 Deduction Pay Head Creation screen with Value Basis

19. Press Enter twice

The completed **Employee's PF Contribution @ 12%** Pay Head Creation screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions					Total Op. Bal.
Name : <b>Employee's PF Contribution @ 12%</b> (alias) :							
<b>Pay Head Info</b> Pay Head Type : <b>Employees' Statutory Deductions</b> Statutory Pay Type : <b>PF Account (A/c No. 1)</b> Under : <b>Current Liabilities</b>			<b>Computation Info</b> Compute : <b>On Specified Formula</b> Specified Formula : <b>Basic Pay</b>				
Affect Net Salary ? <b>Yes</b> Name to appear in Payslip : <b>EPF @ 12%</b>			<b>Effective From</b> 1-Apr-2009	<b>From Amount</b> 6,500.00	<b>Amount Upto</b> 6,500.00	<b>Slab Type</b> Percentage Value	<b>Value Basis</b> 12 % 780
Calculation Type : <b>As Computed Value</b> Calculation Period : <b>Months</b>							
<b>Rounding Info</b> Rounding Method : <b>Normal Rounding</b> Limit : <b>1</b>							<b>Accept ?</b> <b>Yes or No</b>
Opening Balance ( on 1-Apr-2009 ) :							

Figure 2.34 Completed Employee's PF @ 12% Pay Head Creation screen

20. Press **Enter** to **Accept** the screen.

## ii. Employee's ESI Contribution @ 1.75% Pay Head Creation

Create **Employee's State Insurance (ESI) Pay Head** as discussed.

In the **Pay Head Creation** screen,

1. Type **Employee's ESI Contribution @ 1.75%** as the **Name** of the Pay Head
2. Select **Employees' Statutory Deductions** in the field **Pay Head Type**
3. Select **ESI** in the field **Statutory Pay Type**
4. Specify the group as **Current Liabilities** in the field **Under** and press **Enter**
5. Set **Affect Net Salary** to **Yes**
6. Specify **ESI @ 1.75%** in the field **Name to appear in Pay Slip**
7. **As Computed Value** appears by default in the field **Calculation Type**
8. Select the option **Normal Rounding** as the **Rounding Method**. Specify **1** as the rounding **Limit** and press **Enter**

9. Select **On Specified Formula** in the field **Compute** and press **Enter**

Pay Head Creation		Spectrum Software Solutions		Total Op. Bal.
Name : Employee's ESI Contribution @ 1.75%				
(alias) :				
<b>Pay Head Info</b>		<b>Computation Info</b>		
Pay Head Type	: Employees' Statutory Deductions	Compute	: <b>On Specified Formula</b>	
Statutory Pay Type	: Employee State Insurance	Specified Formula	: <b>On Specified Formula</b>	
Under	: Current Liabilities	Computation On		
Affect Net Salary	? Yes	Effective From	From Ann	Value Basis
Name to appear in Payslip	: ESI @ 1.75%	1-Apr-2009		On Current Deductions Total
Calculation Type	: As Computed Value			On Current Earnings Total
Calculation Period	: Months			On Current SubTotal
				0 %
				<b>On Specified Formula</b>
<b>Rounding Info</b>				
Rounding Method	: Normal Rounding	Limit	: 1	
Opening Balance ( on 1-Apr-2009) :				

Figure 2.35 Employee's ESI Pay Head creation screen - Compute On Selection

In the **Compute On** Sub-screen, subscreen,

- Select **Basic Pay** as the **Add Pay Head** function and press **Enter**
- Select **House Rent Allowance** as the second Pay Head in the **Add Pay Head Function**

- Similarly, select **Conveyance** and **Overtime Pay** as the **Add Pay Head** function

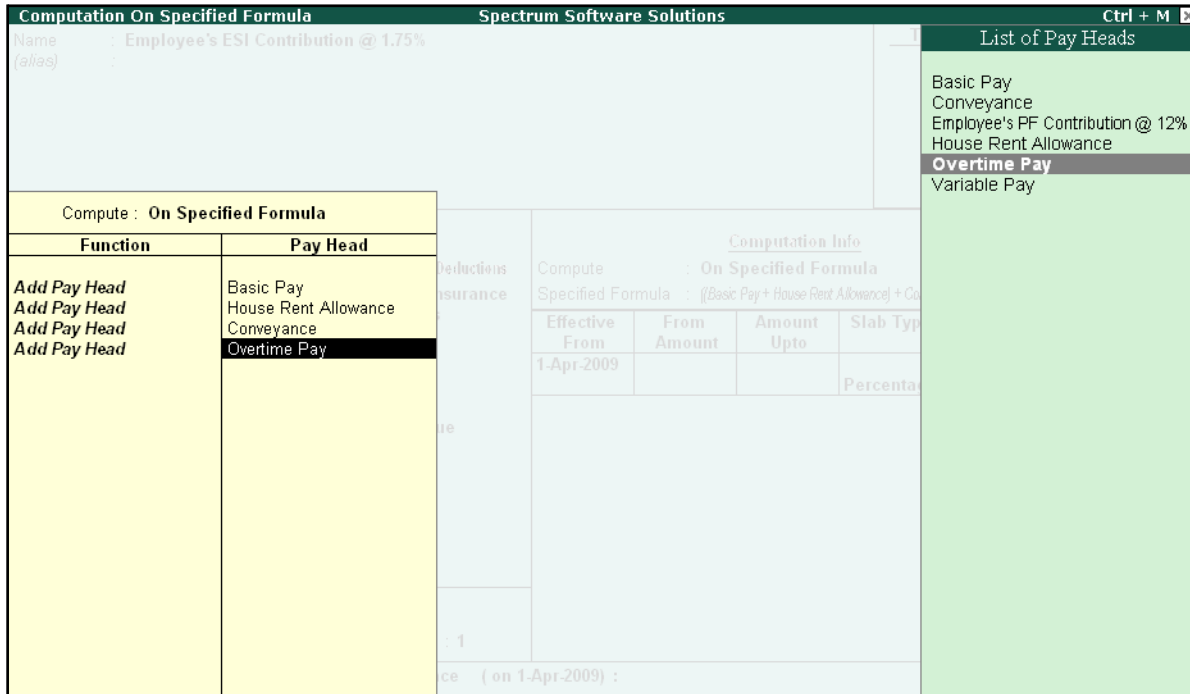


Figure 2.36 Employee's ESI Pay Head creation screen - Add Pay Head selection

- Select **End of List** and press **Enter**



*Any income of a regular nature will be subject to ESI calculation viz., Basic Pay, Dearness Allowance, House Rent Allowance, Conveyance, Overtime etc.,)*

- Specify **1-4-2008** as the **Effective From** date
- The **From Amount** and **Amount Upto** fields are skipped as the amount is already entered in the **Statutory & Taxation** screen
- Select **Percentage** as the **Slab Type** from the **List of Slabs**
- Specify **1.75%** as the **Value Basis Percentage** and press **Enter**

The Pay Head Creation screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions			Total Op. Bal.
Name : <b>Employee's ESI Contribution @ 1.75%</b>					
(alias) :					
<b>Pay Head Info</b>			<b>Computation Info</b>		
Pay Head Type : <b>Employees' Statutory Deductions</b>			Compute : <b>On Specified Formula</b>		
Statutory Pay Type : <b>Employee State Insurance</b>			Specified Formula : <i>((Basic Pay + House Rent Allowance) + Conveyance) + Overtime Pay</i>		
Under : <b>Current Liabilities</b>			<b>Effective From</b>	<b>From Amount</b>	<b>Amount Upto</b>
Affect Net Salary ? <b>Yes</b>			<b>1-Apr-2009</b>		
Name to appear in Payslip : <b>ESI @ 1.75%</b>					<b>Percentage</b> <b>1.75%</b>
Calculation Type : <b>As Computed Value</b>					
Calculation Period : <b>Months</b>					
<b>Rounding Info</b>					
Rounding Method : <b>Normal Rounding</b> Limit : <b>1</b>					
<b>Opening Balance ( on 1-Apr-2009) :</b>					

Figure 2.37 Employee's ESI Pay Head creation screen – Slab Rate

The completed **ESI – Employee’s Contribution Pay Head Creation** screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions				Total Op. Bal.
Name : Employee’s ESI Contribution @ 1.75%						
(alias) :						
<b>Pay Head Info</b>			<b>Computation Info</b>			
Pay Head Type : Employees’ Statutory Deductions			Compute : On Specified Formula			
Statutory Pay Type : Employee State Insurance			Specified Formula : ((Basic Pay + House Rent Allowance) + Conveyance) + Overtime Pay			
Under : Current Liabilities						
Affect Net Salary ? Yes			<b>Effective From</b>	<b>From Amount</b>	<b>Amount Upto</b>	<b>Slab Type</b>
Name to appear in Payslip : ESI @ 1.75%			1-Apr-2009			Percentage
Calculation Type : As Computed Value			Value Basis			
Calculation Period : Months			1.75 %			
<b>Rounding Info</b>						
Rounding Method : Normal Rounding			Limit : 1			
Opening Balance ( on 1-Apr-2009) :						<b>Accept ?</b>
						Yes or No

Figure 2.38 Completed ESI – Employee’s Contribution Pay Head Creation screen

14. Press **Enter** to **Accept** the screen.

**iii. Professional Tax Pay Head Creation**

Create **Professional Tax Pay Head** with the following Slab rates.

From Amount	To Amount	Professional Tax Amount
0	5000	0
5000	8000	60
8000	10000	100
10000	15000	150
15000	-	200

The completed **Professional Tax Pay Head Creation** screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions		Total Op. Bal.																															
Name : Professional Tax (alias) :																																			
<p><b>Pay Head Info</b></p> Pay Head Type : Employees' Statutory Deductions Statutory Pay Type : Professional Tax Registration Number : KA/PT/12445308 Under : Current Liabilities Affect Net Salary ? Yes Name to appear in Payslip : Professional Tax Calculation Type : As Computed Value Calculation Period : Months		<p><b>Computation Info</b></p> Compute : On Current Earnings Total <table border="1"> <thead> <tr> <th>Effective From</th> <th>From Amount</th> <th>Amount Upto</th> <th>Slab Type</th> <th>Value Basis</th> </tr> </thead> <tbody> <tr> <td>1-Apr-2009</td> <td></td> <td>5,000.00</td> <td>Value</td> <td>0</td> </tr> <tr> <td></td> <td>5,000.00</td> <td>8,000.00</td> <td>Value</td> <td>60</td> </tr> <tr> <td></td> <td>8,000.00</td> <td>10,000.00</td> <td>Value</td> <td>100</td> </tr> <tr> <td></td> <td>10,000.00</td> <td>15,000.00</td> <td>Value</td> <td>150</td> </tr> <tr> <td></td> <td>15,000.00</td> <td></td> <td>Value</td> <td>200</td> </tr> </tbody> </table>				Effective From	From Amount	Amount Upto	Slab Type	Value Basis	1-Apr-2009		5,000.00	Value	0		5,000.00	8,000.00	Value	60		8,000.00	10,000.00	Value	100		10,000.00	15,000.00	Value	150		15,000.00		Value	200
Effective From	From Amount	Amount Upto	Slab Type	Value Basis																															
1-Apr-2009		5,000.00	Value	0																															
	5,000.00	8,000.00	Value	60																															
	8,000.00	10,000.00	Value	100																															
	10,000.00	15,000.00	Value	150																															
	15,000.00		Value	200																															
<p><b>Rounding Info</b></p> Rounding Method : Normal Rounding Limit : 1																																			
Opening Balance ( on 1-Apr-2009 ) :					Accept ? Yes or No																														

Figure 2.39 Profession Tax Pay Head Creation

- Press **Enter** to **Accept**

### Gratuity Pay Head

Apart from the above Pay Heads, create Gratuity Expenses (Provisional) Account in order to get provisional Gratuity liability report for the employer at any given period.

**Gratuity** refers to the monetary benefit given by the employer to the employee at the end of the employment for the services rendered over a period of employment either by law or otherwise. It is calculated provisionally at the end of each financial period to assess the possible liability of the company towards its employees. A Gratuity Provisional Account is created to capture the details required for the calculation of gratuity. Gratuity is calculated based on select salary components.

The formula used for Gratuity calculation is as follows:

$$\frac{\text{Latest eligible salary* for Gratuity}}{\text{Number of days in a month to be considered}} \times \text{Number of days pay eligible for the total months covered in the respective slab period} \times \text{Served period \# (in proportionate years) in the respective slabs}$$





\* **Eligible salary** refers to the sum of pay heads covered in the employee's latest pay structure, for the relevant period. The pay heads must be set to **Yes** for **Use for gratuity** and the Gratuity ledger should be part of the pay structure.

# **Served period** is computed from the date of joining to the end date of calculation period. Served period may be proportionate such as 11 years 10 months and 5 days.

When Served period covers more than one slab, the total of the calculations of all the slabs will constitute the gratuity provisional amount of the employee.

Ledger	Pay Head Type	Under
Gratuity Expenses (Provisional)	Gratuity	Provisions (Current Liabilities)

In the Pay Head Creation screen,

1. Type **Gratuity Expenses (Provisional)** as the **Name** of the Pay Head
2. Select **Gratuity** in the field **Pay Head Type**. The **Slab Rate details for Gratuity Calculation** screen are displayed.
3. In the **Gratuity Calculation** subscreen, specify the following details:
  - Specify **Gratuity Days of a Month** as **26**
  - Enter **1** and **60** (months) in the **From** and **To** fields under the **Number of Months** column
  - Specify **0** in the field **Eligibility days for Gratuity Calculation per year**
  - Similarly, select **61** and **120** in the **From** and **To** fields
  - Specify **15** in the **Eligibility days for Gratuity Calculation per year** field
  - Press **Enter** to accept **121** in the field **From**
  - Specify **15** in the field **Eligibility days for Gratuity Calculation per year**

The **Slab Rate Details for Gratuity calculation** screen is displayed as shown:

<b>Slab Rate details for Gratuity Calculation</b>		
Gratuity Days of a Month		: 26
<b>Number of Months</b>		<b>Eligibility days for Gratuity Calculation per year</b>
<b>From:</b>	<b>To:</b>	
1	60	0
61	120	15
121		15

Figure 2.40 Slab Rate Details for Gratuity Calculation screen

4. Press **Enter** to **Accept** the screen

*Gratuity parameter details:*



**Gratuity days of a Month** – The number of days per calendar month varies from 28 to 31. In this case, you can apply a consistent period of 26 days (excluding 4 Sundays) for all employees irrespective of their month of leaving. It can also be fixed by law.

**Number of months From and To** – This represents the months until which the eligible days are applicable in the Slab system, beginning from the date of joining.

**Eligibility days for Gratuity Calculation per year** – This refers to the Number of days’ pay given as gratuity for the entire slab. If the slab period has not ended, then the slab is applied based on the number of months covered in the previous slab. If the number of days eligible is zero (0), then the eligible days mentioned in the next slab are considered.

5. Specify the group as **Provisions (Current Liabilities)** in the field **Under** and press **Enter**

The completed **Gratuity Expenses (Provisional) Pay Head Creation** screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions	
Name : Gratuity Expenses (Provisional)			Total Op. Bal.
(alias) :			
<b>Pay Head Info</b>			
Pay Head Type	: Gratuity		
Under	: Provisions (Current Liabilities)		
<b>Rounding Info</b>			
Rounding Method	: Normal Rounding	Limit	: 1
Opening Balance ( on 1-Apr-2009) :			Accept ? Yes or No

Figure 2.41 Gratuity Expenses Ledger Creation screen

6. Press **Enter** to **Accept** the screen.

## Salary Details Setup

The Salary Details masters contain information on the Employee Group/ individual employee pay structure, comprising of both earnings and deductions pay components for the applicable period.

Businesses having a common pay structure for a particular department or division or set of employees can define salary details for an employee group and classify individual employees under the specified group to inherit the parent pay values. The Employee Group master prefills the parent group values to the individual employee masters created under them. It reduces the possibility of erroneous data entry and expedites data entry. This categorisation also helps in generation of Group-wise reporting.

Pay structure constituting the Pay Heads and basis of calculation should be similar for the employees falling under the same group, but pay values need not be the same.

Tally.ERP 9 also allows you to set up individual employee salary details with all parameters applicable for Employee groups. The individual employee masters with separate pay structures are usually created on a case-to-case basis.

To define **Salary Details** for employees,  
 Go to **Gateway of Tally > Payroll Info. > Salary Details > Create**

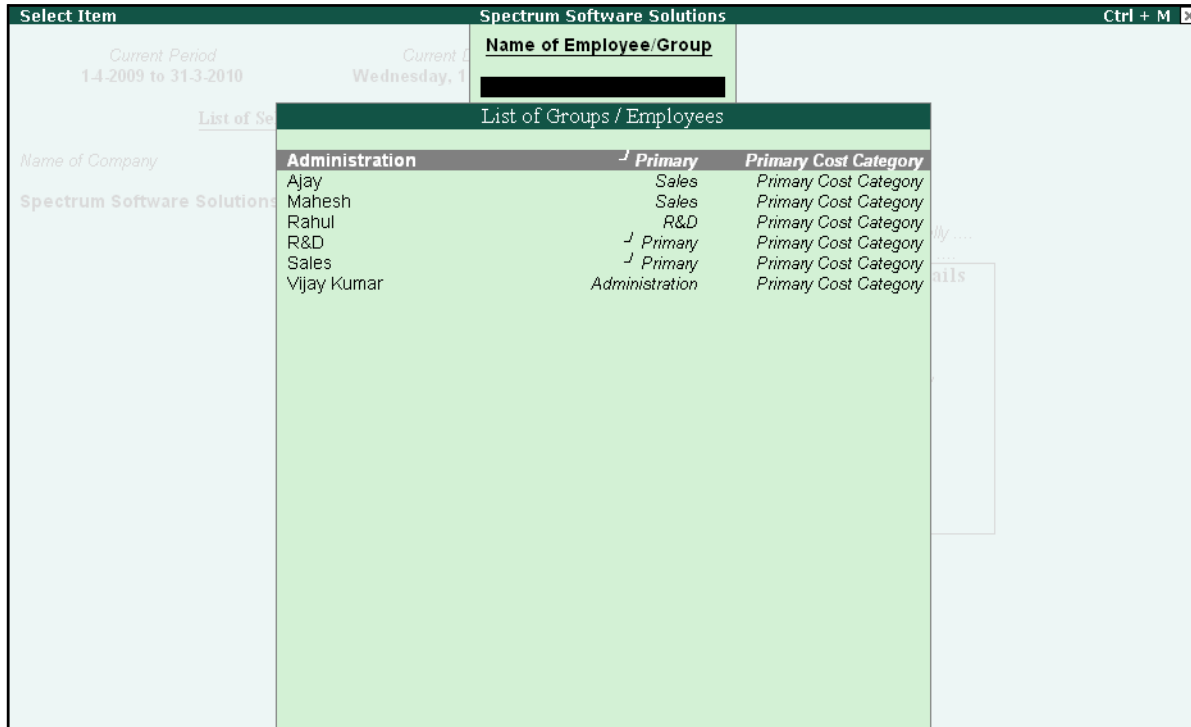


Figure 2.42 List of Employee Groups/ Employees screen

1. Select **Vijay Kumar** from the **List of Employees** and press **Enter**  
 In the **Salary Details** screen,
  - The **Effective date** is entered as **01-04-2009** by default based on the **Date of Joining** entered in the Employee Master
  - Select **Basic Pay** as the **Pay Head** from the **List of Pay Heads**
  - Specify **10,000** as **Rate**
  - The **Attendance units**, **Pay Head Type** and **Calculation Type** appear by default, based on the pay head definitions.

The **Salary Details Creation** screen is displayed as shown:

Salary Details Creation						
Spectrum Software Solutions						
Name : Vijay Kumar (549)						
Under : Administration ( <sup>1</sup> Primary)						
Salary Details						
Effective From	Pay Head	Rate	Per	Pay Head Type	Calculation Type	Computed On
1-Apr-2009	Basic Pay	10,000.00	Months	Earnings for Employees	On Attendance	

Figure 2.43 Salary Details Creation screen

2. Select **House Rent Allowance** as the second **Pay Head** and press **Enter**
3. Select **Conveyance** as the next **Pay Head**
4. Specify **800** as **Rate** and press **Enter**
5. Select **Overtime Pay** as the **Pay Head**
6. Specify **55** as the **Rate** and press **Enter**
7. Select **Variable Pay** as the **Pay Head** and press **Enter**
8. Select **Professional Tax** against the **Pay Head** and press **Enter**
9. Select **Employee's PF Contribution @ 12%, Employee's ESI Contribution @ 1.75%** as **Pay Head** and press **Enter**
10. Select the **Gratuity Expenses (Provisional)** ledger and press **Enter** (In case of Employees eligible for Gratuity, the Gratuity Expenses ledger should be included in the Salary details of the respective Employee for provisional assessment of Gratuity)

The completed **Salary Details Creation** screen for **Mr. Vijay Kumar** is displayed as shown:

Salary Details Creation						
Spectrum Software Solutions						
Name : Vijay Kumar (549)						
Under : Administration ( <sup>1</sup> Primary)						
Salary Details						
Effective From	Pay Head	Rate	Per	Pay Head Type	Calculation Type	Computed On
1-Apr-2009	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	
	Professional Tax			Employees' Statutory Deductions	As Computed Value	On Current Earnings Total
	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
	Gratuity Expenses (Provisional)			Gratuity		

Accept ?  
 Yes or No

Figure 2.44 Completed Salary Details screen



Tally.ERP 9 allows you to modify the pre-defined Slab rates by pressing **F12: Configure** and setting the option **Allow to Override Slab Percentage** to **Yes**.



In case a revision in pay structure is required for any subsequent period, define the latest pay structure by specifying the relevant **Effective from** date.

Similarly, create the pay structure for the other employees as per the details given in the following table:

<b>Pay Head</b>	<b>Rahul</b>	<b>Mahesh</b>	<b>Ajay</b>
Basic Pay	20,000	45,000	10,000
House Rent Allowance	40%	40%	20%
Conveyance	—	1,000	2,000
Overtime Pay	—	—	100
Variable Pay	User — defined		
Gratuity Expenses (Provisional)	Only for reporting purpose		
Employee's PF Contribution @ 12%	Applicable as Slab Rates		
Employee's ESI Contribution @ 1.75%	Applicable as Slab Rates		
Professional Tax	Applicable as Slab Rates		

Salary Details for Ajay can be created similar to the Salary Details creation for Vijay Kumar.

Since Ajay and Mahesh are in Sales Group, we can create the Salary Details for the Group and inherit the same for the Employees (Ajay and Mahesh) in that Group.

### **Salary Details creation for the Sales Group**

Go to **Gateway of Tally > Payroll Info. > Salary Details > Create**

1. From the **List of Group / Employees** select **Sales**
2. Select the **Pay Heads** from the **List of Pay Heads** which are applicable to this group.
3. Leave the **Rate** field empty if there is no standard rate.

The completed Salary structure for the **Sales** Group is as shown:

Salary Details Creation						
Spectrum Software Solutions						
Name : Sales						
Under : Primary						
Salary Details						
Effective From	Pay Head	Rate	Per	Pay Head Type	Calculation Type	Computed On
1-Apr-2009	Basic Pay			Earnings for Employees	On Attendance	Basic Pay
	House Rent Allowance			Earnings for Employees	As Computed Value	
	Conveyance			Earnings for Employees	Flat Rate	
	Overtime Pay			Earnings for Employees	On Production	
	Variable Pay			Earnings for Employees	As User Defined Value	
	Professional Tax			Employees' Statutory Deductions	As Computed Value	On Current Earnings Total
	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
	Gratuity Expenses (Provisional)			Gratuity		

Figure 2.45 Completed Salary Details for Sales Group

The Pay structure created above can be inherited for all the employees belonging to Sales Group. This feature helps in eliminating the repetitions while creating the Salary Details.

To define the **Salary Details** for **Mr. Ajay** belonging to **Sales Group**, follow the steps given below:

Go to **Gateway of Tally > Payroll Info. > Salary Details > Create**

1. From the **List of Group / Employees** select **Ajay** and press **Enter**
2. Select **Copy From parent Value** from the **Start Type** options under **Pay Head**



The **Salary Details Creation** screen is displayed as shown:

Salary Details Creation						
Spectrum Software Solutions						
Name : Ajay (551)						
Under : Sales ( <sup>1</sup> Primary)						
Salary Details						
Effective From	Pay Head	Rate	Per	Pay Head Type	Calculation Type	Computed On
1-Apr-2009	Copy From Parent Value			Start Type		
				Copy From Parent Value		
				Start Afresh		

Figure 2.46 Salary details Creation – Copy From Parent Value

**Start Type Details:**



**Copy From Parent Value** will copy the pay structure from the **Group** to which the Employee belongs. This will help you to save time in creating the Salary Details for large number of Employees.

**Start Afresh** will allow the user to start selecting the Pay Head from the List of pay Heads already created.

3. The Pay Structure (comprising of Earning & Deductions pay heads) defined for the Group is prefilled automatically.
4. Enter the values for each Pay Head for **Ajay** as per the details mentioned earlier.
5. Press **F12: Configure**
  - Set the option **Allow to Override Slab Percentage** to **Yes**, since the HRA calculation percentage is 20%.

The **Salary Details Configuration** screen is displayed as shown:

The screenshot shows the 'Salary Details Configuration' window for 'Ajay (551)' under 'Sales'. A table lists various pay heads with their rates and calculation types. A dialog box titled 'Salary Details Configuration' is overlaid on the table, with the option 'Allow to Override Slab Percentage' set to 'Yes'.

Effective From	Pay Head	Rate	Per	Pay Head Type	Calculation Type	Computed On
1-Apr-2009	Copy From Parent Value					
	Basic Pay	10,000.00	Months	Earnings for Employees	On Attendance	Basic Pay
	House Rent Allowance			Earnings for Employees	As Computed Value	Basic Pay
	Conveyance				As Computed Value	Basic Pay
	Overtime Pay				As Computed Value	Basic Pay
	Variable Pay				As Computed Value	Basic Pay
	Professional Tax				As Computed Value	Basic Pay
	Employee's PF Contribution @ 12%				As Computed Value	Basic Pay
	Employee's ESI Contribution @ 1.75%				As Computed Value	Basic Pay
	Gratuity Expenses (Provisional)				As Computed Value	Basic Pay

**Salary Details Configuration**

Allow to Override Slab Percentage ? **Yes**

Show Pay Head Type ? Yes

Show Calculation Type ? Yes

Show Computed On ? Yes

Figure 2.47 Salary Details Configuration

- Press **Enter** to **Accept**

6. Now, you will be able to enter the user-defined pay rates to compute the HRA, specify **20%** and press **Enter**



*In the **Salary Details Configuration** screen, when the option **Allow to Override Slab Percentage** is set to **Yes**, the predefined slab rates for the Pay Heads can be modified as per user requirements.*

The completed **Salary Details** screen of Mr. Ajay is displayed as shown:

Salary Details Creation						
Spectrum Software Solutions						
Name : Ajay (551)						
Under : Sales ( <sup>1</sup> Primary)						
Salary Details						
Effective From	Pay Head	Rate	Per	Pay Head Type	Calculation Type	Computed On
1-Apr-2009	Copy From Parent Value					
	Basic Pay	10,000.00	Months	Earnings for Employees	On Attendance	Basic Pay
	House Rent Allowance	20.00	%	Earnings for Employees	As Computed Value	
	Conveyance	2,000.00	Months	Earnings for Employees	Flat Rate	
	Overtime Pay	100.00	Hrs	Earnings for Employees	On Production	
	Variable Pay			Earnings for Employees	As User Defined Value	
	Professional Tax			Employees' Statutory Deductions	As Computed Value	On Current Earnings Total
	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
	Gratuity Expenses (Provisional)			Gratuity		

Accept ?  
 Yes or No

Figure 2.48 Completed Salary Details screen

7. Press **Enter** to **Accept** the screen.

Similarly, you can create the Salary Details for **Mahesh** and others employees.

## Lesson 3: Processing Payroll in Tally.ERP 9

On completion of this lesson, you will have learnt

- To process Payroll in Tally.ERP 9

Typically, Payroll Processing comprises of the following activities:

- Recording of Attendance and Production details (on time / work)
- Processing Payroll Vouchers
- Payment of Salaries

There are three types of Payroll Vouchers namely **Attendance Voucher**, **Payroll Voucher** and **Payment Voucher**, which are by default preset in Tally.ERP 9 to record above Payroll transactions.

Payroll Vouchers are used for the purposes of operating your payroll and also records the attendance of the employees for a given period. These vouchers are basically used to input information pertaining to Payroll processing.

### **Attendance Vouchers**

An Attendance Voucher is used to record employees' attendance data, based on Attendance/ Production types (i.e., present or absent days, overtime hours and so on).

An Attendance Voucher allows you to record the attendance/ production units for employees. Tally.ERP 9 gives you the flexibility to enter the attendance records through a single attendance voucher for a payroll period, or through multiple attendance vouchers as and when required within a payroll period. You also have the option of recording one attendance/ production voucher per employee per day or collectively for a month or any other variation thereof for all the employees.

In Tally.ERP 9, the auto-fill facility (**Alt+A**) is used to prefill the required Attendance/Production types data for the selected employee group/ employee for the specified period.

**Example 1:**

*On 30th April, 2009 the attendance records of M/s. Spectrum Solutions displayed the following details:*

Attendance/ Production Types	Vijay Kumar	Rahul	Mahesh	Ajay
Present Days	26	22	15	17
Overtime hours	900 Min (15hr x 60min)			720 Min (12hr x 60min)

In the above scenario, separate attendance vouchers are required to be entered for recording Present days and Overtime hours.

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

1. Press **Ctrl+F5** for **Attendance Voucher**

The **Attendance Voucher Creation** screen is displayed as shown:

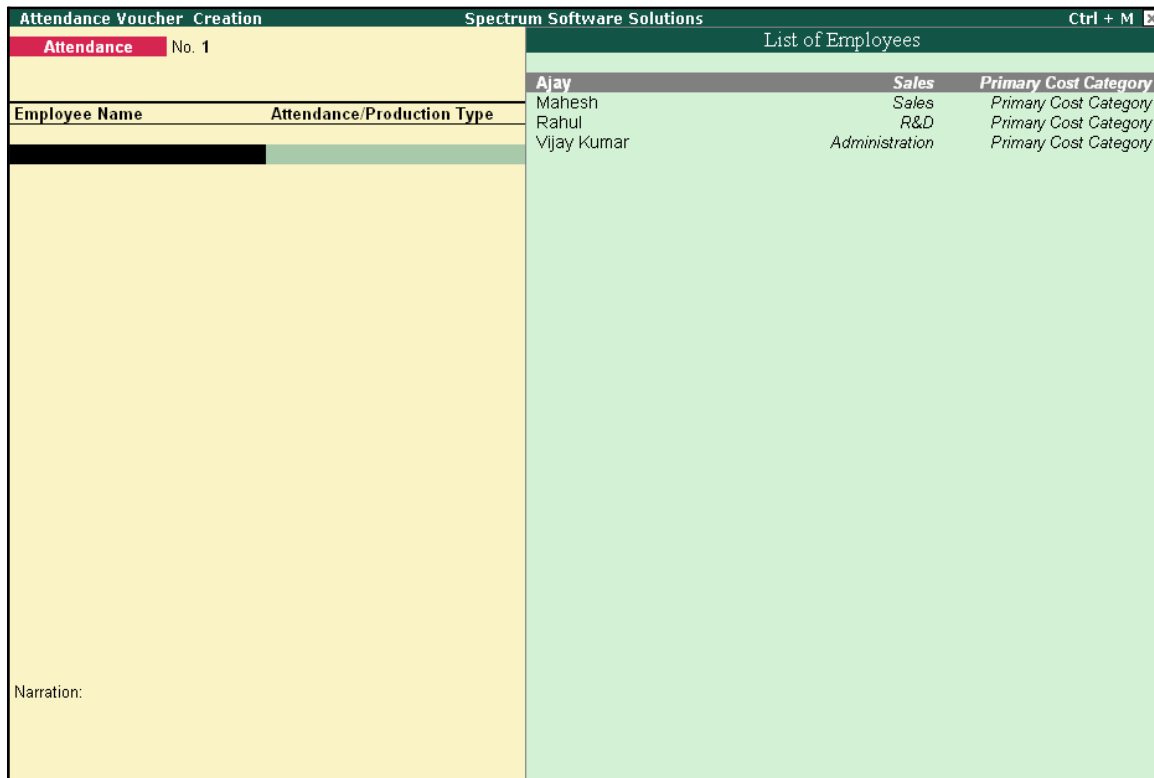


Figure 3.1 Attendance Voucher Creation screen

2. Press **F2** and specify the date as **30-4-2009**

3. Press **Enter**

4. Press **Alt+A** (Attendance Auto Fill) to prefill employee payroll details

The **Attendance Auto Fill** screen is displayed as shown:

Attendance Auto Fill

Voucher Date : **30-4-2009**

Employee Category : **Primary Cost Category**

Employee/Group : **All Items**

Auto Fill Values

Attendance/Production Type :

Default Value to Fill : **0**

*(Value entered above will be prefilled for all the Employees)*

Figure 3.2 Attendance Auto Fill screen

In the **Attendance Auto Fill** screen,

- Specify the **Voucher Date** as **30-04-2009** if not specified earlier
- Select **Primary Cost Category** as **Employee Category** (If separate cost categories are used to capture employee cost, then select the respective Employee category)

Attendance Auto Fill
Spectrum Software Solutions
Ctrl + M

Attendance No. 3

Employee Name	Attendance/Production Type

List of Categories

↓ All Items

**Primary Cost Category**

Attendance Auto Fill

Voucher Date : 30-4-2009

Employee Category : **Primary Cost Category**

Employee/Group : **All Items**

Auto Fill Values

Attendance/Production Type :

Default Value to Fill : **0**

*(Value entered above will be prefilled for all the Employees)*

Figure 3.3 Attendance Auto Fill - Employee Category selection

- Select **All Items** as **Employee/ Group** (if you want to generate payroll voucher for individual employee/ group, select the respective employee or group)

The **Attendance Auto Fill with Employee Filters** screen is displayed as shown:

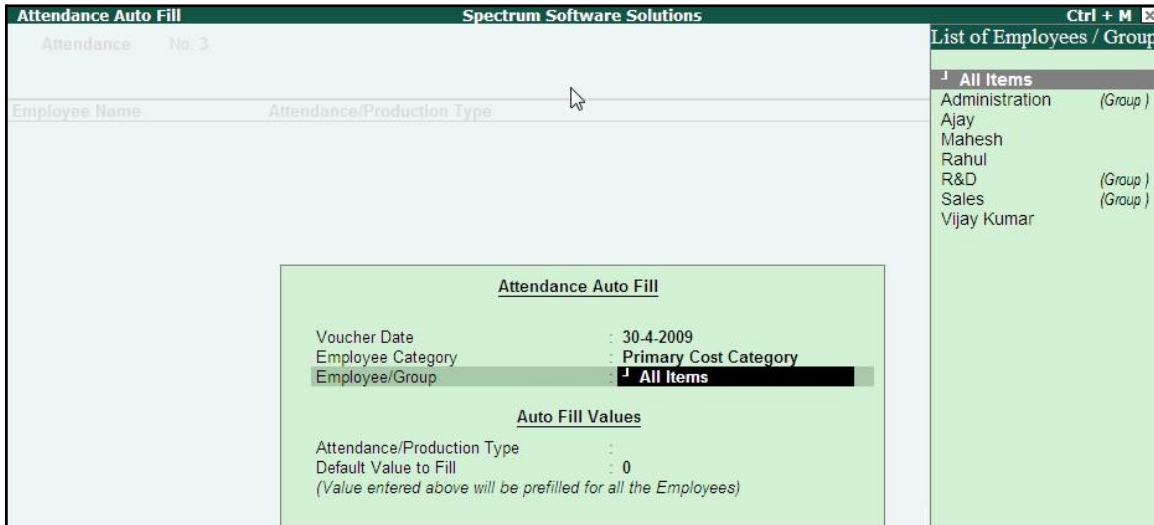


Figure 3.4 Attendance Auto Fill with Employee List

- Select **Present** as **Attendance Type** in the **Attendance/ Production Type** field

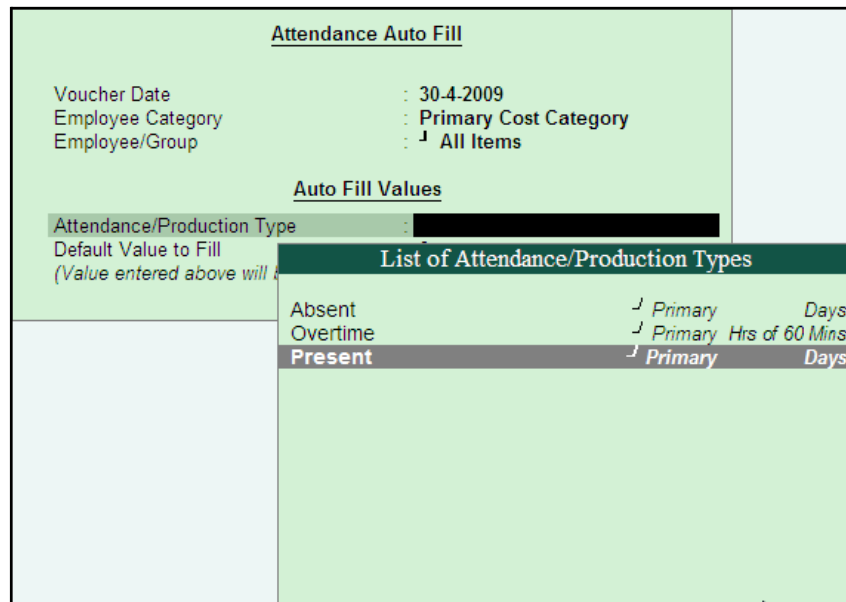


Figure 3.5 Attendance Auto Fill with List of Attendance Type

- Specify the require value that should be prefilled for all Employees e.g. **26**
- Press **Enter** to accept the screen



Separate Attendance vouchers are required for recording attendance on **Work and Production**.

If you opt for **Absent** as **Attendance Type**, then you need to record the negative attendance of the employees. This minimises data entry time and manages the data entry by exception.

5. Employees pertaining to the respective Employee Groups are displayed automatically

Attendance Voucher Creation		Spectrum Software Solutions		Ctrl + M
Attendance No. 2				30-Apr-2009 Thursday
Employee Name	Attendance/Production Type	Value	Unit	
Ajay	Present	Cur Bal: 120 Days	26	Days
Mahesh	Present	Cur Bal: 119 Days	26	Days
Rahul	Present	Cur Bal: 113 Days	26	Days
Vijay Kumar	Present	Cur Bal: 129 Days	26	Days
Narration:				

Figure 3.6 Attendance Voucher

6. Alter the attendance details as given in the table above



The **Attendance Voucher Creation** screen with the attendance details screen is displayed as shown:

Attendance Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Attendance</b> No. 1			30-Apr-2009 Thursday	
Employee Name	Attendance/Production Type	Value	Unit	
Ajay	Present	Cur Bal: 17 Days	17 Days	
Mahesh	Present	Cur Bal: 15 Days	15 Days	
Rahul	Present	Cur Bal: 22 Days	22 Days	
Vijay Kumar	Present	Cur Bal: 0 Days	26 Days	
Narration:				

Figure 3.7 Attendance Voucher

7. Press **Enter**
8. Enter the details of the transaction in the **Narration** field

The completed **Attendance Voucher Creation** for **Present Attendance** is displayed as shown:

Attendance Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Attendance</b> No. 1				30-Apr-2009 Thursday
Employee Name	Attendance/Production Type	Value	Unit	
Ajay	Present	Cur Bal: 17 Days	17 Days	
Mahesh	Present	Cur Bal: 15 Days	15 Days	
Rahul	Present	Cur Bal: 22 Days	22 Days	
Vijay Kumar	Present	Cur Bal: 26 Days	26 Days	
Narration: Attendance for April 2009				<input type="button" value="Accept?"/> Yes or No

Figure 3.8 Completed Attendance Voucher Screen

9. Press **Enter** to accept the completed Attendance Voucher screen.



*Days with **Loss of Pay (LOP)** are treated as a Deductible with respect to the **Earnings Pay Head type** and as a Payable with respect to the **Deductions Pay Head type**. For example, LOP is deducted from the Basic salary (Earnings Pay Head) and Canteen expenses (Deductions Pay Head) are treated as a payable.*

In the same way, create an Attendance Voucher for **Overtime Hours**.

The completed **Attendance Voucher** for **Overtime Hours** is displayed as shown:

Attendance Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Attendance</b> No. 2				30-Apr-2009 Thursday
Employee Name	Attendance/Production Type	Value	Unit	
Ajay	Overtime	Cur Bal: 12- 0.00 Hrs	720 mins	
Mahesh	Overtime	Cur Bal: 0- 0.00 Hrs		
Rahul	Overtime	Cur Bal: 0- 0.00 Hrs		
Vijay Kumar	Overtime	Cur Bal: 15- 0.00 Hrs	900 mins	
Narration:				Accept ? Yes or No

Figure 3.9 Attendance Voucher Screen - Overtime

- Press **Enter** to accept.



*You can also record Overtime in hours, provided the Unit of Measurement for the Payroll unit is defined as Hrs.*

After creating the Attendance Voucher, you can change any attendance value for a particular employee, if required, in the Voucher Alteration mode.

## Payroll Vouchers

A payroll voucher is used to record all employee-related transactions. It enables you to compute all the values for the respective Pay Heads (Earnings and Deductions).

The calculations are made on the basis of the definitions specified in the pay head masters, pay structure and attendance entries. In Tally.ERP 9, you can pass payroll vouchers manually for individual employee as well as for the entire group/ organisation by using the Auto Fill facility (**Alt+A**).

In Tally.ERP 9, the disbursement of salaries can be effected in any of the following modes.

- **Direct Remittance** – in cash or by cheque
- **Bank Transfer** – a direct transfer is made to an employee’s bank account and the list of disbursement is printed separately

### Cash Remittance

#### Example 2:

*On 30th April, 2009, M/s. Spectrum Solutions processes Payroll for all the employees and entitled the following employees for Variable Pay.*

Particulars	Vijay Kumar	Rahul	Mahesh	Ajay
Variable Pay	1500	-	1000	-

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

1. Press **Ctrl+F4** for **Payroll Voucher**
2. Press **F2**, specify the date as **30-4-2009** and press **Enter**
3. Press **Alt+A** (Payroll Auto Fill) to prefill employee payroll details

In the **Payroll Auto Fill** screen,

- Select **Salary** in the **Process for** field

Payroll Auto Fill		Process List
Process for	: <b>Salary</b>	ESI Contribution
From (blank for beginning)	: 1-4-2009	PF Contribution
To (blank for end)	: 30-4-2009	<b>Salary</b>
Employee Category	: Primary Cost Category	
Employee/Group	: All Items	
Payroll Ledger	:	

Figure 3.10 Payroll Autofill with Process List

In Tally.ERP 9, the following processes are preset for faster processing of Payroll:



- **Salary:** This process is used for processing salaries for a specified period, wherein Salaries are disbursed through Cash or a bank transfer.
- **ESI Contribution:** This process is used for processing Employer's contributions towards ESI for a specified period.
- **PF Contribution:** This process is used for processing Employer's Provident Fund (PF) contributions for a specified period.

- Specify **1-4-2009** in the **From** field
- Specify **30-4-2009** in the **To** field
- Select **All Items** as **Employee/Group**

Figure 3.11 Payroll Autofill with List of Employees

- Select **Cash** in the **Payroll Ledger** field

The completed **Payroll Auto Fill** screen is displayed as shown:

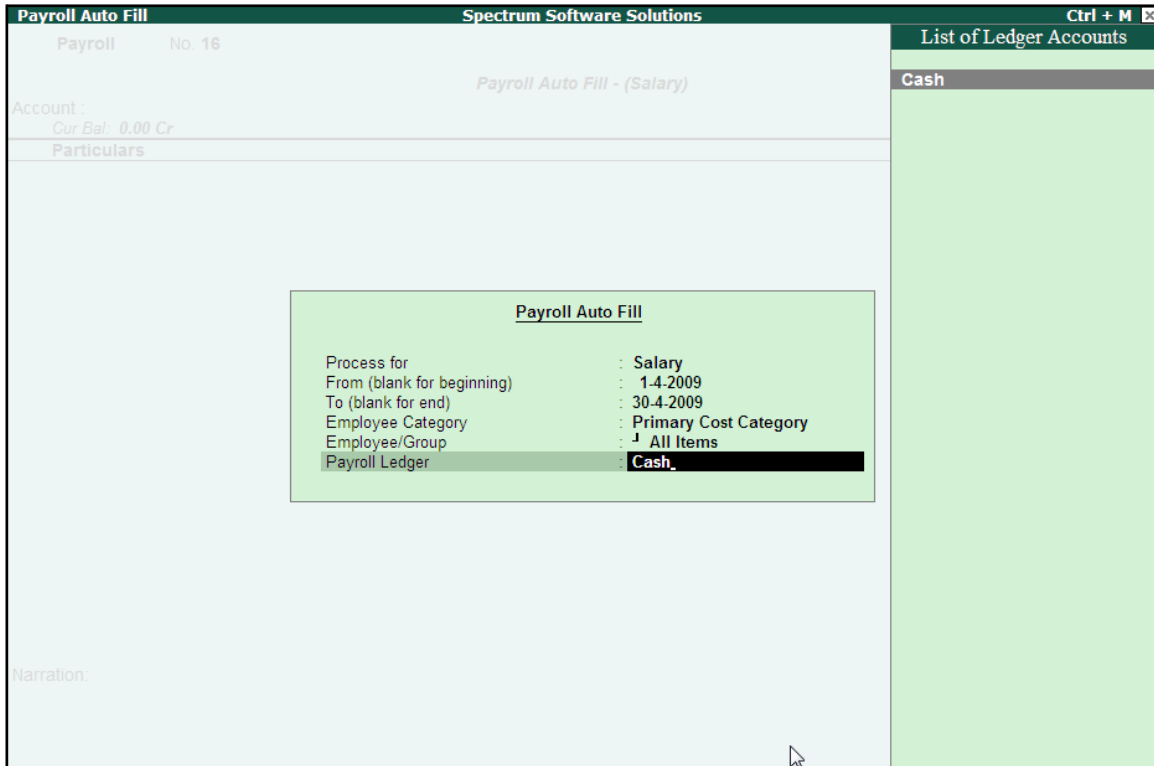


Figure 3.12 Payroll Autofill with payment Ledger list

- Press **Enter** to accept the screen (the **Cash** ledger is prefilled in the **Account** field)

All the pay values are calculated for the applicable pay heads for each employee grouped under the selected group.

The **Payroll Voucher Creation** screen is displayed as shown:

Payroll Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Payroll</b> No. 1				30-Apr-2009 Thursday
<i>Payroll Auto Fill - (Salary)</i>				
Account : <b>Cash</b> Cur Bal: 2,00,000.00 Dr				
Particulars				Amount
<b>Primary Cost Category</b>				<b>83,840.00 Dr</b>
<b>Ajay</b>				<b>10,116.00 Dr</b>
Basic Pay	6,538.00	Dr	Cur Bal: 6,538.00 Dr	
House Rent Allowance	1,308.00	Dr	Cur Bal: 1,308.00 Dr	
Conveyance	2,000.00	Dr	Cur Bal: 2,000.00 Dr	
Overtime Pay	1,200.00	Dr	Cur Bal: 1,200.00 Dr	
Variable Pay		Dr	Cur Bal:	
Professional Tax	150.00	Cr	Cur Bal: 150.00 Cr	
Employee's PF Contribution @ 12%	780.00	Cr	Cur Bal: 780.00 Cr	
Employee's ESI Contribution @ 1.75%		Cr	Cur Bal:	
				<b>36,367.00 Dr</b>
<b>Mahesh</b>				
Basic Pay	25,962.00	Dr	Cur Bal: 25,962.00 Dr	
House Rent Allowance	10,385.00	Dr	Cur Bal: 10,385.00 Dr	
Conveyance	1,000.00	Dr	Cur Bal: 1,000.00 Dr	
Overtime Pay		Dr	Cur Bal:	
Variable Pay		Dr	Cur Bal:	
Professional Tax	200.00	Cr	Cur Bal: 200.00 Cr	
Employee's PF Contribution @ 12%	780.00	Cr	Cur Bal: 780.00 Cr	
Employee's ESI Contribution @ 1.75%		Cr	Cur Bal:	
				<b>22,712.00 Dr</b>
<b>Rahul</b>				
Basic Pay	16,923.00	Dr	Cur Bal: 16,923.00 Dr	
House Rent Allowance	6,769.00	Dr	Cur Bal: 6,769.00 Dr	
				<b>15 more ... ↓</b>
Narration:				<b>83,840.00 Dr</b>
Pay Period : 1-Apr-2009 to 30-Apr-2009				

Figure 3.13 Payroll Voucher Creation

4. Press **Enter** and specify the pay values for the pay heads defined as user-definable values against each employee (in this case, define the **Variable Pay**)

- Specify 1000 as Variable Pay for Mahesh

Payroll Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Payroll</b> No. 1				30-Apr-2009 Thursday
<i>Payroll Auto Fill - (Salary)</i>				
Account : <b>Cash</b> Cur Bal: 2,00,000.00 Dr				
Particulars				Amount
<b>Primary Cost Category</b>				<b>83,840.00 Dr</b>
<b>Ajay</b>				<b>10,116.00 Dr</b>
Basic Pay	6,538.00	Dr	Cur Bal: 6,538.00 Dr	
House Rent Allowance	1,308.00	Dr	Cur Bal: 1,308.00 Dr	
Conveyance	2,000.00	Dr	Cur Bal: 2,000.00 Dr	
Overtime Pay	1,200.00	Dr	Cur Bal: 1,200.00 Dr	
Variable Pay		Dr	Cur Bal:	
Professional Tax	150.00	Cr	Cur Bal: 150.00 Cr	
Employee's PF Contribution @ 12%	780.00	Cr	Cur Bal: 780.00 Cr	
Employee's ESI Contribution @ 1.75%		Cr	Cur Bal: 0.00 Cr	
				<b>36,367.00 Dr</b>
<b>Mahesh</b>				
Basic Pay	25,962.00	Dr	Cur Bal: 25,962.00 Dr	
House Rent Allowance	10,385.00	Dr	Cur Bal: 10,385.00 Dr	
Conveyance	1,000.00	Dr	Cur Bal: 1,000.00 Dr	
Overtime Pay		Dr	Cur Bal:	
<b>Variable Pay</b>	<b>1000</b>	<b>Dr</b>	<b>Cur Bal:</b>	
Professional Tax	200.00	Cr	Cur Bal: 200.00 Cr	
Employee's PF Contribution @ 12%	780.00	Cr	Cur Bal: 780.00 Cr	
Employee's ESI Contribution @ 1.75%		Cr	Cur Bal:	
				<b>22,712.00 Dr</b>
<b>Rahul</b>				
Basic Pay	16,923.00	Dr	Cur Bal: 16,923.00 Dr	
House Rent Allowance	6,769.00	Dr	Cur Bal: 6,769.00 Dr	
				<b>16 more ... ↓</b>
Narration:				<b>83,840.00 Dr</b>
Pay Period : 1-Apr-2009 to 30-Apr-2009				

Figure 3.14 Payroll Voucher - adding Variable pay

- Similarly, specify 1500 as Variable Pay for Vijay Kumar and press Enter



The completed **Payroll Voucher Creation** screen is displayed as shown:

Payroll Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Payroll</b> No. 1				30-Apr-2009 Thursday
Account : <b>Cash</b>				<b>Payroll Auto Fill - (Salary)</b>
Cur Bal: 2,00,000.00 Dr				
Particulars			Amount	
↑ ... 16 more				
Professional Tax	200.00	Cr	Cur Bal: 200.00	Cr
Employee's PF Contribution @ 12%	780.00	Cr	Cur Bal: 780.00	Cr
Employee's ESI Contribution @ 1.25%		Cr	Cur Bal: 0.00	Cr
<b>Rahul</b>				<u>22,712.00 Dr</u>
Basic Pay	16,923.00	Dr	Cur Bal: 16,923.00	Dr
House Rent Allowance	6,769.00	Dr	Cur Bal: 6,769.00	Dr
Conveyance		Dr	Cur Bal: 0.00	Dr
Overtime Pay		Dr	Cur Bal: 0.00	Dr
Variable Pay		Dr	Cur Bal:	
Professional Tax	200.00	Cr	Cur Bal: 200.00	Cr
Employee's PF Contribution @ 12%	780.00	Cr	Cur Bal: 780.00	Cr
Employee's ESI Contribution @ 1.25%		Cr	Cur Bal: 0.00	Cr
<b>Vijay Kumar</b>				<u>16,145.00 Dr</u>
Basic Pay	10,000.00	Dr	Cur Bal: 10,000.00	Dr
House Rent Allowance	4,000.00	Dr	Cur Bal: 4,000.00	Dr
Conveyance	800.00	Dr	Cur Bal: 800.00	Dr
Overtime Pay	825.00	Dr	Cur Bal: 825.00	Dr
Variable Pay	1,500.00	Dr	Cur Bal: 1,500.00	Dr
Professional Tax	200.00	Cr	Cur Bal: 200.00	Cr
Employee's PF Contribution @ 12%	780.00	Cr	Cur Bal: 780.00	Cr
Employee's ESI Contribution @ 1.25%		Cr	Cur Bal: 0.00	Cr
Narration:				
Pay Period : 1-Apr-2009 to 30-Apr-2009				
			<input type="button" value="Accept?"/>	
			<input type="button" value="Yes"/> <input type="button" value="No"/>	

Figure 3.15 Completed Payroll Voucher

5. Press **Enter** to accept.



Press **Alt+S** to pass the above voucher in the Voucher mode. This can be used to keep track of **Bill References**. e.g. if there are more than one Salary Advances, then the to track the recovered Amount from Employee's salary against the respective Advance given, this feature should be used.

### Bank Transfer

Bank transfer refers to disbursement of Salaries directly into the Employee Bank Accounts by intimating the Bank through a Payment advice. Tally.ERP 9 facilitates processing salaries through Bank transfer with the help of predefined Salary process.

#### Example 3:

**On 31st May, 2009 M/s. Spectrum Solutions disbursed Salaries payable for the month of May 2009 through Bank Transfer. The attendance records displayed the following details:**

Attendance/Production Types	Vijay Kumar	Rahul	Mahesh	Ajay
Present Days	25	20	26	21
Overtime Hours	-			120 Min (2hr x 60min)

**On 31st May 2009, M/s. Spectrum Solutions processes Payroll for all the employees and entitled the following employees for Variable Pay.**

Particulars	Vijay Kumar	Rahul	Mahesh	Ajay
Variable Pay	500		-	1200

**Step 1: Create Attendance Voucher**

Create Attendance Vouchers for **Present days** and **Overtime hours** for May 2009 as per the details given in the above table.

The completed **Attendance Voucher for Present days** is displayed as shown:

Employee Name	Attendance/Production Type	Value	Unit
Ajay	Present	Cur Bal: 38 Days	21 Days
Mahesh	Present	Cur Bal: 41 Days	26 Days
Rahul	Present	Cur Bal: 42 Days	20 Days
Vijay Kumar	Present	Cur Bal: 51 Days	25 Days

Narration:  
Attendance for May 2009.

Accept ?  
Yes or No

Figure 3.16 Attendance Voucher for Present days

- Press **Enter** to accept

In the same way, create an Attendance Voucher for **Overtime Hours**.

The completed **Attendance Voucher for Overtime Hours** is displayed as shown:

The screenshot shows the 'Attendance Voucher Creation' window in Tally ERP 9. The window title is 'Spectrum Software Solutions' and it includes a 'Ctrl + M' icon. The voucher is for 'Attendance' No. 4, dated '31-May-2009' (Sunday). The table below lists the employees and their overtime hours:

Employee Name	Attendance/Production Type	Value	Unit
Ajay	Overtime	Cur Bal: 14- 0.00 Hrs	120 mins
Mahesh	Overtime	Cur Bal: 0- 0.00 Hrs	
Rahul	Overtime	Cur Bal: 0- 0.00 Hrs	
Vijay Kumar	Overtime	Cur Bal: 15- 0.00 Hrs	

Narration:  
Being Overtime details for May 2009.

Accept?  
Yes or No

Figure 3.17 Attendance Voucher for Overtime Hours

- Press **Enter** to accept.

### Step 2: Create Salary Payable Ledger

Before passing the Salary payment voucher, create the following ledger:

Ledger	Pay Head Type	Under
Salary Payable	Not Applicable	Current Liabilities

Go to **Gateway of Tally > Payroll Info. > Pay Heads > Create**

The completed Salary Payable Ledger creation screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions	
Name	: Salary Payable	Total Op. Bal.	
(alias)	:		
<b>Pay Head Info</b> Pay Head Type : <input type="checkbox"/> Not Applicable Under : Current Liabilities		Accept ? Yes or No	
Opening Balance ( on 1-Apr-2009 ) :			

Figure 3.18 Salary Payable Ledger Creation

- Press **Enter** to accept

### Step 3: Create Payroll Voucher

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

1. Press **Ctrl+F4** for **Payroll Voucher**
2. Press **F2**, specify the date as **31-05-2009** and press **Enter**
3. Press **Alt+A** (Payroll Auto Fill) to prefill employee payroll details
4. In the **Payroll Auto Fill** screen,
  - Select **Salary** in the **Process for** field as shown

Payroll Auto Fill		Process List
Process for	: <b>Salary</b>	ESI Contribution
From (blank for beginning)	: 1-5-2009	PF Contribution
To (blank for end)	: 31-5-2009	<b>Salary</b>
Employee Category	: Primary Cost Category	
Employee/Group	: <input type="checkbox"/> All Items	
Payroll Ledger	:	

Figure 3.19 Payroll Autofill with List of Processes

5. Specify **01-05-2009** in the **From** field
6. Specify **31-05-2009** in the **To** field

7. Select **All Items** as **Employee/Group**
8. Select **Salary Payable** in the **Payroll Ledger** field as shown

Payroll Auto Fill

Process for : Salary  
 From (blank for beginning) : 1-5-2009  
 To (blank for end) : 31-5-2009  
 Employee Category : Primary Cost Category  
 Employee/Group : All Items  
 Payroll Ledger : **Salary Payable**

Figure 3.20 Payroll Autofill - Payroll Ledger selection

9. Press **Enter** (All the pay values are calculated for the applicable pay heads for each employee grouped under the selected group).
10. Press **Enter** and specify the pay values for the pay heads defined as user-definable values against each employee
  - Specify **1200** as **Variable Pay** for **Ajay**
  - Specify **500** as **Variable Pay** for **Vijay Kumar**

The completed **Payroll Voucher** for the month of May 2009 is displayed as shown:

Payroll Voucher Creation		Spectrum Software Solutions		Ctrl + M	
<b>Payroll</b> No. 2				31-May-2009 Sunday	
<i>Payroll Auto Fill - (Salary)</i>					
Account : <b>Salary Payable</b> <i>Cur Bal: 0.00 Cr</i>					
Particulars					Amount
↑ ... 16 more					
Professional Tax	200.00	Cr	Cur Bal: 400.00	Cr	
Employee's PF Contribution @ 12%	780.00	Cr	Cur Bal: 1,560.00	Cr	
Employee's ESI Contribution @ 1.75%		Cr	Cur Bal: 0.00	Cr	
					<b>20,559.00</b> Dr
<b>Rahul</b>					
Basic Pay	15,385.00	Dr	Cur Bal: 32,308.00	Dr	
House Rent Allowance	6,154.00	Dr	Cur Bal: 12,923.00	Dr	
Conveyance		Dr	Cur Bal: 0.00	Dr	
Overtime Pay		Dr	Cur Bal: 0.00	Dr	
Variable Pay		Dr	Cur Bal:		
Professional Tax	200.00	Cr	Cur Bal: 400.00	Cr	
Employee's PF Contribution @ 12%	780.00	Cr	Cur Bal: 1,560.00	Cr	
Employee's ESI Contribution @ 1.75%		Cr	Cur Bal: 0.00	Cr	
					<b>13,831.00</b> Dr
<b>Vijay Kumar</b>					
Basic Pay	9,615.00	Dr	Cur Bal: 19,615.00	Dr	
House Rent Allowance	3,846.00	Dr	Cur Bal: 7,846.00	Dr	
Conveyance	800.00	Dr	Cur Bal: 1,600.00	Dr	
Overtime Pay		Dr	Cur Bal: 825.00	Dr	
Variable Pay	500.00	Dr	Cur Bal: 2,000.00	Dr	
Professional Tax	150.00	Cr	Cur Bal: 350.00	Cr	
Employee's PF Contribution @ 12%	780.00	Cr	Cur Bal: 1,560.00	Cr	
Employee's ESI Contribution @ 1.75%		Cr	Cur Bal: 0.00	Cr	
					<b>1,00,570.00</b> Dr
Narration: Pay Period : 1-May-2009 to 31-May-2009					
					<div style="border: 1px solid black; padding: 5px; display: inline-block;"> <b>Accept ?</b>                      Yes or No                 </div>

Figure 3.21 Completed Payroll Voucher

11. Press **Enter** to accept

After passing the above entry, the salaries payable for the month of May 2009 are transferred to the Salary Payable Ledger, at the time of payment of salaries, the amount is reversed.

### Payment of Salaries (Salary Disbursement)

In Tally.ERP 9, a Payment voucher can be used to effect salary disbursement to employees. The payment voucher for the salaries payable may be passed through regular payment voucher or automated using the preset Salary Payment process available in Tally.ERP 9 for error free data input during Payroll Payment entry with the help of Auto Fill facility.

#### Example 4:

*On 31st May 2009, M/s. Spectrum Solutions paid the salaries due for the month of May 2009.*

Before passing the payment voucher, necessary Bank Accounts should be created. To make the Salary payment, follow the steps given below:

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

1. Press **F5** for **Payment Voucher**
2. Press **F2**, specify the date as **31-05-2009** and press **Enter**
3. Press **Alt+A** (Payroll Auto Fill) to prefill employee payroll details

In the **Payment Auto Fill** screen,

- Select **Salary Payment** in the **Process for** field as shown.

Payment Auto Fill		Process List
Process for	: <b>Salary Payment</b>	ESI Challan
From (blank for beginning)	: 1-5-2009	PF Challan
To (blank for end)	: 31-5-2009	Professional Tax Payment
Voucher Date	:	<b>Salary Payment</b>
Employee Category	: Primary Cost Category	
Employee/Group	: All Items	
Bank / Cash Ledger	:	
Payroll Ledger	:	

Figure 3.22 Payment Auto Fill - Payment Process Selection

- Specify **01-05-2009** as **From** period
- Specify **31-05-2009** as **To** period
- Specify **Voucher Date** as **31-05-2009**
- Select **Primary Cost Category** in the **Employee Category** field
- Select **All Items** in the **Employee/Group** field
- Select **HDFC Bank** in the **Bank / Cash Ledger** field as shown.
- Select **Salary Payable** in the **Payroll Ledger** field

The completed **Payment Auto Fill** screen is displayed as shown:

Payment Auto Fill	
Process for	: Salary Payment
From (blank for beginning)	: 1-5-2009
To (blank for end)	: 31-5-2009
Voucher Date	: 31-5-2009
Employee Category	: Primary Cost Category
Employee/Group	: All Items
Bank / Cash Ledger	: HDFC Bank
Payroll Ledger	: <b>Salary Payable</b>

Figure 3.23 Payment Auto Fill screen

4. Press **Enter** and the employee payroll details will appear by default.
5. Enter the details of the transactions in the **Narration** field

The completed **Payroll Payment Entry** screen is displayed as shown:

Accounting Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Payment</b>	No. 6			31-May-2009 Sunday
<i>Payroll Auto Fill - (Salary Payment)</i>				
Account : <b>HDFC Bank</b> Cur Bal: 5,69,571.98 Dr				
Particulars				Amount
<b>Salary Payable</b>				1,09,572.00
Cur Bal: 1,09,572.00 Dr				
Primary Cost Category				
Ajay	12,162.00 Dr			
Mahesh	63,020.00 Dr			
Rahul	20,559.00 Dr			
Vijay Kumar	13,831.00 Dr			
Narration:				1,09,572.00
Ch. No. :245356, Salary Payment for the month of May 2009				
				<input type="button" value="Accept ?"/>
				<input type="button" value="Yes or No"/>

Figure 3.24 Payment Voucher

6. Press **Enter** to accept.

If a partial payment of salaries is made to a particular group of employees, then generate a separate payroll voucher for their payables and pass a separate payment entry based on the settlement. However, Tally.ERP 9 also allows you to modify the payment amount to the Employees.

The unpaid salary will remain as outstanding in the Salary payable account and can be auto-filled in the payment voucher as and when the actual payments are made.



- *If any cash disbursements are made prior to the payment voucher entry, after using the Auto-Fill facility, select the unpaid salaries and enter zero (0) in the amount payable.*
- *If salaries are disbursed by cheque, select individual employee in the Auto Fill Employee Filter and print the cheque for the payment voucher. You have to create separate payroll payment entries for each employee.*



## Lesson 4: Accounting for Employer PF Contributions

On completion of this lesson, you will be able to

- Process Employer's Contributions to Provident Fund (PF)
- Payment of Provident Fund Contributions
- Generate the PF Combined Challan

The Employees' Provident Funds and Miscellaneous Provisions Act is a social security legislation which administers provident fund, family pension and insurance to employees. The Act covers three schemes, namely; **PF** (Provident Fund scheme), **EPS** (Employees' Pension Fund Scheme), **EDLI** (Employees Deposit Linked Insurance scheme).

Under the Employees' Provident Fund scheme, both the employees and employer contribute to the fund at the rate of 12% of the basic wages, dearness allowance, cash value of food concession and retaining allowance (if any), payable to employees per month. The contribution rate is 10% in the case of the following establishments:

- Any covered establishment with less than 20 employees
- Any sick industrial company as specified in the relevant section of Sick Industrial Companies (Special Provisions) Act, 1985 and which has been declared as such by the Board for Industrial and Financial Reconstruction
- Any establishment which has at the end of any financial year accumulated losses equal to or exceeding its entire net worth and
- Any establishment engaged in manufacturing of (a) jute (b) Breed (d) coir and (e) Guar gum Industries/ Factories.

The Contribution payable by the Employer is not to be deducted from the wages of the employee. However, the employer has to deduct employee's share from their Salaries and pay the same in EPF scheme. The deduction can be made only from the wages pertaining to a period for which contribution is paid. However, if there is an accidental omission, the amount can be recovered later.

Out of the employer's contribution of 12% or 10%, the Employer's contribution of 8.33% is diverted to Employees' Pension Scheme and the balance is retained in the EPF scheme. On retirement, the employee gets his full share plus the balance of Employer's share retained to his credit in the EPF account.

Once an establishment is covered under PF, all its departments and branches are covered, irrespective of where they are located.

### **i. Employees' Pension Scheme:**

As discussed above, the employer's contribution of 8.33% is diverted to the fund of the Pension Scheme and the balance 3.67% (1.67%, if the contribution is 10%) is credited in employee's name in Provident Fund account. The contribution of 8.33% is on maximum salary of Rs. 6,500. However, if some employers are paying contribution on salary in excess of Rs. 6,500, the excess contribution will be credited to Provident Fund account and not to Pension scheme.

### **Benefits under the Scheme**

Members will get pension on superannuation or retirement from service and upon disablement during employment. Family pension will be available to the widow/widower for life or till he/she remarries. In addition, children will be entitled to pension, upto 25 years of their age. In case of orphans, pension at enhanced rate is available upon death of widow/widower or ceasing payment of widow pension. Benefit of pension to children or orphan is restricted to two children/orphans. If the person is unmarried or has no family, pension is available to the nominee for a specified period.

### **ii. Employees Deposit Linked Insurance Scheme:**

The purpose of the scheme is to provide life insurance benefits to employees who are already covered under PF/EPF. The employer has to pay a contribution equal to 0.50% of the total wages of the employee. Additionally, administrative charges of 0.01% of total wages have also to be paid by the employer. The employee does not have to contribute any amount to this scheme. The salary limit for coverage of employees is the same as that of the Provident Fund.

### **Benefit to nominee of employee**

In case of death of an employee during employment, his nominee or family member gets an amount equal to average balance in the Provident Fund Account of the deceased employee during the last 12 months.

As discussed earlier, the statutory features viz., EPF & ESI etc., are required to be configured in **F11: Statutory & Taxation** Features. In this section, we will discuss, recording of transactions related to computation and contribution of Provident Fund.

**Illustration 1:**

*On 30th April, 2009 M/s. Spectrum Software Solutions processed Provident Fund contributions for the month of April 2009 and paid the amount in full to EPFO.*

**The same is accounted as shown:**

In Tally.ERP 9, follow the steps given below to process Employer contribution towards Provident Fund:

- Create Employer PF Contribution Masters
- Alter/Modify Salary Details
- Processing Employer PF Contribution
- Processing PF Admin Expenses
- Payment of Provident Fund

**Creation of Employer PF Contribution Masters**

In Tally.ERP 9, Employer contribution towards Employees’ Pension Fund (Employees’ Pension Scheme), Provident Fund, Admin Charges and other PF related ledgers are required to be created separately for appropriate Accounting and reporting. Create the following ledgers in Tally.ERP 9,

1. Employer Contributions Pay Head
2. Employer PF Admin Charges
3. PF Payable Ledger
4. Creation of PF Admin Expenses Ledger

**I. Employer Contributions Pay Head**

Pay Head Name	Pay Head Type	Statutory Pay Type	Under	Affect Net Salary	Calculation Type
Employer EPS @ 8.33%	Employer’s Statutory Contributions	EPS Account (A/c No.10)	Indirect Expenses	No	As computed value
Employer EPF @ 3.67%	Employer’s Statutory Contributions	PF Account (A/c No.1)	Indirect Expenses	No	As computed value

**i. Employer Contribution EPS @ 8.33% Pay Head Creation**

Go to **Gateway of Tally > Payroll Info. > PayHeads > Create**

In the **Pay Heads** Creation screen,

1. Type **Employer EPS @ 8.33%** as the **Name** of the Pay Head
2. Select **Employer’s Statutory Contributions** in the field **Pay Head Type**

3. In the field **Statutory Pay Type**, select **EPS Account (A/c No. 10)** as shown

Pay Head Creation		Spectrum Software Solutions		Total Op. Bal.
Name	: Employer EPS @ 8.33%			
(alias)	:			
<b>Pay Head Info</b>		<b>Employer's Statutory Contributions</b>		
Pay Head Type	: Employer's Statutory Contributions	Employee State Insurance		
Statutory Pay Type	: <b>EPS Account (A/c No. 10)</b>	<b>EPS Account (A/c No. 10)</b>		
Under	: Direct Expenses	PF Account (A/c No. 1)		
Affect Net Salary	? No	Slab Type	Value Basis	
Calculation Type	: As Computed Value			
Calculation Period	: Months			
<b>Rounding Info</b>				
Rounding Method	: Not Applicable			
Opening Balance (on 1-Apr-2009) :				

Figure 4.1 Employer EPS @ 8.33% Pay Head Creation

4. Specify the **Group** as **Indirect Expenses** in the **Under** field and press **Enter**
5. Set **Affect Net Salary** to **No**
6. By default the **Calculation Type** is set to **As Computed Value** and **Calculation Period** as **Months**
7. Select **Normal Rounding** as the **Rounding Method** and **1** as the rounding **Limit** and press **Enter**
  - In the **Computation Info** section,
    - Select **On Specified Formula** in the **Compute** field
    - Press **Enter**, the **Compute** subscreen appears
    - In the **Compute** Sub screen,

- Select **Basic Pay** as the **Add Pay Head** function from the **list of Pay Heads** as shown.

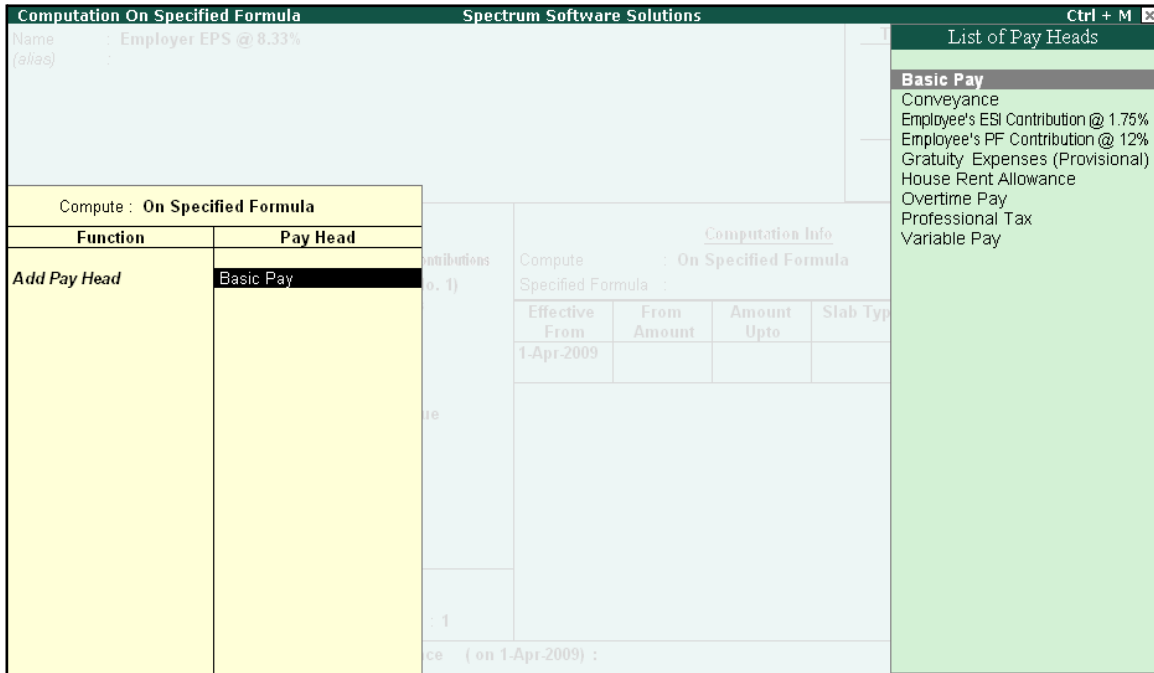


Figure 4.2 Compute Subscreen

- Select **End of List**
  - Specify **1-4-2009** as the **Effective From** date
  - Specify **6500** in the **Amount Upto** column
  - Select **Percentage** as the **Slab Type** from the **List of Slabs** and specify **8.33%** in the **Value Basis** field and press **Enter**
  - The **From Amount** is prefilled as **6500**, press **Enter** to skip the **Amount Upto** field
  - Select **Value** as the **Slab Type** from the **List of Slabs**
  - Specify **541** in the **Value Basis** field and press **Enter**

The completed **Employer EPS @ 8.33% Pay Head Creation** screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions				Total Op. Bal.	
Name : <b>Employer EPS @ 8.33%</b> (alias) :							
<b>Pay Head Info</b> Pay Head Type : <b>Employer's Statutory Contributions</b> Statutory Pay Type : <b>EPS Account (A/c No. 10)</b> Under : <b>Indirect Expenses</b>  Affect Net Salary : <b>? No</b>  Calculation Type : <b>As Computed Value</b> Calculation Period : <b>Months</b>			<b>Computation Info</b> Compute : <b>On Specified Formula</b> Specified Formula : <b>Basic Pay</b>				
			Effective From	From Amount	Amount Upto	Slab Type	Value Basis
			1-Apr-2009		6,500.00	Percentage Value	8.33 % 541
<b>Rounding Info</b> Rounding Method : <b>Normal Rounding</b> Limit : <b>1</b>							
Opening Balance ( on 1-Apr-2009 ) :						Accept ? <b>Yes or No</b>	

Figure 4.3 Completed Employer EPS Pay Head Creation Screen

8. Press **Enter** to accept

**ii. Employer Contribution EPF @ 3.67% Pay Head**

Go to **Gateway of Tally > Payroll Info > PayHeads > Create**

In the **Pay Heads Creation** screen,

1. Type **Employer EPF @ 3.67%** as the **Name** of the Pay Head
2. Select **Employer's Statutory Contributions** in the field **Pay Head Type**
3. In **Statutory Pay Type** filed select **PF Account (A/c No. 1)**

The Pay Head Creation screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions		Total Op. Bal.	
Name : Employer EPF @ 3.67%					
(alias) :					
<b>Pay Head Info</b>		<b>Employer's Statutory Contributions</b>			
Pay Head Type	: Employer's Statutory Contributions	Employee State Insurance		Total	
Statutory Pay Type	: PF Account (A/c No. 1)	EPS Account (A/c No. 10)		Slab Type	Value Basis
Under	: Direct Expenses	PF Account (A/c No. 1)			
Affect Net Salary	? No				
Calculation Type	: As Computed Value				
Calculation Period	: Months				
<b>Rounding Info</b>					
Rounding Method	: Not Applicable				
Opening Balance ( on 1-Apr-2009) :					

Figure 4.4 Employer EPF @ 3.67% Pay Head Creation

4. Specify the **group** as **Indirect Expenses** in the **Under** field and press **Enter**
5. Set **Affect Net Salary** to **No**
6. The **Calculation Type** is defaulted automatically as **As Computed Value** and **Calculation Period** as **Months**
7. Select **Normal Rounding** as the **Rounding Method** and **1** as the rounding **Limit** and press **Enter**
8. In the **Computation Info** section,
  - Select **On Specified Formula** in the **Compute** field
  - Press **Enter** and the **Compute On** subscreen displays
  - In the **Compute** sub-screen,
    - Select **Employee's PF Contribution @ 12%** from the **List of Pay Heads** as the **Add Pay Head** function and press **Enter**
    - Select **Subtract Pay Head** in **Function** and under **Pay Head** select **Employer EPS @ 8.33%** from the **List of Pay Heads**.

The Compute sub-screen is displayed as shown:

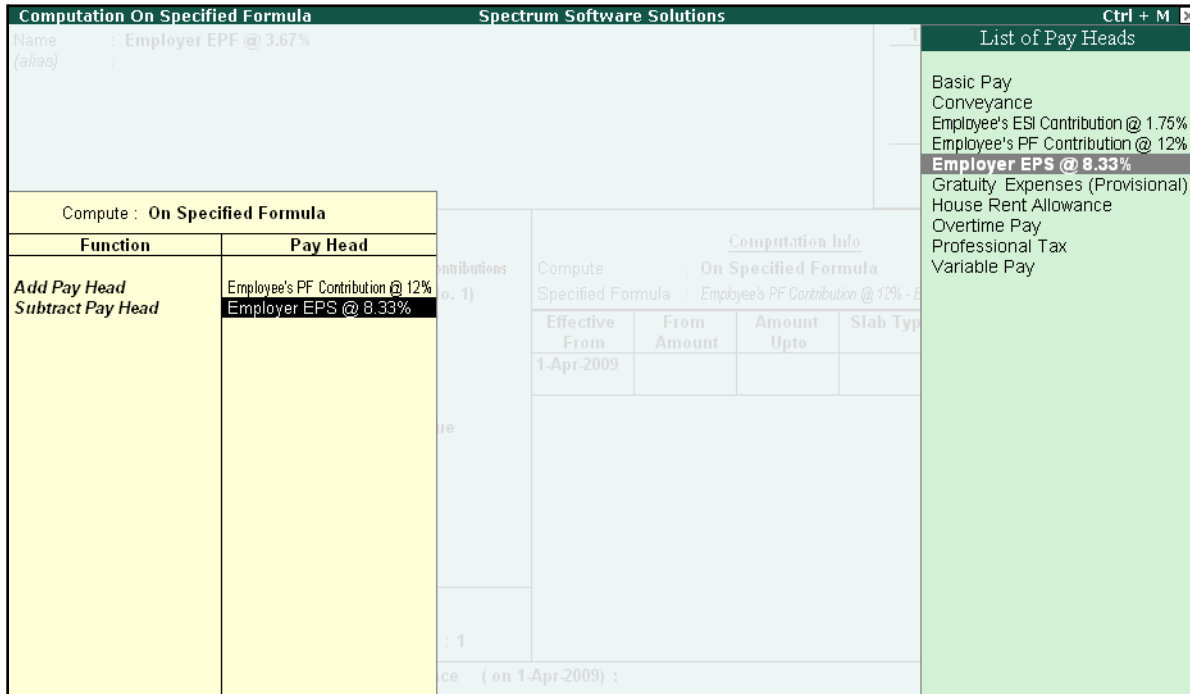


Figure 4.5 Compute Subscreen

- **Select End of List**
  - Specify **1-4-2009** as the **Effective From** date
  - Press **Enter** to skip the **Slab** fields
  - Select **Percentage** as the **Slab Type** from the **List of Slabs**
  - Specify **100%** in the **Value Basis** field and press **Enter**



The completed **Employer EPF @ 3.67% Pay Head Creation** screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions		Total Op. Bal.	
Name : <b>Employer EPF @ 3.67%</b> (alias) :					
<b>Pay Head Info</b>		<b>Computation Info</b>			
Pay Head Type	: <b>Employer's Statutory Contributions</b>	Compute : <b>On Specified Formula</b>			
Statutory Pay Type	: <b>PF Account (A/c No. 1)</b>	Specified Formula : <b>Employee's PF Contribution @ 12% - Employer EPS @ 8.33%</b>			
Under	: <b>Indirect Expenses</b>	<b>Effective From</b>	<b>From Amount</b>	<b>Amount Upto</b>	<b>Slab Type</b>
Affect Net Salary	? <b>No</b>	1-Apr-2009			<b>Percentage</b>
Calculation Type	: <b>As Computed Value</b>				<b>Value Basis</b>
Calculation Period	: <b>Months</b>				<b>100 %</b>
<b>Rounding Info</b>					
Rounding Method	: <b>Normal Rounding</b>	Limit	: <b>1</b>		
Opening Balance ( on 1-Apr-2009 ) :					<b>Accept ?</b>
					<b>Yes or No</b>

Figure 4.6 Completed Employer EPF Pay Head Creation Screen

9. Press **Enter** to accept.



*Alternatively, you can also define the criteria for computation of Employer PF Contribution @ 3.67% Pay head, by selecting Basic Pay in the Compute sub-screen. and defining the percentage as 3.67%.*

## II. Employer PF Admin Charges

Pay Head Name	Pay Head Type	Statutory Pay Type	Under	Affect Net Salary	Calculation Type
PF Admin Charges @ 1.10%	Employer's Other Charges	Admin Charges (A/c No.2)	Current Liabilities	No	As computed value
EDLI Contribution @ 0.5%	Employer's Other Charges	EDLI Contribution (A/c No.21)	Current Liabilities	No	As computed value
EDLI Admin Charges @ 0.01%	Employer's Other Charges	EDLI Admin Charges (A/c No.22)	Current Liabilities	No	As computed value

**i. PF Administrative Charges @ 1.10% Pay Head Creation**

Go to **Gateway of Tally > Payroll Info > PayHeads > Create**

In the **Pay Heads Creation** screen,

1. Type **PF Admin Charges @ 1.10%** as the **Name** of the Pay Head
2. Select **Employer's Other Charges** in the field **Pay Head Type**
3. In **Statutory Pay Type** field, select **Admin Charges (A/c No. 2)** as shown

Pay Head Creation		Spectrum Software Solutions																								
Name	: PF Admin Charges @ 1.10%	<u>Total Op. Bal.</u>																								
(alias)	:																									
<table border="1"> <thead> <tr> <th colspan="2">Pay Head Info</th> <th colspan="2">Employer's Other Charges</th> </tr> </thead> <tbody> <tr> <td>Pay Head Type</td> <td>: Employer's Other Charges</td> <td colspan="2" rowspan="3"> <table border="1"> <tr> <td><b>Admin Charges (A/c No. 2)</b></td> </tr> <tr> <td>EDLI Admin Charges (A/c No. 22)</td> </tr> <tr> <td>EDLI Contribution (A/c No. 21)</td> </tr> </table> </td> </tr> <tr> <td>Statutory Pay Type</td> <td>: <b>Admin Charges (A/c No. 2)</b></td> </tr> <tr> <td>Under</td> <td>: Direct Expenses</td> </tr> <tr> <td>Affect Net Salary</td> <td>? No</td> <td colspan="2"></td> </tr> <tr> <td>Calculation Type</td> <td>: As User Defined Value</td> <td colspan="2"></td> </tr> </tbody> </table>		Pay Head Info		Employer's Other Charges		Pay Head Type	: Employer's Other Charges	<table border="1"> <tr> <td><b>Admin Charges (A/c No. 2)</b></td> </tr> <tr> <td>EDLI Admin Charges (A/c No. 22)</td> </tr> <tr> <td>EDLI Contribution (A/c No. 21)</td> </tr> </table>		<b>Admin Charges (A/c No. 2)</b>	EDLI Admin Charges (A/c No. 22)	EDLI Contribution (A/c No. 21)	Statutory Pay Type	: <b>Admin Charges (A/c No. 2)</b>	Under	: Direct Expenses	Affect Net Salary	? No			Calculation Type	: As User Defined Value				
Pay Head Info		Employer's Other Charges																								
Pay Head Type	: Employer's Other Charges	<table border="1"> <tr> <td><b>Admin Charges (A/c No. 2)</b></td> </tr> <tr> <td>EDLI Admin Charges (A/c No. 22)</td> </tr> <tr> <td>EDLI Contribution (A/c No. 21)</td> </tr> </table>		<b>Admin Charges (A/c No. 2)</b>	EDLI Admin Charges (A/c No. 22)	EDLI Contribution (A/c No. 21)																				
<b>Admin Charges (A/c No. 2)</b>																										
EDLI Admin Charges (A/c No. 22)																										
EDLI Contribution (A/c No. 21)																										
Statutory Pay Type	: <b>Admin Charges (A/c No. 2)</b>																									
Under	: Direct Expenses																									
Affect Net Salary	? No																									
Calculation Type	: As User Defined Value																									
Opening Balance ( on 1-Apr-2009) :																										

Figure 4.7 PF Admin Charges Pay Head creation

4. Specify the group as **Current Liabilities** in the **Under** field and press **Enter**
5. Set **Affect Net Salary** to **No**
6. The **Calculation Type** is defaulted automatically as **As Computed Value** and **Calculation Period** as **Months**
7. The **Rounding Method** is defaulted to **Normal Rounding** and **1** defaulted as the rounding **Limit**
8. In the **Computation Info** section,
  - **On PF Gross** is selected automatically in the **Compute** field
  - Specify **1-4-2009** as the **Effective From** date
  - Specify **6500** in the **Amount Upto** column
  - Select **Percentage** as the **Slab Type** and specify **1.10%** in the **Value Basis** field and press **Enter**

The completed **PF Admin Charges @ 1.10% Pay Head Creation** screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions				Total Op. Bal.	
Name : PF Admin Charges @ 1.10%							
(alias) :							
<b>Pay Head Info</b>			<b>Computation Info</b>				
Pay Head Type	: Employer's Other Charges		Compute : On PF Gross				
Statutory Pay Type	: Admin Charges (A/c No. 2)		<b>Effective From</b>	<b>From Amount</b>	<b>Amount Upto</b>	<b>Slab Type</b>	<b>Value Basis</b>
Under	: Current Liabilities		1-Apr-2009		6,500.00	Percentage	1.10 %
Affect Net Salary	? No						
Calculation Type	: As Computed Value						
Calculation Period	: Months						
<b>Rounding Info</b>							
Rounding Method	: Normal Rounding	Limit	: 1				
Opening Balance ( on 1-Apr-2009) :						<b>Accept ?</b> Yes or No	

Figure 4.8 Completed Pay Head Creation - PF Admin Charges

9. Press **Enter** to accept

**ii. EDLI Contribution @ 0.5% Pay Head Creation**

Go to **Gateway of Tally > Payroll Info > PayHeads > Create**

In the **Pay Heads Creation** screen:

1. Type **EDLI Contribution @ 0.5%** as the **Name** of the Pay Head
2. Select **Employer's Other Charges** in the field **Pay Head Type**.

3. In **Statutory Pay Type** filed select **EDLI Contribution (A/c No. 21)** as shown

Pay Head Creation		Spectrum Software Solutions	
Name	: EDLI Contribution @ 0.5%		
(alias)	:		
			Total Op. Bal.
<b>Pay Head Info</b>		<b>Employer's Other Charges</b>	
Pay Head Type	: Employer's Other Charges	Admin Charges (A/c No. 2)	
Statutory Pay Type	: <b>EDLI Contribution (A/c No. 21)</b>	EDLI Admin Charges (A/c No. 22)	
Under	: Direct Expenses	<b>EDLI Contribution (A/c No. 21)</b>	
Affect Net Salary	? No		
Calculation Type	: As User Defined Value		
Opening Balance ( on 1-Apr-2009 ) :			

Figure 4.9 EDLI Contribution Pay Head Creation

4. Specify the group as **Current Liabilities** in the field **Under** and press **Enter**

5. Set **Affect Net Salary** to **No**

6. In the **Computation Info** screen,

- In the **Compute** field, **On PF Gross** is selected by default.
- Specify **1-4-2009** as the **Effective From** date (In case of a revision in pay structure, you can define the revised computation information for the given pay head, by giving the effective from date)
- The **From Amount** column is automatically skipped, assuming it to be zero. Enter **6500** in the **Amount Upto** column.
- Select **Percentage** as the **Slab Type** from the **List of Slabs**
- Specify **0.5%** in the **Value Basis** field and press **Enter**

The completed **EDLI Contribution @ 0.5% Pay Head Creation** screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions					
Name : EDLI Contribution @ 0.5%					Total Op. Bal.		
(alias) :							
<b>Pay Head Info</b>			<b>Computation Info</b>				
Pay Head Type	: Employer's Other Charges		Compute : On PF Gross				
Statutory Pay Type	: EDLI Contribution (A/c No. 21)		<b>Effective From</b>	<b>From Amount</b>	<b>Amount Upto</b>	<b>Slab Type</b>	<b>Value Basis</b>
Under	: Current Liabilities		1-Apr-2009		6,500.00	Percentage	0.50 %
Affect Net Salary	? No						
Calculation Type	: As Computed Value						
Calculation Period	: Months						
<b>Rounding Info</b>							
Rounding Method	: Normal Rounding		Limit	: 1			
Opening Balance ( on 1-Apr-2009) :						<b>Accept ?</b>	
						<b>Yes or No</b>	

Figure 4.10 Completed Pay Head for EDLI Contribution

7. Press **Enter** to accept and save the Pay Head

### iii. EDLI Administrative Charges @ 0.01% Pay Head Creation

Go to **Gateway of Tally > Payroll Info > PayHeads > Create**

In the **Pay Heads** Creation screen,

1. Type **EDLI Admin Charges @ 0.01%** as the **Name** of the Pay Head
2. Select **Employer's Other Charges** in the field **Pay Head Type**
3. In **Statutory Pay Type** filed select **EDLI Admin Charges (A/c No. 22)**

The Pay Head Creation screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions													
Name	: EDLI Admin Charges @ 0.01%	Total Op. Bal.													
(alias)	:														
<table border="1"> <thead> <tr> <th>Pay Head Info</th> <th>Employer's Other Charges</th> </tr> </thead> <tbody> <tr> <td>Pay Head Type</td> <td>: Employer's Other Charges</td> </tr> <tr> <td>Statutory Pay Type</td> <td>: EDLI Admin Charges (A/c No. 22)</td> </tr> <tr> <td>Under</td> <td>: Direct Expenses</td> </tr> <tr> <td>Affect Net Salary</td> <td>? No</td> </tr> <tr> <td>Calculation Type</td> <td>: As User Defined Value</td> </tr> </tbody> </table>		Pay Head Info	Employer's Other Charges	Pay Head Type	: Employer's Other Charges	Statutory Pay Type	: EDLI Admin Charges (A/c No. 22)	Under	: Direct Expenses	Affect Net Salary	? No	Calculation Type	: As User Defined Value		
Pay Head Info	Employer's Other Charges														
Pay Head Type	: Employer's Other Charges														
Statutory Pay Type	: EDLI Admin Charges (A/c No. 22)														
Under	: Direct Expenses														
Affect Net Salary	? No														
Calculation Type	: As User Defined Value														
Opening Balance (on 1-Apr-2009) :															

Figure 4.11 EDLI Admin Charges Pay Head Creation

- Set **Minimum Rs 2/Employee** to **Yes** if you want the EDLI Admin Charges to be minimum Rs. 2.

*When the option **Minimum Rs 2/Employee** is set to **Yes**, the **EDLI Admin Charges** for each employee is minimum Rs. 2 or actual value as calculated.*



*When this option is set to **No** the **EDLI Admin Charges** are calculated as per the **specified formula**.*

- Specify the group as **Current Liabilities** in the field **Under** and press **Enter**
- Set **Affect Net Salary** to **No**
- In the **Computation Info** screen,
  - On PF Gross** is selected in the **Compute** field, by default
  - Specify **1-4-2009** as the **Effective From** date
  - The **From Amount** column is automatically skipped, assuming it to be zero. Enter **6500** in the **Amount Upto** column
  - Select **Percentage** as the **Slab Type** from the **List of Slabs**
  - Specify **0.01%** in the **Value Basis** field and press **Enter**

The completed **EDLI Admin Charges @ 0.01% Pay Head Creation** screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions					Total Op. Bal.
Name : EDLI Admin Charges @ 0.01%							
(alias) :							
<b>Pay Head Info</b>			<b>Computation Info</b>				
Pay Head Type	: Employer's Other Charges		Compute : On PF Gross				
Statutory Pay Type	: EDLI Admin Charges (A/c No. 22)		Effective From	From Amount	Amount Upto	Slab Type	Value Basis
Minimum Rs 2/Employee	? Yes		1-Apr-2009		6,500.00	Percentage	0.01 %
Under	: Current Liabilities						
Affect Net Salary	? No						
Calculation Type	: As Computed Value						
Calculation Period	: Months						
<b>Rounding Info</b>							
Rounding Method	: Normal Rounding	Limit	: 1				Accept ? Yes or No
Opening Balance ( on 1-Apr-2009 ) :							

Figure 4.12 Completed pay Head for EDLI Admin Charges

7. Press **Enter** to accept and save the Pay Head.

### III. PF Payable Ledger

To process the Employer PF Contribution, create PF Payable Ledger as explained below:

Ledger	Pay Head Type	Under
PF Payable	Not Applicable	Current Liabilities

Go to **Gateway of Tally > Payroll Info. > Payheads > Create**

1. Type **PF Payable** in the **Name** field
2. In the **Pay Head Type** field select **Not Applicable**
3. Specify the Group as **Current Liabilities** in the **Under** field and press **Enter**

The completed **PF Payable** Ledger creation screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions	Total Op. Bal.
Name	: PF Payable		
(alias)	:		
<b>Pay Head Info</b>			
Pay Head Type	: Not Applicable		
Under	: Current Liabilities		
Opening Balance ( on 1-Apr-2009 ) :			Accept ?
			Yes or No

Figure 4.13 Completed PF Payable Ledger Creation

4. Press **Enter** to accept.

#### IV. PF Admin Expenses Ledger

To process the Employer Other Charges (PF Admin, EDLI Contribution and EDLI Admin expenses), create PF Admin Expenses Ledger as explained below:

Ledger	Under
PF Admin Expenses	Indirect Expenses

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

1. In the **Name** field, type **PF Admin Expenses**
2. Specify the group as **Indirect Expenses** in the field **Under** and press **Enter**



The completed **PF Admin Expenses** Ledger creation screen is displayed as shown:

Ledger Creation		Spectrum Software Solutions		Ctrl
Name	: PF Admin Expenses			Total Op. Bal.
(alias)	:			
Under	: Indirect Expenses	Name	:	
Inventory values are affected	? No	Address	:	
		State	:	
		PIN Code	:	
		<b>Tax Information</b>		
		PAN / IT No.	:	
		Sales Tax No.	:	
Opening Balance ( on 1-Apr-2009) :				Accept ?
				Yes or No

Figure 4.14 PF Admin Expenses Ledger Creation

3. Press **Enter** to accept

## Salary Details setup

Once the required Employer Contribution Pay Heads and Admin Expenses ledgers are created, the salary details of the Employee should be altered to constitute the Employer Contribution pay head ledgers for automatic calculations based on the monthly payments made to the Employees.

### Create / Alter Salary Details Master

To update the salary details Master of the Employees, follow the steps given below:

Go to **Gateway of Tally > Payroll Info. > Salary Details > Alter**

1. Select the **Vijay Kumar** one by from the **List of Groups / Employees**
2. Add the Pay Heads **Employer EPS @ 8.33%** and **Employer EPF @ 3.67%**

The completed **Salary Details** screen is displayed as shown:

Salary Details Alteration							Spectrum Software Solutions		Ctrl + M
Name : Vijay Kumar (549)									
Under : Administration ( Primary)									
Salary Details									
Effective From	Pay Head	Rate	Per	Pay Head Type	Calculation Type	Computed On			
1-Apr-2009	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				
	Professional Tax			Employees' Statutory Deductions	As Computed Value	On Current Earnings Total			
	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			
	Gratuity Expenses (Provisional)			Gratuity					
	Employer EPS @ 8.33%			Employer's Statutory Contributions	As Computed Value	Basic Pay			
	Employer EPF @ 3.67%			Employer's Statutory Contributions	As Computed Value	Employee's PF Contribution @ 12% + Employer EPS @ 8.33%			

Accept ?  
Yes or No

Figure 4.15 Salary Details Alteration Screen

Similarly, include Employee Contribution Pay Heads in the Salary Details Masters of other employees.



- It is necessary to include **Employer Contribution Pay Heads** (i.e., **Employer PF and Employer Pension Fund Pay Heads** in the **Salary Structure** of the Employee, to automate the Computation of Employer PF Contribution on the basis of payments made to Employees.
- While, including the Employer Contribution Pay Heads in the Salary Details master, the order of precedence in which the Pay Heads are included must on the basis of their calculation criteria i.e.,
  - i. **Earning Pay Heads**
  - ii. **Deduction Pay Heads**
  - iii. **Professional Tax** or Income Tax Pay Heads (if any)
  - iv. **Employee PF Contribution Pay Heads**
  - v. **Employer PF Contribution Pay Heads**
  - vi. **Gratuity** (Gratuity is calculated on Basic Pay + DA, hence Gratuity Pay Head can be sequenced in the Salary details of an Employer in any order after Earnings Pay Heads).

## Processing Employer PF Contribution

In Tally.ERP 9, you are required to process Employer PF Contributions, PF Admin Charges separately and make the payment towards PF comprising of Employees' PF Contribution, Employer PF Admin Expenses through a combined challan.

Follow the steps explained below to process Provident Fund.

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

1. Press **Ctrl+F4** for **Payroll Voucher**
2. Press **F2**, specify the date as **30-04-2009** and press **Enter**
3. Press **Alt+A (Payroll Auto Fill)** to automate the employee payroll details
4. In the **Payroll Auto Fill** subscreen,
  - Select **PF Contribution** from the **Process List** drop down as shown

Payroll Auto Fill		Process List
Process for	: <b>PF Contribution</b>	ESI Contribution
From (blank for beginning)	: 1-8-2009	<b>PF Contribution</b>
To (blank for end)	: 31-8-2009	Salary
Employee Category	: Primary Cost Category	
Employee/Group	: All Items	
Payroll Ledger	:	

Figure 4.16 Payroll Auto Fill - Process List Selection

*Tally.ERP 9 provides the following predefined processes that will help in processing Payroll transactions:*



- i. **ESI Contribution:** This process is selected to automate computation of Employer ESI Contribution.
- ii. **PF Contribution:** This process is selected to automate computation of Employer PF Contribution
- iii. **Salary:** This process is selected to automate computation of Salaries payable to Employees.

- Specify **1-4-2009** and **30-4-2009** in the **From** and **To** Date fields respectively
- Select **Primary Cost Category** in the **Employee Category** field
- Select **All Items** as **Employee/ Group** field (To process, for a particular group / Employee select the respective Employee / group, as required)

- Select **PF Payable** Ledger from the list of Ledger Accounts drop down in the **Payroll Ledger** field as shown

The screenshot shows the 'Payroll Auto Fill' window in Tally. The window title is 'Spectrum Software Solutions'. The main area displays 'Payroll No. 16' and 'Payroll Auto Fill - (PF Contribution)'. Below this, there is a section for 'Account' with 'Cur Bal: 0.00 Cr' and a 'Particulars' table. A 'Narration' field is at the bottom. A central dialog box titled 'Payroll Auto Fill' contains the following fields:

Process for	: PF Contribution
From (blank for beginning)	: 1-4-2009
To (blank for end)	: 30-4-2009
Employee Category	: Primary Cost Category
Employee/Group	: All Items
Payroll Ledger	: [Redacted]

On the right side, a 'List of Ledger Accounts' window is open, showing a list of accounts: Cash, ESI Payable, HDFC Bank, **PF Payable** (highlighted), and Salary Payable.

Figure 4.17 Employee Filters screen – Payroll Ledger Selection

The values for the Employer PF contributions are prefilled in the Payroll Voucher for PF Contribution process.

The Payroll Voucher for **Employer PF Contribution** is displayed as shown:

Payroll Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Payroll</b> No. 2				30-Apr-2009 Thursday
<i>Payroll Auto Fill - (Salary)</i>				
Account : <b>PF Payable</b> Cur Bal: 0.00 Cr				
Particulars				Amount
<b>Primary Cost Category</b>				<b>3,120.00 Cr</b>
<b>Ajay</b>				<b>780.00 Dr</b>
Employer EPS @ 8.33%	541.00	Dr	Cur Bal: 541.00 Dr	
Employer EPF @ 3.67%	239.00	Dr	Cur Bal: 239.00 Dr	
<b>Mahesh</b>				<b>780.00 Dr</b>
Employer EPS @ 8.33%	541.00	Dr	Cur Bal: 541.00 Dr	
Employer EPF @ 3.67%	239.00	Dr	Cur Bal: 239.00 Dr	
<b>Rahul</b>				<b>780.00 Dr</b>
Employer EPS @ 8.33%	541.00	Dr	Cur Bal: 541.00 Dr	
Employer EPF @ 3.67%	239.00	Dr	Cur Bal: 239.00 Dr	
<b>Vijay Kumar</b>				<b>780.00 Dr</b>
Employer EPS @ 8.33%	541.00	Dr	Cur Bal: 541.00 Dr	
Employer EPF @ 3.67%	239.00	Dr	Cur Bal: 239.00 Dr	
Narration:				<b>3,120.00 Cr</b>
Pay Period : 1-Apr-2009 to 30-Apr-2009				

Figure 4.18 Payroll Voucher Creation - PF Contribution

5. Press **Enter** to accept

The completed Payroll Voucher for **Employer PF Contribution** is displayed as shown:

Payroll Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Payroll</b>	No. 2			30-Apr-2009 Thursday
<i>Payroll Auto Fill - (Salary)</i>				
Account : <b>PF Payable</b> Cur Bal: 0.00 Cr				
Particulars				Amount
<b>Primary Cost Category</b>				<b>3,120.00 Dr</b>
<b>Ajay</b>				<b>780.00 Dr</b>
Employer EPS @ 8.33%	541.00	Dr	Cur Bal: 541.00 Dr	
Employer EPF @ 3.67%	239.00	Dr	Cur Bal: 239.00 Dr	
<b>Mahesh</b>				<b>780.00 Dr</b>
Employer EPS @ 8.33%	541.00	Dr	Cur Bal: 541.00 Dr	
Employer EPF @ 3.67%	239.00	Dr	Cur Bal: 239.00 Dr	
<b>Rahul</b>				<b>780.00 Dr</b>
Employer EPS @ 8.33%	541.00	Dr	Cur Bal: 541.00 Dr	
Employer EPF @ 3.67%	239.00	Dr	Cur Bal: 239.00 Dr	
<b>Vijay Kumar</b>				<b>780.00 Dr</b>
Employer EPS @ 8.33%	541.00	Dr	Cur Bal: 541.00 Dr	
Employer EPF @ 3.67%	239.00	Dr	Cur Bal: 239.00 Dr	
Narration:				<b>3,120.00 Dr</b>
Pay Period : 1-Apr-2009 to 30-Apr-2009				<b>3,120.00 Dr</b>
				<b>3,120.00 Dr</b>

Accept ?

Yes or No

Figure 4.19 Completed PF Contribution screen

6. Press **Enter** to accept.

## Processing PF Admin Expenses

To process the PF Admin Charges, follow the steps given below:

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

1. Press **F7** for **Journal Voucher**
2. Press **F2**, specify the date as **30-04-2009** and press **Enter**
3. Press **Alt+A** (Payroll Auto Fill) to prefill Employer's Other Charges details
  - Specify **1-4-2009** and **30-4-2009** in the **From** and **To** Date fields respectively
  - Select **Primary Cost Category** in the **Employee Category** field
  - Select **All Items** in the **Employee/ Group** field

- Select **PF Admin Expenses** Ledger in the **Expense Ledger** field

The screenshot displays the 'Other Charges Auto Fill' window in Tally. The window title is 'Other Charges Auto Fill' and the company name is 'Spectrum Software Solutions'. The window is divided into two main sections. The left section is for entering journal entries, with fields for 'Journal No. 6', 'Particulars', and 'Narration'. The right section is a 'List of Ledger Accounts' panel, which is currently showing 'PF Admin Expenses' selected. A central dialog box titled 'Other Charges Auto Fill' is open, displaying the following configuration:

Other Charges Auto Fill	
From (blank for beginning)	: 1.4-2009
To (blank for end)	: 30.4-2009
Employee Category	: Primary Cost Category
Employee/Group	: All Items
Expense Ledger	: <b>PF Admin Expenses</b>
Admin Charges (A/c No. 2)	:
EDLI Contribution (A/c No. 21)	:
EDLI Admin Charges (A/c No. 22)	:

Figure 4.20 Employer's Other Charges screen – Expenses Ledger Selection

- Select **PF Admin Charges @ 1.10%** Ledger in the **Admin Charges (A/c No. 2)** field as shown

The screenshot shows the 'Other Charges Auto Fill' window for 'Spectrum Software Solutions'. The window title is 'Other Charges Auto Fill' and it includes 'Journal No. 6'. The main area is titled 'Particulars' and contains a central dialog box with the following details:

Other Charges Auto Fill	
From (blank for beginning)	: 1-4-2009
To (blank for end)	: 30-4-2009
Employee Category	: Primary Cost Category
Employee/Group	: ↓ All Items
Expense Ledger	: PF Admin Expenses
Admin Charges (A/c No. 2)	: <b>PF Admin Charges @ 1.10%</b>
EDLI Contribution (A/c No. 21)	:
EDLI Admin Charges (A/c No. 22)	:

The right-hand pane, titled 'List of Admin Charges Ledgers', shows '↓ Not Applicable' and 'PF Admin Charges @ 1.10%'.

Figure 4.21 Employer's Other Charges screen – Admin Charges Ledger Selection

- Similarly, select **EDLI Contribution @ 0.5%** and **EDLI Admin Charges @ 0.01%** in the **EDLI Contribution (A/c No. 21)** and **EDLI Admin Charges (A/c No. 22)** fields respectively.



The completed Employer's Other Charges subscreen is displayed as shown:

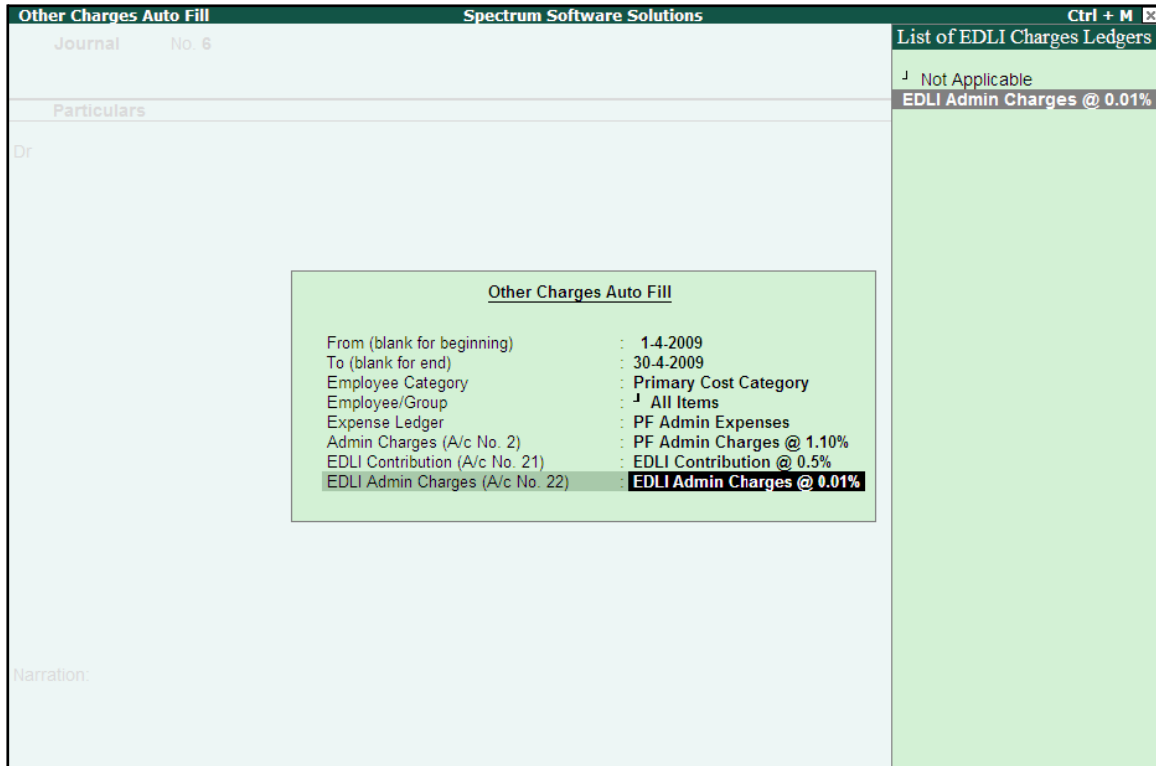


Figure 4.22 Completed Employer's Other Charges screen

- Press **Enter**
4. Type the details of the transaction in the **Narration** field

The completed **Employer PF Expenses** Voucher is displayed as shown:

Accounting Voucher Creation		Spectrum Software Solutions	Ctrl + M
<b>Journal</b> No. 1			30-Apr-2009 Thursday
Account: <b>PF Admin Expenses</b> Cur Bal: 424.00 Dr		Payroll Auto Fill - (Other Charges)	
Particulars		Amount	
<b>PF Admin Charges @ 1.10%</b>		286.00	
Cur Bal: 286.00 Cr			
Primary Cost Category			
Ajay	71.50 Cr		
Mahesh	71.50 Cr		
Rahul	71.50 Cr		
Vijay Kumar	71.50 Cr		
<b>EDLI Contribution @ 0.5%</b>		130.00	
Cur Bal: 130.00 Cr			
Primary Cost Category			
Ajay	32.50 Cr		
Mahesh	32.50 Cr		
Rahul	32.50 Cr		
Vijay Kumar	32.50 Cr		
<b>EDLI Admin Charges @ 0.01%</b>		8.00	
Cur Bal: 8.00 Cr			
Primary Cost Category			
Ajay	2.00 Cr		
Mahesh	2.00 Cr		
Rahul	2.00 Cr		
		1 more ... ↓	
Narration:		424.00	
PF Admin Expenses, EDLI Contribution and EDLI Admin expenses for April 2009.		<input type="button" value="Accept?"/> <input type="button" value="Yes"/> or <input type="button" value="No"/>	

Figure 4.23 Completed PF Expenses Voucher screen

5. Press **Enter** to accept and save.

## Payment of Provident Fund

In Tally.ERP 9, once the process for Employee and Employer contributions to Provident Fund is implemented in the manner as discussed in earlier sections, the total amount payable to EPFO is accumulated separately in three Ledger Accounts, PF Payable Account (Employer Contributions), Employee PF Contributions and the PF Admin Charges Ledger. At the time of making the payment to EPFO, a payment voucher is required to be passed.

To process the payment of Provident Fund, follow the steps given below:

### Step 1: Create PF Payment Voucher

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

1. Press **F5** for **Payment Voucher**
2. Press **F2**, specify **30-04-2009** as the **Voucher Date** and press **Enter**
3. Press **Alt+A** (Payment Auto Fill) to prefill PF details

- Select **PF Challan** in the **Process for** field from the **Process List** screen

Payment Auto Fill		Process List
Process for	: <b>PF Challan</b>	ESI Challan
From (blank for beginning)	: 1-4-2009	<b>PF Challan</b>
To (blank for end)	: 30-4-2009	Professional Tax Payment
Voucher Date	:	Salary Payment
Employee Category	: Primary Cost Category	
Employee/Group	: All Items	
Bank / Cash Ledger	: HDFC Bank	
Payroll Ledger	:	

Figure 4.24 Employee Filters screen - Process Selection

- Enter **1-4-2009** and **30-4-2009** in the **From** and **To Date** fields respectively
- Specify **30-4-2009** in the **Voucher Date** field (This field is prefilled, if the voucher date is specified during Voucher Entry)
- Select **Primary Cost Category** in the **Employee Category** field
- Select **All Items** in the **Employee/ Group** field
- Select **HDFC Bank** in the **Bank / Cash Ledger** field
- Select **PF Payable** Ledger in the **Payroll Ledger** field

Payment Auto Fill		List of Ledger Accounts
Process for	: PF Challan	<b>PF Payable</b>
From (blank for beginning)	: 1-4-2009	Salary Payable
To (blank for end)	: 30-4-2009	
Voucher Date	: 30-4-2009	
Employee Category	: Primary Cost Category	
Employee/Group	: All Items	
Bank / Cash Ledger	: HDFC Bank	
Payroll Ledger	: <b>PF Payable</b>	

Figure 4.25 Employee Filters screen - PF Ledger selection

4. Press **Enter** to prefill **PF Payable Amount** in respect of **Employer Contributions** during the relevant month



The Payment voucher is displayed as shown:

Accounting Voucher Creation		Spectrum Software Solutions	Ctrl + M
<b>Payment</b>	No. 1		30-Apr-2009 Thursday
<i>Payroll Auto Fill - (PF Challan)</i>			
Account : <b>HDFC Bank</b>			
Cur Bal: 8,93,548.00 Dr			
Particulars			Amount
<b>PF Payable</b>			<b>3,120.00</b>
Cur Bal: 0.00 Dr			
Primary Cost Category			
Ajay	780.00 Dr		
Mahesh	780.00 Dr		
Rahul	780.00 Dr		
Vijay Kumar	780.00 Dr		
Provide Details : No			
Narration:			<u>3,120.00</u>

Figure 4.26 PF Payment Voucher with Employer PF Contribution details



5. Press **Enter** again, to prefill the amount of **Employee Contributions** during the relevant month

Accounting Voucher Creation		Spectrum Software Solutions	Ctrl + M
<b>Payment</b> No. 1			30-Apr-2009 Thursday
<i>Payroll Auto Fill - (PF Challan)</i>			
Account : <b>HDFC Bank</b>			
Cur Bal: 8,93,548.00 Dr			
Particulars			Amount
<b>PF Payable</b>			<b>3,120.00</b>
Cur Bal: 0.00 Dr			
Primary Cost Category			
Ajay	780.00 Dr		
Mahesh	780.00 Dr		
Rahul	780.00 Dr		
Vijay Kumar	780.00 Dr		
<b>Employee's PF Contribution @ 12%</b>			<b>3,120.00</b>
Cur Bal: 3,120.00 Cr			
Primary Cost Category			
Ajay	780.00 Dr		
Mahesh	780.00 Dr		
Rahul	780.00 Dr		
Vijay Kumar	780.00 Dr		
Provide Details : <b>No</b>			
Narration:			<u><u>6,240.00</u></u>

Figure 4.27 PF Payment Voucher - with Employee Contribution details

6. Press **Enter** thrice again, to prefill **EDLI Admin Expenses, EDLI Contribution and PF Admin Charges** during the selected month as shown:

Accounting Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Payment</b> No. 1				30-Apr-2009 Thursday
<i>Payroll Auto Fill - (PF Challan)</i>				
Account : <b>HDFC Bank</b> Cur Bal: 8,93,548.00 Dr				
Particulars				Amount
↑ ... 9 more				
Primary Cost Category				
Ajay	780.00	Dr		
Mahesh	780.00	Dr		
Rahul	780.00	Dr		
Vijay Kumar	780.00	Dr		
<b>EDLI Admin Charges @ 0.01%</b>				8.00
Cur Bal: 0.00 Dr				
Primary Cost Category				
Ajay	2.00	Dr		
Mahesh	2.00	Dr		
Rahul	2.00	Dr		
Vijay Kumar	2.00	Dr		
<b>EDLI Contribution @ 0.5%</b>				130.00
Cur Bal: 0.00 Dr				
Primary Cost Category				
Ajay	32.50	Dr		
Mahesh	32.50	Dr		
Rahul	32.50	Dr		
Vijay Kumar	32.50	Dr		
<b>PF Admin Charges @ 1.10%</b>				286.00
Provide Details : No				6 more ... ↓
Narration:				6,664.00

Figure 4.28 PF Payment Voucher with Employer Other charges details

7. Press **Enter** twice

8. Set **Yes** in **Provide Details** field and press **Enter**

9. In the **Provide Details** subscreen,

- Specify **245547** in the **Cheque/ DD No.** field
- Specify **30-4-2009** in the **Cheque/DD Date** field
- Specify **30-4-2009** in the **Challan Date** field
- Type the name of the Depositor in the **Depositor Name** field
- Specify the name of the Bank on which the Cheque is drawn in the **Bank Name** field

The completed **Provide Details** subscreen is displayed as shown:

Provide Details	
Cheque/DD No	: 245547
Cheque / DD Date	: 30-Apr-2009
Challan Date	: 30-Apr-2009
Depositor Name	: Mr. Ram
Bank Name	: <b>HDFC Bank</b>

Figure 4.29 Payment details subscreen

10. Press **Enter** to go back to the **PF Payment Voucher** screen

11. Type the **details of the transaction** in the narration field

The completed **PF Payment Voucher** screen for the month of April 2009, is displayed as shown:

Accounting Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Payment</b> No. 1				30-Apr-2009 Thursday
<i>Payroll Auto Fill - (PF Challan)</i>				
Account : <b>HDFC Bank</b>				
Cur Bal: 8,93,548.00 Dr				
Particulars				Amount
↑ ... 16 more				
Primary Cost Category				
Ajay	2.00 Dr			
Mahesh	2.00 Dr			
Rahul	2.00 Dr			
Vijay Kumar	2.00 Dr			
<b>EDLI Contribution @ 0.5%</b>				130.00
Cur Bal: 0.00 Dr				
Primary Cost Category				
Ajay	32.50 Dr			
Mahesh	32.50 Dr			
Rahul	32.50 Dr			
Vijay Kumar	32.50 Dr			
<b>PF Admin Charges @ 1.10%</b>				286.00
Cur Bal: 0.00 Dr				
Primary Cost Category				
Ajay	71.50 Dr			
Mahesh	71.50 Dr			
Rahul	71.50 Dr			
Vijay Kumar	71.50 Dr			
Provide Details : Yes				
Narration:				
Ch. No. : 245547, PF Payment for April 2009				
				6,661.00
				<b>Accept ?</b>
				Yes or No

Figure 4.30 Completed PF Payment Voucher screen

12. Press **Enter** to accept

**Step 2: Print PF Payment Challan**

- Press **Pg UP** from the **Voucher Entry** screen shown above
- Press **Alt + P**, the **Voucher Printing** screen is displayed as shown:

Voucher Printing			
Printer	: Printer-02 (Ne03:)	Paper Type :	A4
No. of Copies	: 1		
Print Language	: English		(Printing Dimensions)
Method	: Neat Mode	Paper Size :	(8.27" x 11.69") or (210 mm x 297 mm)
Page Range	: All	Print Area :	(7.95" x 11.34") or (202 mm x 288 mm)
Report Titles			
Payment Voucher			
(with Print Preview)			
			<b>Print ?</b>
Print Challan ? Yes			Yes or No

Figure 4.31 Voucher Printing Screen

- In the **Voucher printing** screen, select **Yes** in the **Print Challan** field
- Press **Enter** to Print

The printed **PF Combined Challan** for the month of April 2009 of **M/s. Spectrum Software Solutions** is displayed as shown:

Sl. No.	Particulars	A/c No. 1	A/c No. 2	A/c No. 10	A/c No. 21	A/c No. 22	Total																																																																																
<b>Original</b>																																																																																							
<b>COMBINED CHALLAN NO. 1, 2, 10, 21 &amp; 22 EMPLOYEES' PROVIDENT FUND ORGANISATION</b>																																																																																							
ESTABLISHMENT CODE NO. <b>KAEN1234500129</b>		ACCOUNT GROUP NO. <b>KAEN123450009</b>		PAID BY CHEQUE <input type="checkbox"/> / CASH <input type="checkbox"/>																																																																																			
DUES FOR THE MONTH OF:		Employees' Share		DATE OF PAYMENT:																																																																																			
		M M Y Y Y Y <b>04 2009</b>		D D M M Y Y Y Y <b>30 04 2009</b>																																																																																			
		Employer's Share																																																																																					
		<b>04 2009</b>																																																																																					
Total No. of Subscribers		A/c. 1	A/c. 10	A/c. 21																																																																																			
		<b>4</b>	<b>4</b>	<b>4</b>																																																																																			
Total Wages Due		<b>26,000.00</b>	<b>26,000.00</b>	<b>26,000.00</b>																																																																																			
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 5%;"></td> <td style="width: 40%;"></td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> <td style="width: 5%;"></td> </tr> <tr> <td colspan="8"><b>Part-01</b></td> </tr> <tr> <td>1</td> <td>EMPLOYER'S SHARE OF CONT.</td> <td style="text-align: right;">956.00</td> <td></td> <td style="text-align: right;">2,164.00</td> <td style="text-align: right;">130.00</td> <td></td> <td style="text-align: right;">3,250.00</td> </tr> <tr> <td>2</td> <td>EMPLOYEES' SHARE OF CONT.</td> <td style="text-align: right;">3,120.00</td> <td></td> <td></td> <td></td> <td></td> <td style="text-align: right;">3,120.00</td> </tr> <tr> <td>3</td> <td>ADM CHARGES</td> <td></td> <td style="text-align: right;">286.00</td> <td></td> <td></td> <td style="text-align: right;">8.00</td> <td style="text-align: right;">294.00</td> </tr> <tr> <td>4</td> <td>INSP. CHARGES</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>5</td> <td>PENAL DAMAGES</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>6</td> <td>MISC. PAYMENT/S.7Q INTEREST</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>7</td> <td>PAST ACCUMULATIONS/ARREARS</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td colspan="2" style="text-align: right;"><b>Total</b></td> <td style="text-align: right;"><b>4,076.00</b></td> <td style="text-align: right;"><b>286.00</b></td> <td style="text-align: right;"><b>2,164.00</b></td> <td style="text-align: right;"><b>130.00</b></td> <td style="text-align: right;"><b>8.00</b></td> <td style="text-align: right;"><b>6,664.00</b></td> </tr> </table>																<b>Part-01</b>								1	EMPLOYER'S SHARE OF CONT.	956.00		2,164.00	130.00		3,250.00	2	EMPLOYEES' SHARE OF CONT.	3,120.00					3,120.00	3	ADM CHARGES		286.00			8.00	294.00	4	INSP. CHARGES							5	PENAL DAMAGES							6	MISC. PAYMENT/S.7Q INTEREST							7	PAST ACCUMULATIONS/ARREARS							<b>Total</b>		<b>4,076.00</b>	<b>286.00</b>	<b>2,164.00</b>	<b>130.00</b>	<b>8.00</b>	<b>6,664.00</b>
<b>Part-01</b>																																																																																							
1	EMPLOYER'S SHARE OF CONT.	956.00		2,164.00	130.00		3,250.00																																																																																
2	EMPLOYEES' SHARE OF CONT.	3,120.00					3,120.00																																																																																
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4	INSP. CHARGES																																																																																						
5	PENAL DAMAGES																																																																																						
6	MISC. PAYMENT/S.7Q INTEREST																																																																																						
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(Amount in words : Rs. Six Thousand Six Hundred Sixty Four Only)																																																																																							
NAME OF THE ESTABLISHMENT : <b>Spectrum Software Solutions</b>				<b>(For Bank's use only)</b>																																																																																			
ADDRESS : <b>14, Mysore Road,, Bangalore</b>				Amount Received Rs. : <input type="text"/>																																																																																			
NAME OF THE DEPOSITOR : <b>Mr. Ram</b>				For Cheques only : <input type="text"/>																																																																																			
SIGNATURE OF THE DEPOSITOR :				Date of Presentation : <input type="text"/>																																																																																			
				Date of Realisation : <input type="text"/>																																																																																			
				Branch Name : <input type="text"/>																																																																																			
				Branch Code No. : <input type="text"/>																																																																																			
<b>(TO BE FILLED IN BY EMPLOYER'S)</b>																																																																																							
NAME OF THE BANK <b>HDFC Bank</b>		CHEQUE NO <b>245547</b>		DATE <b>30-Apr-2009</b>																																																																																			

Figure 4.32 Printed PF Payment Challan



## Lesson 5: Accounting for Employer ESI Contributions

### Lesson Objectives

On completion of this lesson, you will be able to

- Process Employer's Contribution to Employees' State Insurance (ESI)
- Payment of ESI Contributions
- Generate the ESI payment Challan

ESI Contribution refers to the amount payable to the Corporation by the Principal Employer in respect of Employees and comprises of the amount payable by the employee as well as the employer.

The employer is required to calculate and remit ESI Contributions comprising of employers' share and employees' share on or before the 21st of the subsequent month in respect of salaries of the related month. The Principal Employer should pay the Employer's share of contribution @ 4.75% in respect of every employee whether employed directly or through an immediate employer. And the Employee's share @ 1.75% has to be recovered by making a deduction from their wages for the respective salary/wages period.

In case, if the employee is drawing upto Rs. 70/- as daily average wage, he is exempt from payment of his share of contribution. However, the employer has to pay employer's share of 4.75% of the Salary payable to the employees.

As discussed earlier, the statutory features viz., EPF & ESI etc., are required to be configured in **F11: Statutory & Taxation** Features. In this section, we will discuss, recording of transactions related to computation and contribution of Employee State Insurance.

**Illustration 1:**

*On 1st June 2009, the list of new joinees with their Salary details are given below:*

Employee Name	Department	Date of Joining
Suresh	Administration	1-6-2009
Rajesh	Sales	10-6-2009

*The Salary details for the above new employees are listed in the table below:*

Pay Head	Suresh	rajesh
Basic Pay	4,500	5000
House Rent Allowance	40%	40%
Conveyance	600	800
Overtime Pay	—	—
Variable Pay	User — defined	
Gratuity Expenses (Provisional)	Only for reporting purpose	
Employee's PF Contribution @ 12%	Applicable based on Slab Rates	
Employee's ESI Contribution @ 1.75%	Applicable based on Slab Rates	
Profession Tax	Applicable based on Slab Rates	

*The Attendance details for the month of June 2009 are given as shown:*

Attendance/ Production Types	Vijay Kumar	Rahul	Mahesh	Ajay	Suresh	Rajesh
Present Days	26	21	20	22	23	21
Overtime hours	120 Min			600 Min		

*The Variable Pay details for the month of June 2009 are given as shown:*

Particulars	Vijay Kumar	Rahul	Mahesh	Ajay	Suresh	Rajesh
Variable Pay	0	0	0	0	0	0

*The same is accounted as shown:*

Create the above employees and their Salary details and then process the Salaries, PF Contributions for the month of June 2009, in the manner as discussed in the earlier chapters. In Tally.ERP 9, follow the steps given below to process Employer contribution towards Employees' State Insurance:

- Create Employer ESI Contribution Masters
- Alter/Modify Salary Details
- Processing Employer ESI Contribution
- Payment of ESI

## Creation of Employer ESI Contribution Masters

In Tally.ERP 9, Employer and Employee's contribution towards Employees' State Insurance (ESI) are required to be created separately for appropriate Accounting and reporting. Create the following ledgers in Tally.ERP 9:

- Employer Contribution Pay Head
- ESI payable Ledger

### I. Create Employer ESI Contribution @ 4.75% Pay Head

Pay Head Name	Pay Head Type	Statutory Pay Type	Under	Affect Net Salary	Calculation Type
Employer ESI @ 4.75%	Employer's Statutory Contributions	Employee State Insurance	Indirect Expenses	No	As Computed Value

Go to **Gateway of Tally > Payroll Info > Pay Heads > Create**

In the **Pay Heads Creation** screen,

1. Type **Employer ESI @ 4.75%** as the **Name** of the Pay Head
2. Select **Employer's Statutory Contributions** in the field **Pay Head Type**
3. Select **Employee State Insurance** in the **Statutory Pay Type** field from the **Employer's Statutory Contributions** drop down

**Pay Head Creation** Spectrum Software Solutions

Name : **Employer ESI @ 4.75%** Total Op. Bal.  
 (alias) :

---

**Pay Head Info**

Pay Head Type : **Employer's Statutory Contributions** Total  
 Statutory Pay Type : **Employee State Insurance** Slab Type  
 Under : **Direct Expenses** Value Basis

Affect Net Salary : ? **No**

Calculation Type : **As Computed Value**

Calculation Period : **Months**

---

**Rounding Info**

Rounding Method : **Not Applicable**

Opening Balance ( on 1-Apr-2009 ) :

Figure 5.1 Pay Head Creation - Employer ESI

4. Specify the group as **Indirect Expenses** in the **Under** field and press **Enter**

5. Set **Affect Net Salary** to **No** and press **Enter**
6. In the **Calculation Type** and **Calculation Period** fields, **As Computed Value** and **Months** are defaulted automatically based on the **Statutory Pay Type** selected.
7. Select **Normal Rounding** as the **Rounding Method** and **1** as the rounding **Limit** and press **Enter**
8. In the **Computation Info** screen,
  - Select **On Specified Formula** in the **Compute** field and press **Enter**
  - In the **Compute** subscreen,
    - Select **Basic Pay** as the **Add Pay Head** function and press **Enter**
    - Select **House Rent Allowance** as the second Pay Head in the **Add Pay Head** Function
    - Similarly, select **Conveyance** and **Overtime Pay** in the **Add Pay Head** function

The **Compute** sub-screen is displayed as shown:

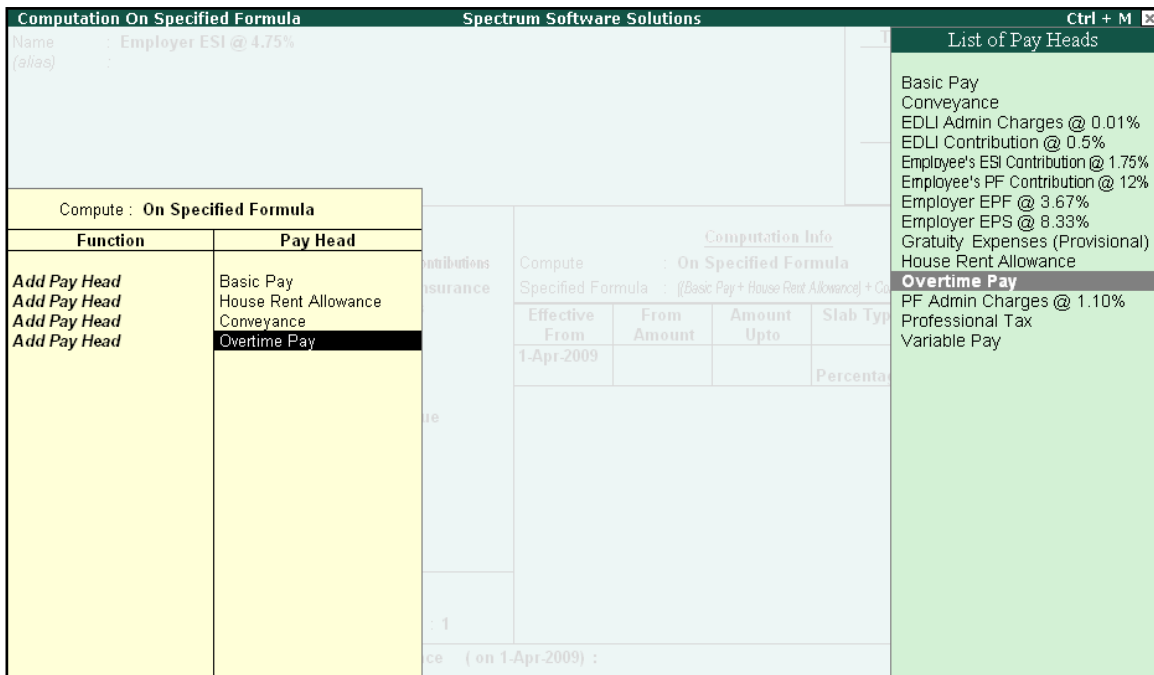


Figure 5.2 Employer ESI Pay Head Creation – Compute sub-screen

- Select **End of List** and press **Enter** to accept the screen



*Any Earning Pay component of a recurring nature will be subject to ESI calculation viz., Basic Pay, Dearness Allowance, House Rent Allowance, Conveyance, Overtime Pay and so on.*

*If you wish to consider a Pay Head (not regular in nature) for **ESI Computation** but don't want to consider the same for **ESI Eligibility**, then set the option **Exclude for ESI Eligibility** to **Yes** in the Pay Head alteration screen.*

*The option **Exclude for ESI Eligibility** will be available in the Pay Head screen by setting the option **Allow to Exclude Pay Head for ESI Eligibility** from the **Pay Head Configurations**.*

- Specify **1-4-2009** in the **Effective From** date field and press **Enter**, the **From Amount** column is automatically skipped, assuming the amount to be **zero**
- The **Amount Upto** field is skipped and automatically defaulted with the amount specified in the **Payroll Statutory Details** screen in **F11: Statutory & Taxation**
- Select **Percentage** in the **Slab Type** field
- Specify **4.75%** as the **Value Basis Percentage** in the **Value Basis** field and press **Enter**

Pay Head Creation		Spectrum Software Solutions				
Name : <b>Employer ESI @ 4.75%</b> (alias) :		Total Op. Bal.				
<p style="text-align: center;"><b>Pay Head Info</b></p> Pay Head Type : <b>Employer's Statutory Contributions</b> Statutory Pay Type : <b>Employee State Insurance</b> Under : <b>Indirect Expenses</b>		<p style="text-align: center;"><b>Computation Info</b></p> Compute : <b>On Specified Formula</b> Specified Formula : <i>((Basic Pay + House Rent Allowance) + Conveyance) + Overtime Pay</i>				
Affect Net Salary	? No	<b>Effective From</b>	<b>From Amount</b>	<b>Amount Upto</b>	<b>Slab Type</b>	<b>Value Basis</b>
Calculation Type	: <b>As Computed Value</b>	1-Apr-2009			Percentage	<b>4.75 %</b>
Calculation Period	: <b>Months</b>					
<p style="text-align: center;"><b>Rounding Info</b></p> Rounding Method : <b>Normal Rounding</b> Limit : <b>1</b>						
Opening Balance ( on 1-Apr-2009) :						

Figure 5.3 Employer ESI Pay Head Creation

In Tally.ERP 9, the Earning Payheads which are selected for computation of Employer ESI contribution are listed in the Specified Formula for easy reference. You can alter / modify the criteria for calculation, by pressing **Enter** in the **Compute** field and redefining the Function Pay components.

- Specify **4.75%** as the **Value Basis Percentage** in the **Value Basis** field and press **Enter**
- Press **Enter** to accept

The completed **Employer ESI Contribution Pay Head Creation** screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions					Total Op. Bal.
Name : <b>Employer ESI @ 4.75%</b> (alias) :							
<b>Pay Head Info</b>			<b>Computation Info</b>				
Pay Head Type	: <b>Employer's Statutory Contributions</b>		Compute	: <b>On Specified Formula</b>			
Statutory Pay Type	: <b>Employee State Insurance</b>		Specified Formula	: <b>((Basic Pay + House Rent Allowance) + Conveyance) + Overtime Pay</b>			
Under	: <b>Indirect Expenses</b>		<b>Effective From</b>	<b>From Amount</b>	<b>Amount Upto</b>	<b>Slab Type</b>	<b>Value Basis</b>
Affect Net Salary	? <b>No</b>		1-Apr-2009			Percentage	4.75 %
Calculation Type	: <b>As Computed Value</b>						
Calculation Period	: <b>Months</b>						
<b>Rounding Info</b>							
Rounding Method	: <b>Normal Rounding</b>		Limit	: <b>1</b>			
Opening Balance ( on 1-Apr-2009) :						<b>Accept ?</b> Yes or No	

Figure 5.4 Completed Employer ESI Pay Head

- Press **Enter** to accept.

## II. Create ESI Payable Ledger

Create ESI Payable Ledger as explained below:

Ledger	Pay Head Type	Under
ESI Payable	Not Applicable	Current Liabilities

Go to **Gateway of Tally > Payroll Info. > Pay Heads > Create**

1. Type **ESI Payable** in the **Name** field
2. In the **Pay Head Type** field select **Not Applicable**
3. Specify the group as **Current Liabilities** in the **Under** field and press **Enter**

The completed **ESI Payable Ledger** creation screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions	
Name	: ESI Payable	Total Op. Bal.	
(alias)	:		
<b>Pay Head Info</b>			
Pay Head Type	: J Not Applicable		
Under	: Current Liabilities		
Opening Balance ( on 1-Apr-2009 ) :			Accept ?
			Yes or No

Figure 5.5 ESI Payable Ledger Creation

4. Press **Enter** to accept

### Salary Details setup

Once the required Employer Contribution Pay Heads are created, the salary details of the Employees should be updated to constitute the Employer Contribution pay head ledgers for automatic calculations based on the monthly payments made to the Employees.

#### Create / Alter Salary Details Master

To update the salary details for the Employees, follow the steps given below:

Go to **Gateway of Tally > Payroll Info. > Salary Details > Alter**

1. Select **Vijay Kumar** from the **List of Groups / Employees**
2. Tab down to the last line and select **Employer ESI @ 4.75%** Pay Head from the **List of Pay Heads**
3. Press **Enter** to select **End of List**

The completed **Salary Details Alteration** screen is displayed as shown:

Salary Details Alteration						
Spectrum Software Solutions						
Name : Vijay Kumar (549)						
Under : Administration ( <sup>1</sup> Primary)						
Salary Details						
Effective From	Pay Head	Rate	Per	Pay Head Type	Calculation Type	Computed On
1-Apr-2009	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	
	Professional Tax			Employees' Statutory Deductions	As Computed Value	On Current Earnings Total
	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
	Gratuity Expenses (Provisional)			Gratuity		
	Employer EPS @ 8.33%			Employer's Statutory Contributions	As Computed Value	Basic Pay
	Employer EPF @ 3.67%			Employer's Statutory Contributions	As Computed Value	Employee's PF Contribution @ 12% + Employer EPS @ 8.33%
	Employer ESI @ 4.75%			Employer's Statutory Contributions	As Computed Value	{Basic Pay + House Rent Allowance} + Conveyance + Overtime Pay

Accept ?  
Yes or No

Figure 5.6 Salary Details Alteration screen

4. Press **Enter** to Accept



- It is necessary to include **Employer ESI Contribution Pay Head** in the **Salary Structure** of the Employees, to automate the Computation of Employer ESI Contribution on the basis of payments made to Employees.
- While, including the Employer Contribution Pay Heads in the Salary Details master, the order of precedence in which the Pay Heads are included on the basis of their calculation criteria i.e.,
  - i. **Earning Pay Heads**
  - ii. **Deduction Pay Heads**
  - iii. **Employee PF Contribution Ledgers**
  - iv. **Professional Tax** or Income Tax Ledger (if any)
  - v. **Employer PF Contribution Ledgers**
  - vi. **Employer ESI Contribution Ledgers**
  - vii. **Gratuity** (Gratuity is calculated on Basic Pay + DA, hence Gratuity Pay Head can be sequenced in the Salary details of an Employer in any order).

Similarly, include **Employer ESI @ 4.75%** Pay Head in the Salary details of all other Employees.



## Processing Employer ESI Contribution

In Tally.ERP 9, you can process Employer ESI Contributions and make the payment towards ESI comprising of Employees' and Employer's ESI Contribution through a challan. To process the ESI Contribution for June 2009, follow the steps given below:

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

1. Press **Ctrl+F4** for **Payroll Voucher**
2. Press **F2**, specify the date as **30-06-2009** and press **Enter**
3. Press **Alt+A** (Payroll Auto Fill) to prefill employee payroll details
4. In the **Payroll Auto Fill** subscreen,
  - Select **ESI Contribution** from the **Process List** as shown:

Payroll Auto Fill		Process List
Process for	: <b>ESI Contribution</b>	<b>ESI Contribution</b>
From (blank for beginning)	: 1-4-2009	PF Contribution
To (blank for end)	: 30-4-2009	Salary
Employee Category	: Primary Cost Category	
Employee/Group	: All Items	
Payroll Ledger	:	

Figure 5.7 Payroll Autofill - ESI process selection

- Specify **1-6-2009** and **30-6-2009** in the **From** and **To** Date fields respectively
- Select **Primary Cost Category** as **Employee Category** field
- Select **All Items** in the **Employee/ Group** field

- Select **ESI Payable** Ledger in the **Payroll Ledger** field as shown:

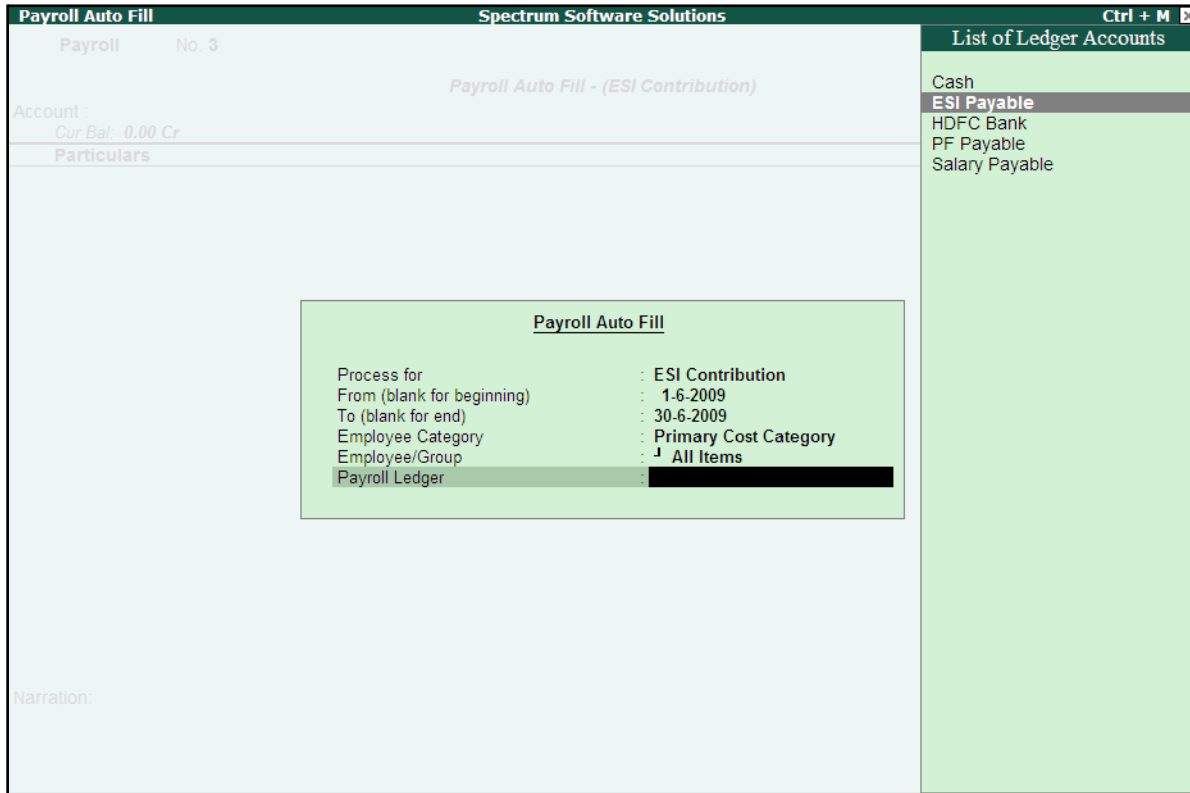


Figure 5.8 Payroll Autofill – Payroll Ledger selection

5. Press **Enter** to accept and go back to the Payroll Voucher screen

The completed **Employer ESI Contribution** Voucher Creation screen is displayed as shown:

Payroll Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Payroll</b> No. 7				30-Jun-2009 Tuesday
<i>Payroll Auto Fill - (ESI Contribution)</i>				
Account : <b>ESI Payable</b> Cur Bal: 0.00 Cr				
Particulars				Amount
<b>Primary Cost Category</b>				<b>600.00 Dr</b>
<b>Ajay</b>				
Employer ESI @4.75%	Dr	Cur Bal:		
<b>Mahesh</b>				
Employer ESI @4.75%	Dr	Cur Bal:		
<b>Rahul</b>				
Employer ESI @4.75%	Dr	Cur Bal:		
<b>Rajesh</b>				
Employer ESI @4.75%	307.00 Dr	Cur Bal: 307.00 Dr		<b>307.00 Dr</b>
<b>Suresh</b>				
Employer ESI @4.75%	293.00 Dr	Cur Bal: 293.00 Dr		<b>293.00 Dr</b>
<b>Vijay Kumar</b>				
Employer ESI @4.75%	Dr	Cur Bal:		
Narration: Pay Period : 1-Jun-2009 to 30-Jun-2009				<b>600.00 Dr</b>
				<div style="border: 1px solid black; padding: 5px; display: inline-block;">                     Accept ?                      Yes or No                 </div>

Figure 5.9 Completed ESI Voucher

6. Press **Enter** to accept



- The **Employer ESI contribution** will be computed automatically upon selection of **ESI Contribution Process** during Payroll Voucher Entry. However, only for employees those who meet the criteria of monthly earnings not exceeding the prescribed limits will be subject to ESI Contribution.
- In the same way while processing Salaries, the **Employees ESI Contribution** will also be computed based on the Eligibility amount prescribed in **F11: Statutory & Taxation Features**.

## Payment of ESI

In Tally.ERP 9, once the process for Employee and Employer contributions to Employee’s state Insurance is implemented in the manner as discussed in earlier sections, the total amount payable to ESIC comprising of Employee’s Contribution as well as Employer’s contribution to ESI is accumulated separately in the ESI Payable Ledger. At the time of making the payment to ESIC, a payment voucher is required to be passed.

To process the payment of ESI and generate ESI Challan, follow the steps given below:

**Step 1: Create ESI Payment Voucher**

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

1. Press **F5** for **Payment Voucher**
2. Press **F2**, specify the date as **30-06-2009** and press **Enter**
3. Press **Alt+A** (Payroll Auto Fill) to prefill employee payroll details
4. In the **Payment Auto Fill** subscreen,
  - Select **ESI Challan** from the Process List as shown:

Payment Auto Fill		Process List
Process for	: <b>ESI Challan</b>	<b>ESI Challan</b>
From (blank for beginning)	: 1-4-2009	PF Challan
To (blank for end)	: 30-4-2009	Professional Tax Payment
Voucher Date	:	Salary Payment
Employee Category	: Primary Cost Category	
Employee/Group	: J All Items	
Bank / Cash Ledger	: HDFC Bank	
Payroll Ledger	:	

Figure 5.10 Employee Filters subscreen - ESI Process Selection

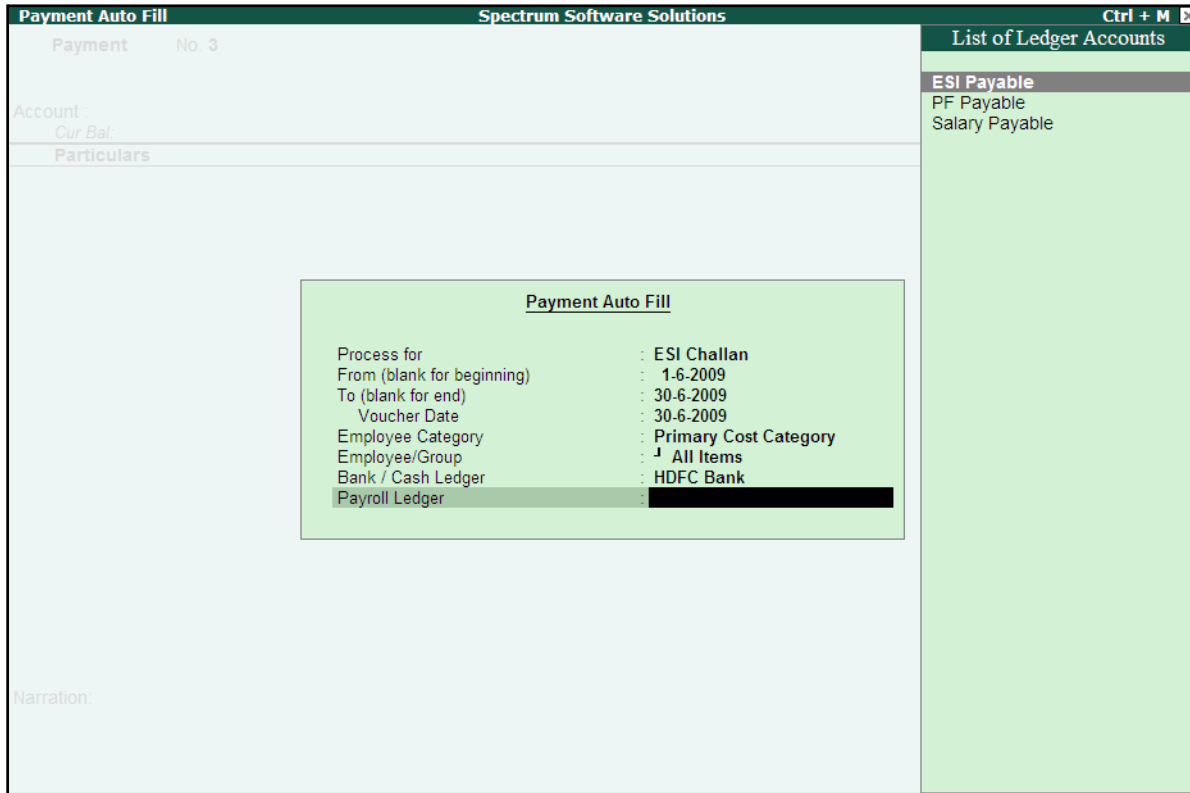
- Specify **1-6-2009** and **30-6-2009** in the **From** and **To** Date fields respectively
- Specify **30-6-2009** in the **Voucher Date** field (This field is prefilled, if the voucher date is specified during Voucher Entry)
- Select **Primary Cost Category** in the **Employee Category** field
- Select **All Items** in the **Employee/ Group** field

- Select **HDFC Bank** in the **Bank / Cash Ledger** field

The screenshot displays the 'Payment Auto Fill' window from Spectrum Software Solutions. The window title bar includes 'Payment Auto Fill', 'Spectrum Software Solutions', and 'Ctrl + M'. The main area is divided into two panes. The left pane shows a form with fields for 'Payment No. 3', 'Account:', 'Cur Bal:', 'Particulars', and 'Narration:'. A central dialog box titled 'Payment Auto Fill' is open, listing various filters: 'Process for : ESI Challan', 'From (blank for beginning) : 1-6-2009', 'To (blank for end) : 30-6-2009', 'Voucher Date : 30-6-2009', 'Employee Category : Primary Cost Category', 'Employee/Group : All Items', 'Bank / Cash Ledger : **HDFC Bank**', and 'Payroll Ledger :'. The right pane, titled 'List of Ledger Accounts', shows a list with 'Cash' and 'HDFC Bank', where 'HDFC Bank' is highlighted.

Figure 5.11 Employee Filters Subscreen – Bank Ledger Selection

- Select **ESI Payable** Ledger in the **Payroll Ledger** field



**Payment Auto Fill**      Spectrum Software Solutions      Ctrl + M

Payment No. 3

Account :  
Cur Bal:

Particulars

**Payment Auto Fill**

Process for : ESI Challan  
 From (blank for beginning) : 1-6-2009  
 To (blank for end) : 30-6-2009  
 Voucher Date : 30-6-2009  
 Employee Category : Primary Cost Category  
 Employee/Group : All Items  
 Bank / Cash Ledger : HDFC Bank  
 Payroll Ledger : [Redacted]

**List of Ledger Accounts**

ESI Payable  
 PF Payable  
 Salary Payable

Narration:

Figure 5.12 Employee Filters Subscreen - Payroll Ledger Selection

5. Press **Enter** to accept and go back to the **Payment Voucher** screen

6. Press **Enter** to prefill the Employer's ESI Contribution amount for the eligible Employees

Accounting Voucher Creation		Spectrum Software Solutions	Ctrl + M
<b>Payment</b>	No. 6		30-Jun-2009 Tuesday
<i>Payroll Auto Fill - (ESI Challan)</i>			
Account : <b>HDFC Bank</b>			
Cur Bal: 7,61,334.69 Dr			
Particulars			Amount
<b>ESI Payable</b>			<b>600.00</b>
Cur Bal: 0.00 Dr			
Primary Cost Category			
Ajay			
Mahesh			
Rahul			
Rajesh			307.00 Dr
Suresh			293.00 Dr
Vijay Kumar			
Provide Details : No			
Narration:			600.00

Figure 5.13 ESI Payment Voucher with Employer Contributions

7. Press **Enter** again, to prefill the Employee's ESI Contribution amount against the eligible Employees

Accounting Voucher Creation		Spectrum Software Solutions	Ctrl + M
<b>Payment</b>	No. 6		30-Jun-2009 Tuesday
<i>Payroll Auto Fill - (ESI Challan)</i>			
Account : <b>HDFC Bank</b> Cur Bal: 7,61,334.69 Dr			
Particulars	Amount		
<b>ESI Payable</b>	<b>600.00</b>		
Cur Bal: 0.00 Dr			
Primary Cost Category			
Ajay			
Mahesh			
Rahul			
Rajesh	307.00 Dr		
Suresh	293.00 Dr		
Vijay Kumar			
<b>Employee's ESI Contribution @ 1.75%</b>			<b>221.00</b>
Cur Bal: 0.00 Dr			
Primary Cost Category			
Ajay			
Mahesh			
Rahul			
Rajesh	113.00 Dr		
Suresh	108.00 Dr		
Vijay Kumar			
Provide Details	: No		
Narration:			<b>821.00</b>

Figure 5.14 ESI Payment Voucher with both Employee and Employer Contributions

8. Press **Enter** twice

9. Set **Yes** in the **Provide Details** field and press **Enter**

10. In the Provide Details subscreen, specify the **Cheque / DD No., Cheque / DD Date and Bank & Branch Code** Details as shown:

Provide Details	
Cheque/DD No	: 234765
Cheque / DD Date	: 30-Jun-2009
Challan Date	: 30-Jun-2009
Bank & Branch Code	: <b>HDFC &amp; 1002452</b>

Figure 5.15 Complete Provide Details subscreen

11. Press **Enter** to accept

12. Type the details of the transaction in the narration field



The completed **ESI Payment Voucher** for the month of June 2009 is displayed as shown:

Accounting Voucher Creation		Spectrum Software Solutions	Ctrl + M
<b>Payment</b>	No. 6		30-Jun-2009 Tuesday
<i>Payroll Auto Fill - (ESI Challan)</i>			
Account : <b>HDFC Bank</b> <i>Cur Bal: 7,61,334.69 Dr</i>			
Particulars			Amount
<b>ESI Payable</b>			600.00
<i>Cur Bal: 0.00 Dr</i>			
Primary Cost Category			
Ajay			
Mahesh			
Rahul			
Rajesh 307.00 Dr			
Suresh 293.00 Dr			
Vijay Kumar			
<b>Employee's ESI Contribution @ 1.75%</b>			221.00
<i>Cur Bal: 0.00 Dr</i>			
Primary Cost Category			
Ajay			
Mahesh			
Rahul			
Rajesh 113.00 Dr			
Suresh 108.00 Dr			
Vijay Kumar			
Provide Details : <b>Yes</b>			
Narration:			
Ch. No. : 234765, ESI Contribution for June 2009.			
			621.00

**Accept ?**

Yes or No

Figure 5.16 Completed ESI Payment Voucher

13. Press **Enter** to accept

**Step 2: Print ESI Payment Challan**

- Press **Pg UP** from the above **Voucher Entry** screen
- Press **Alt + P**, the **Voucher Printing** screen is displayed as shown:

Voucher Printing	
<b>Printer</b> : Printer-02 (Ne03:)	<b>Paper Type</b> : A4
<b>No. of Copies</b> : 1	
<b>Print Language</b> : English	<i>(Printing Dimensions)</i>
<b>Method</b> : Neat Mode	<b>Paper Size</b> : (8.27" x 11.69") or (210 mm x 297 mm)
<b>Page Range</b> : All	<b>Print Area</b> : (7.95" x 11.34") or (202 mm x 288 mm)
Report Titles	
<b>Payment Voucher</b>	
(with Print Preview)	
Print Challan	? Yes
<div style="border: 1px solid black; padding: 5px; display: inline-block;"> <b>Print ?</b>            Yes or No         </div>	

Figure 5.17 ESI Voucher Printing Screen

- In the **Voucher printing** screen, select **Yes** in the **Print Challan** field
- Press **Enter** to Print

The printed **ESI Payment Challan** for the month of June 2009 of **M/s. Spectrum Software Solutions** is as shown:

EMPLOYEES' STATE INSURANCE CORPORATION		Challan Form for Deposit in A/C No.1		Original For Bank
Employer's Code : <b>KA/BN/12345/234234</b>		Date	Month	Year
		30	06	2009
Bank & Branch Code : <b>HDFC &amp; 1002452</b>				
Name & Address of the Factory or Establishment: <b>Spectrum Software Solutions, 14, Mysore Road,, Bangalore</b>				
Mode of Payment [Tick mode used]		Cash <input type="checkbox"/> Cheque <input type="checkbox"/> DD <input type="checkbox"/>		
Cheque/DD No. : 234765		Dated	30	06 2009
Drawn on (Name of the Bank)      HDFC & 1002452		Period of Contribution		
		Month	Year	
		06	2009	
Nature of Payment [Tick]		Regular Contribution <input type="checkbox"/> Interest <input type="checkbox"/> Damages <input type="checkbox"/> Others <input type="checkbox"/>		
No. of Employees                      2		Total Wages		
		Rs.      Ps. <b>12,626.00</b>		
Employees' Contribution		<b>221.00</b>		
Employer's Contribution		<b>600.00</b>		
Interest				
Damages				
Others				
Total		<b>821.00</b>		
Total Amount (in words) <b>Rs. Eight Hundred Twenty One Only.</b>				
R.O. Demand Letter No. & Date				
Date of Presentation	Date of Clearing			
BANK SEAL	BANK SEAL			
		(Acknowledgement)		
(to be filled by Depositor)				
Received Rs. 821.00				
<b>(Rs. Eight Hundred Twenty One Only.)</b>				
In cash/by Cheque/DD No. <u>234765</u> Dated <u>30-Jun-2009</u>				
(subject to realisation) drawn on HDFC & 1002452				
(Bank) in favour of ESIC A/C No.1				
(For Bank Branch Code see on reverse)				
		Signature		
		Name & Designation-Seal of Authorised Signatory		
		For use in Bank		
		Bank Scroll No.		
		Date		
		Authorised signature & seal of the Receiving Bank		
Note: Please put cross (x) mark in blank boxes				

Figure 5.18 Printed ESI Payment Challan

## Lesson 6: Payment of Professional Tax

On completion of this lesson, you will be able to:

- Process payment of Professional Tax

### 6.1 Processing of Professional Tax Payment

Professional Tax is applicable to those individuals or professionals in India who are involved in any profession or trade. The state government of each state governs and administers the levy and collection of Professional Tax in the respective State. The state is empowered with the responsibility of structuring as well as formulating the professional tax criteria for the respective state. Professional tax is charged on the income of Individuals, profits of business or gains in vocations as per the list II of the Indian Constitution.

In India, Professional Tax slabs vary from state to state and some of the states have formulated different professional tax slabs for men, women and senior citizens. The rates depend upon profession, years in the profession and the amount of income or turnover and so on. In Karnataka, the professional taxes leviable are as follows:

S.No	Salary or wage earners whose salary or wage or both, as the case may be, for a month is,	Tax Amount
(a)	Less than Rs.5000	Rs. 0 Per month
(b)	Not less than Rs. 5,000 but less than Rs.8,000	Rs. 60 Per month
(c)	Not less than Rs.8,000 but less than Rs.10,000	Rs.100 Per month
(d)	Not less than Rs.10,000 but less than Rs.15,000	Rs.150 Per month
(e)	Rs. 15,000 and above	Rs.200 Per month

The creation of **Professional Tax** Pay Head is discussed in detail in the **Creation of Masters** chapter and the procedure to process **Professional Tax Deduction** from Employee Salaries is discussed in detail in **Processing Payroll in Tally.ERP 9** Chapter. In this section, we will discuss the recording of transactions related to payment of Professional Tax.

### Illustration 1:

*On 30th April, 2009 M/s. Spectrum Software Solutions made a payment of Professional Tax for the month of April 2009.*

The same is accounted as shown:

#### Create Payment Voucher

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

1. Press **F5** for **Payment** Voucher
2. Press **F2**, specify the date as **30-04-2009** and press **Enter**
3. Press **Alt+A** (Payroll Auto Fill) to prefill employee payroll details
4. In **Employee Filters** screen,
  - Select **Professional Tax Payment** from the **Process List**
  - Specify **1-4-2009** and **30-4-2009** in the **From** and **To** date fields respectively
  - Specify **30-4-2009** in the **Voucher Date** field (This field is prefilled, if the voucher date is specified during Voucher Entry)
  - Select **Primary Cost Category** in the **Employee Category** field
  - Select **All Items** in the **Employee/ Group** field

- Select **HDFC Bank** in the **Bank / Cash Ledger** field

The screenshot shows the 'Payment Auto Fill' window in Tally. The window title is 'Payment Auto Fill' and 'Spectrum Software Solutions'. The main area contains a 'Payment' form with 'No. 3' and a 'Particulars' table. A 'Payment Auto Fill' dialog box is open, displaying the following details:

Process for	: Professional Tax Payment
From (blank for beginning)	: 1-4-2009
To (blank for end)	: 30-4-2009
Voucher Date	: 30-4-2009
Employee Category	: Primary Cost Category
Employee/Group	: All Items
Bank / Cash Ledger	: <b>HDFC Bank</b>
Payroll Ledger	:

On the right side, the 'List of Ledger Accounts' panel is visible, showing 'Cash' and 'HDFC Bank' as options, with 'HDFC Bank' selected.

Figure 6.1 Employee Filters screen - Payment Ledger Selection

- Select **Professional Tax** in the **Payroll Ledger** field

The completed **Employee Filters** screen will be displayed as shown:

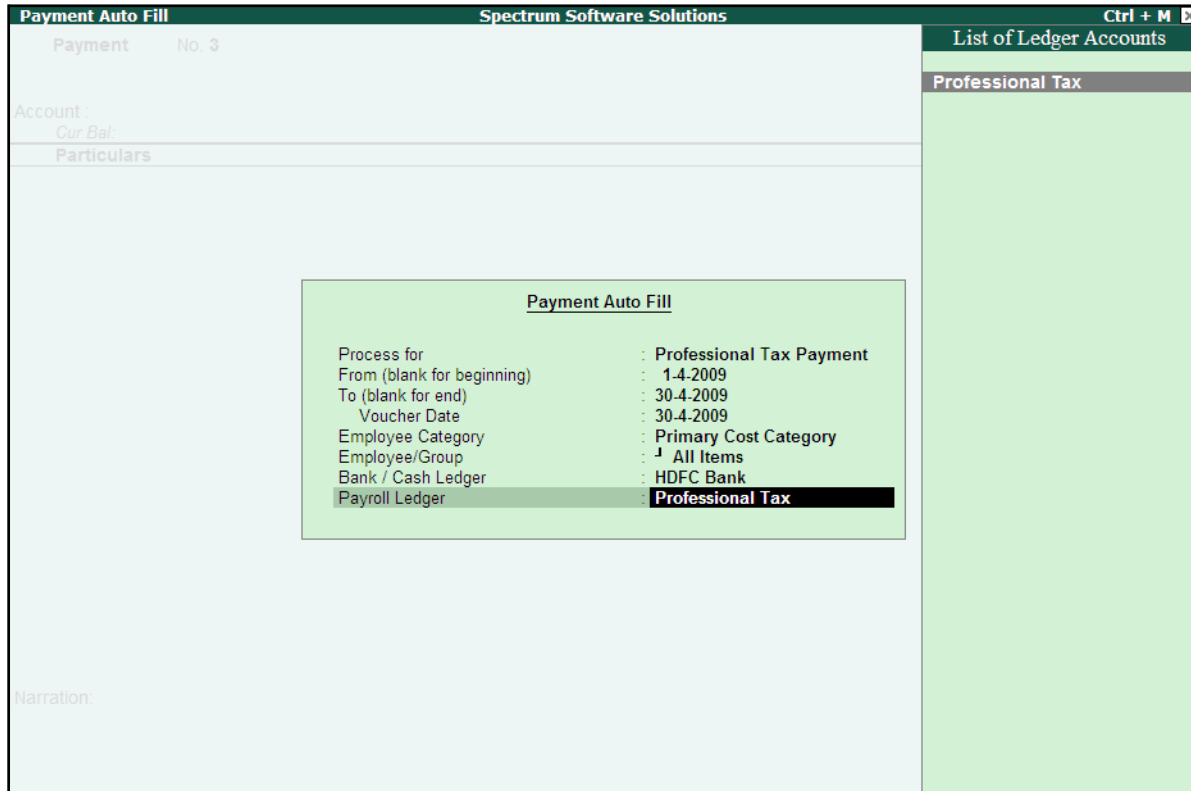


Figure 6.2 Completed Employee Filters screen

- Press **Enter** to accept the screen and go back to the **Payment Voucher** screen
- Press **Enter** to prefill the Professional Tax amount in the Payment Voucher

The completed **Professional Tax** Payment Voucher is displayed as shown:

Accounting Voucher Creation		Spectrum Software Solutions	Ctrl + M
<b>Payment</b>	No. 2		30-Apr-2009 Thursday
<i>Payroll Auto Fill - (Professional Tax Payment)</i>			
Account : <b>HDFC Bank</b> Cur Bal: 9,94,086.00 Dr			
Particulars			Amount
<b>Professional Tax</b>			750.00
Cur Bal: 0.00 Dr			
<b>Primary Cost Category</b>			
Ajay	150.00 Dr		
Mahesh	200.00 Dr		
Rahul	200.00 Dr		
Rajesh			
Suresh			
Vijay Kumar	200.00 Dr		
Provide Details : <b>Yes</b>			
Narration: Ch. No. :245887, PT amount for April 2009.			750.00
			<div style="border: 1px solid black; padding: 5px; display: inline-block;"> <b>Accept ?</b>  <span style="color: red;">Yes</span> or <span style="color: red;">No</span> </div>

Figure 6.3 Completed Professional Tax Payment Voucher

5. Press **Enter** to Accept.

Similarly, process the Professional Tax payments for other months.



- The creation of **Professional Tax** Pay Head is discussed in detail in **Creation of Masters** chapter.
- The procedure to process **Professional Tax Deduction** from Employee Salaries is discussed in detail in the chapter **Processing Payroll in Tally.ERP 9**.



## Lesson 7: Tracking of Salary Advances / Loans

On completion of this lesson, you will be able to:

- Track Salary Advances / Loans and recoveries in Tally.ERP9

Tally.ERP 9 helps you track Salary Advance / loans given to employees and provides the flexibility to specify simple to complex criteria for Recovery of Salary Advances or loans viz., Flat or manual deduction and provision of lumpsum loan recovery and so on. Tally.ERP 9 also allows you to generate a Month wise break-up report for the amount of loan disbursed, recovery of instalments made and balance amount of Loan / Salary advance. Further, you can also use the Interest Calculation feature of Tally.ERP 9 to compute interest on loans to employee etc.

In Tally.ERP 9, tracking of Salary Advances / Loans paid to employees follow the steps given below:

- Creation of Masters
- Modify / Alter Salary Details
- Payment of Salary Advance
- Recovery of Salary Advance

### Creation of Masters

Tally.ERP 9 allows you to create different ledgers for different types of Loans / Salary Advances. Create the following ledger:

Ledger	Pay Head Type	Under
Staff Salary Advance	Loans and Advances	Loans and Advances (Asset)

### I. Create Salary Advance Ledger

Go to **Gateway of Tally > Payroll Info. > Pay Heads > Create**

1. Type **Staff Salary Advance** in the **Name** field
2. Select **Loans and Advances** in the **Pay Head Type** field
3. Specify the group as **Loans and Advances (Asset)** in the **Under** field and press **Enter**
4. Set **Affect Net Salary** to **Yes**
5. Type **Staff Salary Advance** in **Name to Appear in Salary Slip** field
6. Select **User Defined Value** in the **Calculation Type** field

The completed **Staff Salary Advance** Ledger creation screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions	
Name	: Staff Salary Advance	Total Op. Bal.	
(alias)	:		
<b>Pay Head Info</b>			
Pay Head Type	: Loans and Advances		
Under	: Loans & Advances (Asset) (Current Assets)		
Affect Net Salary	? Yes		
Name to appear in Payslip	: Staff Salary Advance		
Calculation Type	: As User Defined Value		
Opening Balance (on 1-Apr-2009) :		Accept ?	
		Yes or No	

Figure 1.1 Salary Advance Ledger

7. Press **Enter** to accept.



The **Calculation Type** can be taken as **Flat Rate** if you wish to deduct the Loan Amount in Flat installments (EMI's). In this case the Pay Head should be removed from the Pay Structure after the entire amount is recovered from the Employee's salary.

## Modify / Alter Salary Details

In order to deduct installments or for lumpsum recovery of Salary Advance from the monthly salaries of the employees, it is essential to include Salary Advance / Loans ledgers in the Salary Details master of the employees. Follow the steps given to update the Salary Details masters of the Employees:

Go to **Gateway of Tally > Payroll Info. > Salary Details > Alter**

1. Select **Vijay Kumar** from the **List of Groups / Employees** and press **Enter**, the **Salary Details Alteration** screen appears
2. In the **Salary Details Alteration** screen,
3. Tab down to the last line and select **Staff Salary Advance** ledger in the **Pay Head** field
4. Select **End of List** and press **Enter**

The completed **Salary Details** screen is displayed as shown:

Salary Details Alteration		Spectrum Software Solutions			Ctrl + M	
Name : Vijay Kumar (549)						
Under : Administration ( <sup>1</sup> Primary)						
Salary Details						
Effective From	Pay Head	Rate	Per	Pay Head Type	Calculation Type	Computed On
1-Apr-2009	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	
	Professional Tax			Employees' Statutory Deductions	As Computed Value	On Current Earnings Total
	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
	Gratuity Expenses (Provisional)			Gratuity		
	Employer EPS @ 8.33%			Employer's Statutory Contributions	As Computed Value	Basic Pay
	Employer EPF @ 3.67%			Employer's Statutory Contributions	As Computed Value	Employee's PF Contribution @ 12% + Employer EPS @ 8.33%
	Employer ESI @ 4.75%			Employer's Statutory Contributions	As Computed Value	{Basic Pay + House Rent Allowance} + Conveyance} + Overtime Pay
	<b>Staff Salary Advance</b>			Loans and Advances	As User Defined Value	

Figure 1.2 Completed Salary details alteration screen

5. Press **Enter** to accept.

## Payment of Salary Advance

In Tally.ERP 9, you may disburse the **Salary advance / Loans to Employees** using a Payment Voucher as shown:

### Illustration 1:

*On 2nd July, 2009 M/s. Spectrum Software Solutions paid Salary Advance to the following Employees with the mode and amount of recovery.*

Employee Name	Salary Advance (Rs.)	Mode of Recovery	Recovery Amount (Rs.) per month
Rahul	10,000	Monthly Salary	5,000
Rajesh	3,000	Monthly Salary	1,500

The same is accounted as shown:

#### i. Create Payment Voucher

##### Setup:

- Press **F12: Configure** and set **Use Single Entry mode for Pymt/Rcpt/Contra** to **No**

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

1. Press **F2** to change the date to **2-07-09**

2. In the **Dr** field, select **Staff Salary Advance** ledger from the list of ledgers

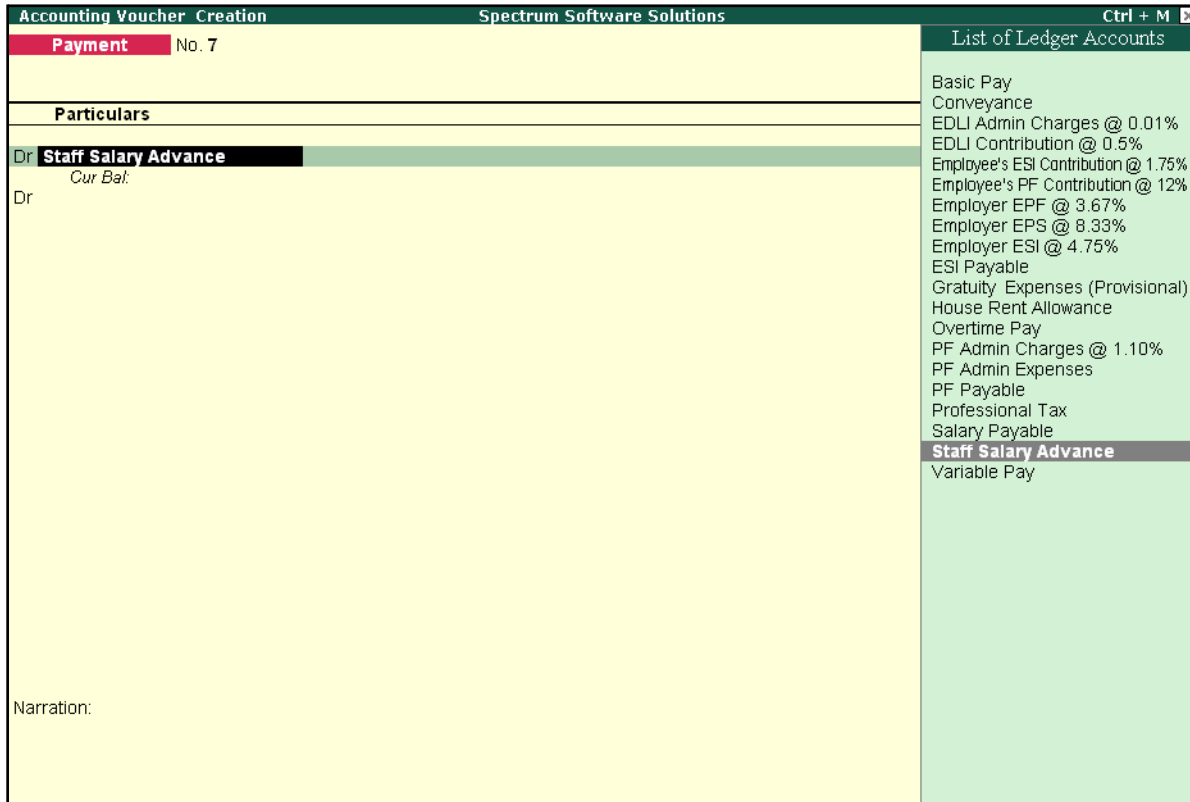


Figure 1.3 Payment Voucher - Salary Advance Ledger selection

3. Specify **13000** in the **Dr Amount** field and press **Enter**, the Cost Allocations for subscreen appears
4. In the **Cost Allocations** for subscreen,
  - Select **Primary Cost category** in the **Employee Category** field
  - Select the required **Employee (Rahul)** from the list of Cost Centres and press **Enter**

The **Cost Centre Allocations** screen is displayed as shown:

Cost Centre Allocations		Spectrum Software Solutions		List of Cost Centres	
Payment No. 7					
Particulars					
Employee Allocations for : <b>Staff Salary Advance</b> Upto: <b>Rs. 13,000.00 Dr</b>					
<b>Cost Category</b>					
	<b>Name of Employee</b>	<b>Amount</b>			
<b>Primary Cost Category</b>					
	Rahul				
				Administration Ajay Mahesh <b>Rahul</b> Rajesh R&D Sales Suresh Vijay Kumar	

Figure 1.4 Payment Voucher – Cost Centre Allocation screen

- Specify **10000** in the **Amount** field
- Similarly, select other **Employee (Rajesh)** from the **List of Cost Centres** and specify the amount (**i.e., 3,000**)

The Completed **Cost Allocation** for sub-screen is displayed as shown:

Employee Allocations for : <b>Staff Salary Advance</b> Upto: <b>Rs. 13,000.00 Dr</b>		
<b>Cost Category</b>	<b>Name of Employee</b>	<b>Amount</b>
<b>Primary Cost Category</b>		
	Rahul	10,000.00
	Rajesh	3,000.00
		<u>13,000.00</u>

Figure 1.5 Cost Centre Allocation – Sub-screen

- Press **Enter** to accept and go back to the **Payment Voucher**
- 5. Select **HDFC Bank** in the **Cr** field and press **Enter**
- 6. Press **Enter** to accept the **Amount**
- 7. Type the details of the transaction in the narration field

The completed **Payment Voucher** for Salary Advance is displayed as shown:

Accounting Voucher Creation		Spectrum Software Solutions		Ctrl + M	
<b>Payment</b> No. 7				2-Jul-2009 Thursday	
Particulars		Debit	Credit		
Dr <b>Staff Salary Advance</b>		13,000.00			
<i>Cur Bal: 13,000.00 Dr</i>					
<b>Primary Cost Category</b>					
Rahul		10,000.00 Dr			
Rajesh		3,000.00 Dr			
Cr <b>HDFC Bank</b>			13,000.00		
<i>Cur Bal: 7,46,913.69 Dr</i>					
Narration:			13,000.00	13,000.00	
Ch. No. :245999, salary advance given to Rahul and Cheque No-246000 to Rajesh.					
					Accept ? Yes or No

Figure 1.6 Completed Payment Voucher

8. Press **Enter** to accept.

### Recovery of Salary Advance

In Tally.ERP 9, you may deduct or recover Salary Advance / Loans from Employees in Installments by defining the criteria for deduction while creating the Salary Advance Pay Head; i.e., Flat rate or manual deduction by specifying a user-definable amount. To recover salary advance / loan, follow the steps given below:

Process the Attendance Vouchers for the month of July 2009 in the manner discussed in earlier chapters, based on the following details:

#### Attendance records for July 2009:

Attendance/ Production Types	Vijay Kumar	Rahul	Mahesh	Ajay	Suresh	Rajesh
Present Days	26	24	22	25	21	20



**ii. Create Payroll Voucher**

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

- Press **Ctrl+F4** for **Payroll Voucher**
- Press **F2**, specify the date as **31-7-2009** and press **Enter**
- Press **Alt+A** (Payroll Auto Fill) to prefill employee payroll details
  - In the **Employee Filters** screen,
  - Select **Salary** in the **Process for** field
  - Specify **1-7-2009** in the **From** field
  - Specify **31-7-2009** in the **To** field
  - Select **All Items** as **Employee/Group**
  - Select **Salary Payable** in the **Payroll Ledger** field
- Press **Enter** to accept the screen and go back to Payroll Voucher

The **Payroll Voucher Creation** screen is displayed as shown:

- Tab down to **Staff Salary Advance ledger** field of **Rahul** and specify **5000** as the amount to be deducted

Payroll Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Payroll</b>	No. 8			31-Jul-2009 Friday
<i>Payroll Auto Fill - (Salary)</i>				
Account : <b>Salary Payable</b> Cur Bal: 0.00 Cr				
Particulars				Amount
↑ ... 9 more				
Employee's ESI Contribution @ 1.25%		Cr	Cur Bal: 0.00 Cr	
Staff Salary Advance		Cr	Cur Bal:	
<b>Mahesh</b>				<u>53,328.00 Dr</u>
Basic Pay	38,077.00	Dr	Cur Bal: 1,43,654.00 Dr	
House Rent Allowance	15,231.00	Dr	Cur Bal: 57,462.00 Dr	
Conveyance	1,000.00	Dr	Cur Bal: 4,000.00 Dr	
Overtime Pay		Dr	Cur Bal: 0.00 Dr	
Variable Pay		Dr	Cur Bal: 1,000.00 Dr	
Professional Tax	200.00	Cr	Cur Bal: 800.00 Cr	
Employee's PF Contribution @ 12%	780.00	Cr	Cur Bal: 780.00 Cr	
Employee's ESI Contribution @ 1.25%		Cr	Cur Bal: 0.00 Cr	
Staff Salary Advance		Cr	Cur Bal:	
<b>Rahul</b>				<u>24,867.00 Dr</u>
Basic Pay	18,462.00	Dr	Cur Bal: 66,924.00 Dr	
House Rent Allowance	7,385.00	Dr	Cur Bal: 26,770.00 Dr	
Conveyance		Dr	Cur Bal: 0.00 Dr	
Overtime Pay		Dr	Cur Bal: 0.00 Dr	
Variable Pay		Dr	Cur Bal:	
Professional Tax	200.00	Cr	Cur Bal: 800.00 Cr	
Employee's PF Contribution @ 12%	780.00	Cr	Cur Bal: 780.00 Cr	
Employee's ESI Contribution @ 1.25%		Cr	Cur Bal: 0.00 Cr	
<b>Staff Salary Advance</b>	<b>5000</b>	Cr	Cur Bal: 10,000.00 Dr	
Narration:				<u>1,15,320.00 Dr</u>
Pay Period : 1-Jul-2009 to 31-Jul-2009				

Figure 1.7 Payroll Voucher - Salary Advance Recovery Entry

- Similarly, tab down to **Staff Salary Advance ledger** field of **Rajesh** and specify **1500** as the amount to be deducted

- Similarly, enter the **1500** in **Staff Salary Advance** for **Rajesh**

The completed **Payroll Voucher** for July 2009 is displayed as shown:

Payroll Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Payroll</b>	No. 8			31-Jul-2009 Friday
<i>Payroll Auto Fill - (Salary)</i>				
Account : <b>Salary Payable</b> Cur Bal: 0.00 Cr				
Particulars				Amount
↑ ... 40 more				
<b>Staff Salary Advance</b>	1,500.00	Cr	Cur Bal: 1,500.00 Dr	
<b>Suresh</b>				<u>5,093.00 Dr</u>
Basic Pay	3,635.00	Dr	Cur Bal: 7,616.00 Dr	
House Rent Allowance	1,454.00	Dr	Cur Bal: 3,046.00 Dr	
Conveyance	600.00	Dr	Cur Bal: 1,200.00 Dr	
Overtime Pay		Dr	Cur Bal: 0.00 Dr	
Variable Pay		Dr	Cur Bal:	
Professional Tax	60.00	Cr	Cur Bal: 120.00 Cr	
Employee's PF Contribution @ 12%	436.00	Cr	Cur Bal: 436.00 Cr	
Employee's ESI Contribution @ 1.25%	100.00	Cr	Cur Bal: 100.00 Cr	
<b>Staff Salary Advance</b>		Cr	Cur Bal:	<u>13,870.00 Dr</u>
<b>Vijay Kumar</b>				
Basic Pay	10,000.00	Dr	Cur Bal: 39,615.00 Dr	
House Rent Allowance	4,000.00	Dr	Cur Bal: 15,846.00 Dr	
Conveyance	800.00	Dr	Cur Bal: 3,200.00 Dr	
Overtime Pay		Dr	Cur Bal: 935.00 Dr	
Variable Pay		Dr	Cur Bal: 2,000.00 Dr	
Professional Tax	150.00	Cr	Cur Bal: 650.00 Cr	
Employee's PF Contribution @ 12%	780.00	Cr	Cur Bal: 780.00 Cr	
Employee's ESI Contribution @ 1.25%		Cr	Cur Bal: 0.00 Cr	
<b>Staff Salary Advance</b>		Cr	Cur Bal:	
Narration: Pay Period : 1-Jul-2009 to 31-Jul-2009				1,00,000.00 Dr
				Accept ? Yes or No

Figure 1.8 Completed Payroll Voucher

- Press **Enter** to accept.



*If there are multiple Loans given to the Employees and if you wish to keep a track of recovered loan amount against the Loan given, then you need to pass a separate payroll voucher in 'As Voucher' format, as the bill-wise details screen won't appear in the 'As Pay Slip' format.*

## Lesson 8: Accounting for Pay Revision & Arrears

On completion of this lesson, you will be able to:

- Record Pay Revisions and Arrears in Tally.ERP 9

Tally.ERP 9 provides a facility to process Arrears / Increments for a current Period as well as for a prior period. It allows you to compute Arrears for a retrospective period, by defining the effective date of such revisions or increments. Consider the following scenarios to understand the steps involved in processing Salary revisions / Arrears calculation in Tally.ERP 9.

- Salary Revision / Arrear Calculation for Prior Period
- Salary Revision / Arrear Calculation for Current Period

### Salary Revision / Arrear Calculation for Prior Period

Tally.ERP 9 allows you to record Arrear calculation voucher for all the eligible months separately or together with the current month payroll voucher. For instance, in the below Illustration, for the months from May 2009 to July 2009, the Payroll vouchers have been already processed and only the arrear calculation needs to be entered. In such cases, the Arrear calculation vouchers can be passed on the last day of each applicable month separately or a single voucher can be passed i.e., arrear calculation voucher for all preceding months (from May 2009 to July 2009) plus current month salaries, by defining the complete pay period i.e., 01-05-2009 to 31-08-2009.

#### Illustration 1:

*On 5th August, 2009 M/s. Spectrum Software Solutions revised the Salaries for the following Employees. Such a revision is effective from 1st May 2009.*

The revised Salary structure is as follows:

Employee / Pay Components	Basic	HRA	Conveyance	Variable Pay
Mahesh	50000	40%	2000	User-defined

Before processing the Payroll voucher for Salary revisions, it is essential to update the Salary Details of the Employee, so as to take into consideration the declared Salary Revision / arrear payment for/from the relevant period.

**Step 1: Modify / Alter Salary Details**

Go to **Gateway of Tally > Payroll Info. > Salary Details > Alter**

- Select **Mahesh** from the **List of Groups / Employees**
- Tab down to **End of List**, by pressing **Enter**
- Specify **01-05-2009** in the **Effective From** field and press **Enter**
- Select **Copy From Previous Value** from the **Start Type** drop down list

**Salary Details Alteration** Spectrum Software Solutions Ctrl + M

Name : Mahesh (550)  
Under : Sales (Primary)

**Salary Details**

Effective From	Pay Head	Rate	Per	Pay Head Type	Calculation Type	Computed On
1-Apr-2009	Basic Pay	45,000.00	Months	Earnings for Employees	On Attendance	Basic Pay
	House Rent Allowance			Earnings for Employees	As Computed Value	
	Conveyance	1,000.00	Months	Earnings for Employees	Flat Rate	
	Overtime Pay			Earnings for Employees	On Production	
	Variable Pay			Earnings for Employees	As User Defined Value	
	Professional Tax			Employees' Statutory Deductions	As Computed Value	On Current Earnings Total
	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
	Gratuity Expenses (Provisional)			Gratuity		
	Employer EPS @ 8.33%			Employer's Statutory Contributions	As Computed Value	Basic Pay
	Employer EPF @ 3.67%			Employer's Statutory Contributions	As Computed Value	Employee's PF Contribution @ 12% + Employer EPS @ 8.33%
	Employer ESI @ 4.75%			Employer's Statutory Contributions	As Computed Value	(Basic Pay + House Rent Allowance) + Conveyance + Overtime Pay
	Staff Salary Advance				As User Defined Value	
1-May-2009	<b>Copy From Previous Value</b>					

**Start Type**  
Copy From Parent Value  
**Copy From Previous Value**  
Start Afresh

Figure 8.1 Salary Details Alteration Screen

**Start Type Options:**



**Copy From Parent Value:** This option is selected, when the pay structure details of the Parent group (to which Employee Group, the employee is grouped under or falls) is required to be prefilled in the Salary details master.

**Copy From Previous Value** - This option is selected, when the pay structure details of the Employee for a preceeding period is required to be prefilled for a future period, in the Salary details master.

**Start Afresh:** This option is selected, when the pay structure details of the Employee has to be created newly.

- Press **Enter** to prefill the pay structure (comprising of Earning & Deduction Pay Heads) of the preceeding period for the specified period
- Press **Enter** on **Basic Pay** Pay Head and alter the amount to **50000**
- Tab down to **Conveyance** Pay Head and alter the amount to **2000**
- Press **Enter** to go to the **End of List**

The completed **Salary Details** screen is displayed as shown:

Salary Details Alteration		Spectrum Software Solutions			Ctrl + M	
Name : Mahesh (550)						
Under : Sales ( Primary)						
Salary Details						
Effective From	Pay Head	Rate	Per	Pay Head Type	Calculation Type	Computed On
1-May-2009	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
	Gratuity Expenses (Provisional)			Gratuity	As Computed Value	Overtime Pay
	Employer EPS @ 8.33%			Employer's Statutory Contributions	As Computed Value	Basic Pay
	Employer EPF @ 3.67%			Employer's Statutory Contributions	As Computed Value	Employee's PF Contribution @ 12% - Employer EPS @ 8.33%
	Employer ESI @ 4.75%			Employer's Statutory Contributions	As Computed Value	{Basic Pay + House Rent Allowance} + Conveyance
	Staff Salary Advance			Loans and Advances	As User Defined Value	Overtime Pay
	Copy From Previous Value					
	Basic Pay	50,000.00	Months	Earnings for Employees	On Attendance	
	House Rent Allowance			Earnings for Employees	As Computed Value	Basic Pay
	Conveyance	2,000.00	Months	Earnings for Employees	Flat Rate	
	Overtime Pay			Earnings for Employees	On Production	
	Variable Pay			Earnings for Employees	As User Defined Value	
	Professional Tax			Employees' Statutory Deductions	As Computed Value	On Current Earnings Total
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	
Gratuity Expenses (Provisional)			Gratuity	As Computed Value	Overtime Pay	
Employer EPS @ 8.33%			Employer's Statutory Contributions	As Computed Value	Basic Pay	
Employer EPF @ 3.67%			Employer's Statutory Contributions	As Computed Value	Employee's PF Contribution @ 12% - Employer EPS @ 8.33%	
Employer ESI @ 4.75%			Employer's Statutory Contributions	As Computed Value	{Basic Pay + House Rent Allowance}	
Staff Salary Advance			Loans and Advances	As User Defined Value		

Figure 8.2 Completed Salary revision screen

- Press **Enter** to accept

## Step 2: Arrear Calculation Voucher

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

- Press **Ctrl+F4** for **Payroll Voucher**
- Press **Alt+A** (Payroll Auto Fill) to prefill employee payroll details
- In the **Payroll Auto Fill** subscreen
  - Select **Salary** in the **Process for** field
  - Specify **1-5-2009** and **31-7-2009** in the **From** and **To** fields respectively
  - Select **Mahesh** as **Employee/Group**
  - Select **Salary Payable** in the **Payroll Ledger** field

The completed Auto Fill subscreen is displayed as shown:

<u>Payroll Auto Fill</u>	
Process for	: Salary
From (blank for beginning)	: 1-5-2009
To (blank for end)	: 31-7-2009
Employee Category	: Primary Cost Category
Employee/Group	: Mahesh
Payroll Ledger	: <b>Salary Payable_</b>

Figure 8.3 Payroll Auto Fill subscreen

- Press **Enter** to automatically prefill the salary arrear amounts for the selected period

The completed Payroll Voucher for **Arrear calculation** is displayed as shown:

Payroll Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Payroll</b>	No. 11			31-Jul-2009 Friday
Account : <b>Salary Payable</b>		Payroll Auto Fill - (Salary)		
Cur Bal: 0.00 Cr				
Particulars				Amount
<b>Primary Cost Category</b>				<u>21,309.00 Dr</u>
<b>Mahesh</b>				<u>21,309.00 Dr</u>
Basic Pay	13,078.00	Dr	Cur Bal: 1,56,732.00 Dr	
House Rent Allowance	5,231.00	Dr	Cur Bal: 62,693.00 Dr	
Conveyance	3,000.00	Dr	Cur Bal: 7,000.00 Dr	
Overtime Pay		Dr	Cur Bal: 0.00 Dr	
Variable Pay		Dr	Cur Bal: 1,000.00 Dr	
Professional Tax		Cr	Cur Bal: 0.00 Cr	
Employee's PF Contribution @ 12%		Cr	Cur Bal: 0.00 Cr	
Employee's ESI Contribution @ 1.25%		Cr	Cur Bal: 0.00 Cr	
Staff Salary Advance		Cr	Cur Bal:	
Narration:				<u>21,309.00 Dr</u>
Arrears Paid for Pay Period : 1-May-2009 to 31-Jul-2009				
				Accept ? Yes or No

Figure 8.4 Payroll Voucher – Arrear calculation

- Press **Enter** to Accept

### Step 3: Payment of Arrears

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

- Press **F5** for **Payment** Voucher
- Press **F2**, specify the date as **05-08-2009** and press **Enter**
- Press **Alt+A** (Payroll Auto Fill) to prefill payroll payment details
- In the **Payroll Auto Fill** subscreen,
  - Select **Salary Payment** in the **Process** for field
  - Specify **1-5-2009** and **31-7-2009** in the **From** and **To** fields respectively
  - Specify **05-08-2009** as **Voucher Date**
  - Select **Primary Cost Category** under **Employee Category**
  - Select **Mahesh** in **Employee/Group** field
  - Select **HDFC Bank** in the **Bank / Cash Ledger**
  - Select **Salary Payable** in the **Payroll Ledger** field
  - Press **Enter** to accept the screen
- Press **Enter** to prefill the salary arrears amount for the selected period

The completed **Salary Arrears** Payment voucher of Mahesh for the period from May 2009 to July 2009 is displayed as shown:

Accounting Voucher Creation		Spectrum Software Solutions	Ctrl + M
<b>Payment</b>	No. 15		31-Jul-2009 Friday
Account : <b>HDFC Bank</b> Cur Bal: 6,04,338.98 Dr			
Particulars			Amount
<b>Salary Payable</b>			21,309.00
Cur Bal: 0.00 Dr			
Primary Cost Category			
Mahesh			21,309.00 Dr
Narration:			
Ch. No. : 234765, Salary Arrear Payment for Mahesh.			
			21,309.00
			<b>Accept ?</b>
			Yes or No

Figure 8.5 Salary Arrears Payment Voucher

- Press **Enter** to Accept.



*The Salary Arrears / Increments may result in increase in Earning Pay components which in turn may result in an increase in the tax liability i.e., an increase in Basic Pay will result in an increase in HRA and such additional income will be liable to Income Tax or Payroll taxes viz., PF, ESI and PT. The procedure to make payments of PF, ESI or PT has been discussed in the previous chapters.*



## Salary Revision / Arrear Calculation for current Period

### Illustration 2:

*On 15th August 2009, M/s. Spectrum Software Solutions revised the Salaries for the following Employees. Such revision is effective from the current month i.e., August 2009.*

The revised Salary structure is as follows:

Employee / Pay Components	Basic	HRA	Conveyance	Variable Pay
Ajay	11000	30%	2000	User-defined

The Attendance records for August 2009 is as follows:

Attendance/ Production Types	Vijay Kumar	Rahul	Mahesh	Ajay	Suresh	Rajesh
Present Days	26	22	25	26	26	26

Before processing the Payroll voucher for Salary revisions, it is essential to update the Salary Details of the Employee to take effect the declared Salary Revision / arrear payment for/from the relevant period.

### Step 1: Modify / Alter Salary Details

Go to **Gateway of Tally > Payroll Info. > Salary Details > Alter**

- Select **Ajay** from the **List of Groups / Employees**
- Tab down to **End of List**, by pressing **Enter**
- Specify **01-08-2009** in the **Effective From** field and press **Enter**
- Select **Copy From Previous Value** from the **Start Type** drop down list

The Salary Details Alteration screen is displayed as shown:

Salary Details Alteration							
Spectrum Software Solutions							
Name : Ajay (551)							
Under : Sales ( <sup>1</sup> Primary)							
Salary Details							
Effective From	Pay Head	Rate	Per	Pay Head Type	Calculation Type	Computed On	
1-Apr-2009	Basic Pay	10,000.00	Months	Earnings for Employees	On Attendance	Basic Pay	
	House Rent Allowance	20.00	%	Earnings for Employees	As Computed Value		
	Conveyance	2,000.00	Months	Earnings for Employees	Flat Rate		
	Overtime Pay	100.00	Hrs	Earnings for Employees	On Production		
	Variable Pay			Earnings for Employees	As User Defined Value		
	Professional Tax			Employees' Statutory Deductions	As Computed Value		On Current Earnings Total
	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
	Gratuity Expenses (Provisional)			Gratuity			
	Employer EPS @ 8.33%			Employer's Statutory Contributions	As Computed Value		Basic Pay
	Employer EPF @ 3.67%			Employer's Statutory Contributions	As Computed Value		Employee's PF Contribution @ 12% + Employer EPS @ 8.33%
	Employer ESI @ 4.75%			Employer's Statutory Contributions	As Computed Value		{Basic Pay + House Rent Allowance} + Conveyance + Overtime Pay
	Staff Salary Advance				As User Defined Value		
	1-Aug-2009	Copy From Previous Value					

Figure 8.6 Salary Details Alteration screen

**StartType Options**



- **Copy From Parent Value:** This option is selected, when the pay structure details of the Parent group (to which Employee Group, the employee is grouped under or falls) is required to be prefilled in the Salary details master.
- **Copy From Previous Value** - This option is selected, when the pay structure details of the Employee for a preceeding period is required to be prefilled for a future period, in the Salary details master.
- **Start Afresh:** This option is selected, when the pay structure details of the Employee has to be created newly.

- Press **Enter** to prefill the pay structure (comprising of Earning & Deduction Pay Heads) of the preceeding period for the specified period
- Press **Enter** on **Basic Pay** Pay Head and alter the amount to **11000**
- Press **Enter** on **HRA** Pay Head and alter the percentage to **30%** (To alter the percentage, ensure in **F12: Configure, Allow to Override Slab Percentage** is set to **Yes**)
- Tab down to **Conveyance** Pay Head and alter the amount to **2000**

- Press **Enter** to go to the **End of List**

The completed **Salary Details** screen is displayed as shown:

Salary Details Alteration							Spectrum Software Solutions		Ctrl + M	
Name : Ajay (551)										
Under : Sales ( Primary)										
Salary Details										
Effective From	Pay Head	Rate	Per	Pay Head Type	Calculation Type	Computed On				
1-Aug-2009	House Rent Allowance	20.00	%	Earnings for Employees	As Computed Value	Basic Pay				
	Conveyance	2,000.00	Months	Earnings for Employees	Flat Rate					
	Overtime Pay	100.00	Hrs	Earnings for Employees	On Production					
	Variable Pay			Earnings for Employees	As User Defined Value					
	Professional Tax			Employees' Statutory Deductions	As Computed Value	On Current Earnings Total				
	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				
	Gratuity Expenses (Provisional)			Gratuity						
	Employer EPS @ 8.33%			Employer's Statutory Contributions	As Computed Value	Basic Pay				
	Employer EPF @ 3.67%			Employer's Statutory Contributions	As Computed Value	Employee's PF Contribution @ 12% - Employer EPS @ 8.33%				
	Employer ESI @ 4.75%			Employer's Statutory Contributions	As Computed Value	[(Basic Pay + House Rent Allowance) + Conveyance] + Overtime Pay				
	Staff Salary Advance			Loans and Advances	As User Defined Value					
	Copy From Previous Value									
	Basic Pay		11,000.00	Months	Earnings for Employees	On Attendance				
	House Rent Allowance		30.00	%	Earnings for Employees	As Computed Value	Basic Pay			
	Conveyance		2,000.00	Months	Earnings for Employees	Flat Rate				
	Overtime Pay		100.00	Hrs	Earnings for Employees	On Production				
	Variable Pay				Earnings for Employees	As User Defined Value				
	Professional Tax				Employees' Statutory Deductions	As Computed Value	On Current Earnings Total			
	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				
Gratuity Expenses (Provisional)				Gratuity						
Employer EPS @ 8.33%				Employer's Statutory Contributions	As Computed Value	Basic Pay				
Employer EPF @ 3.67%				Employer's Statutory Contributions	As Computed Value	Employee's PF Contribution @ 12% - Employer EPS @ 8.33%				
Employer ESI @ 4.75%				Employer's Statutory Contributions	As Computed Value	[(Basic Pay + House Rent Allowance) + Conveyance] + Overtime Pay				
Staff Salary Advance				Loans and Advances	As User Defined Value					

Figure 8.7 Completed Salary Alteration screen

- Press **Enter** to Accept

### Step 2: Record Attendance

Record **Attendance** voucher in the manner as explained in previous chapters.

The completed Attendance Voucher for August 2009 is displayed as shown:

Attendance Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Attendance</b> No. 8				31-Aug-2009 Monday
Employee Name	Attendance/Production Type	Value	Unit	
Ajay	Present	Cur Bal: 111 Days	26 Days	
Mahesh	Present	Cur Bal: 108 Days	25 Days	
Rahul	Present	Cur Bal: 109 Days	22 Days	
Rajesh	Present	Cur Bal: 67 Days	26 Days	
Suresh	Present	Cur Bal: 70 Days	26 Days	
Vijay Kumar	Present	Cur Bal: 129 Days	26 Days	
Narration: Attendance for the month of August 2009.				Accept ? Yes or No

Figure 8.8 Completed Attendance Voucher

### Step 3: Process Payroll Voucher

Effective August 2009, the revised salary for Ajay will be computed automatically, while processing Payroll voucher for the month of August along with the other employees or you may also choose to process Ajay’s Payroll voucher separately, if required.

#### Go to Gateway of Tally > Payroll Vouchers

- Press **Ctrl+F4** for **Payroll Voucher**
- Press **Alt+A** (Payroll Auto Fill) to prefill employee payroll details
- In the **Payroll Auto Fill** subscreen
  - Select **Salary** in the **Process for** field
  - Specify **1-8-2009** and **31-8-2009** in the **From** and **To** fields respectively
  - Select **Ajay** in the **Employee/Group** field
  - Select **Salary Payable** in the **Payroll Ledger** field
  - Press **Enter** to accept the screen
- Press **Enter** to prefill the salary amount (inclusive of increment amount) for the current period



The completed **Payroll Voucher** for August 2009 is displayed as shown:

Payroll Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Payroll</b>	No. 12			31-Aug-2009 Monday
Account : <b>Salary Payable</b>		<i>Payroll Auto Fill - (Salary)</i>		
<i>Cur Bal: 0.00 Cr</i>				
Particulars				Amount
↑ ... 1 more				
<b>Ajay</b>				<b>15,320.00 Dr.</b>
Basic Pay	11,000.00	Dr	<i>Cur Bal: 43,692.00 Dr</i>	
House Rent Allowance	3,300.00	Dr	<i>Cur Bal: 9,838.00 Dr</i>	
Conveyance	2,000.00	Dr	<i>Cur Bal: 10,000.00 Dr</i>	
Overtime Pay		Dr	<i>Cur Bal: 2,400.00 Dr</i>	
Variable Pay		Dr	<i>Cur Bal: 1,200.00 Dr</i>	
Professional Tax	200.00	Cr	<i>Cur Bal: 200.00 Cr</i>	
Employee's PF Contribution @ 12%	780.00	Cr	<i>Cur Bal: 780.00 Cr</i>	
Employee's ESI Contribution @ 1.25%		Cr	<i>Cur Bal: 0.00 Cr</i>	
Staff Salary Advance		Cr	<i>Cur Bal:</i>	
				<u>68,328.00 Dr</u>
<b>Mahesh</b>				
Basic Pay	48,077.00	Dr	<i>Cur Bal: 2,04,809.00 Dr</i>	
House Rent Allowance	19,231.00	Dr	<i>Cur Bal: 81,924.00 Dr</i>	
Conveyance	2,000.00	Dr	<i>Cur Bal: 9,000.00 Dr</i>	
Overtime Pay		Dr	<i>Cur Bal: 0.00 Dr</i>	
Variable Pay		Dr	<i>Cur Bal: 1,000.00 Dr</i>	
Professional Tax	200.00	Cr	<i>Cur Bal: 200.00 Cr</i>	
Employee's PF Contribution @ 12%	780.00	Cr	<i>Cur Bal: 780.00 Cr</i>	
Employee's ESI Contribution @ 1.25%		Cr	<i>Cur Bal: 0.00 Cr</i>	
Staff Salary Advance		Cr	<i>Cur Bal:</i>	
				<u>22,712.00 Dr</u>
<b>Rahul</b>				
Basic Pay	16,923.00	Dr	<i>Cur Bal: 83,847.00 Dr</i>	
				<u>1,33,412.00 Dr</u>
Narration:				
Pay Period : 1-Aug-2009 to 31-Aug-2009				
				39 more ... ↓

Figure 8.9 Completed Payroll Voucher

You may process Employer and Employee's contribution to Provident Fund and Employee's State Insurance and payment of Profession Tax in the manner as discussed in the earlier chapters.

## Lesson 9: Processing Payroll for Contract Employees

On completion of this lesson, you will be able to:

- Process Salaries for Contract Employees

Tally.ERP 9 provides a simplified process for tracking and processing salaries for casual and contract workers and helps in the generation of contract related reports. Tally.ERP 9 allows you to process salaries for contractual employees for their services rendered during the agreed tenure. You may compute salaries on hourly or production basis as agreed upon, by defining the required criteria for the Pay components.

In this Chapter, we will discuss the recording of transactions related to computation of salaries for Contractual employees.

### Illustration 1:

*On 5th August 2009, M/s. Spectrum Software Solutions hired two persons on contract.*

*The list of employees along with the contract details is as follows:*

S. No.	Name of Employee	Department / Group	Tenure	Start Date	End Date
1	James	Contract Employees	6 Months	5 Aug 09	5 Feb 10
2	Vineet	Contract Employees	9 Months	5 Aug 09	5 May 10

*The Salary details for the above contract employees is as shown:*

Employee / Pay Heads	Basic Wages	Overtime	Local Conveyance
James	2000	50 / hr	On Actuals
Vineet	2500	50 / hr	On Actuals

The same is accounted for as shown:

In Tally.ERP 9, execute the following steps to process Salaries for Contract Employees:

- Create Employee Masters
- Create Pay Heads
- Record Attendance details
- Create Salary Details
- Process Payroll

## Create Employee Masters

As discussed in the earlier chapters, you need to create the following Employee Masters to:

1. Employee Group
2. Employees

### I. Create Employee Group Master

Create a new Group **Contract Employees** by executing the following steps:

Go to **Gateway of Tally > Payroll Info. > Employee Groups > Create**

- Select **Primary Cost Category** from the **List of Categories** in the **Category** field
- Type **Contract Employees** in the **Name** field
- Select **Primary** in the **Under** field and press **Enter**

The completed **Employee Group Creation** screen is displayed as shown:

The screenshot shows the 'Employee Group Creation' window with the following data:

Category	: Primary Cost Category
Name (alias)	: Contract Employees
Under	: Primary

An 'Accept?' dialog box is visible in the bottom right corner, with 'Yes or No' options.

Figure 9.1 Completed Employee Group Creation

- Press **Enter** to **Accept**

## II. Create Employee Master

Go to **Gateway of Tally > Payroll Info. > Employees > Create**

- Select **Primary Cost Category** from the **List of Categories** in the **Category** field
- Type the Name of the Employee in the **Name** field
- Select **Contract Employees** in the **Under** field
- Type the Date of Joining as **05-08-2009**
- Enter the other Employee Information.

The completed **Employee Creation** screen is displayed as shown:

Employee Creation		Spectrum Software Solutions		Ctrl + M	
Category	: Primary Cost Category				
Name	: James				
(alias)	:				
Under	: Contract Employees				
	(J Primary)				
Date of Joining	: 5-Aug-2009				
<b>General Info</b>		<b>Payment Details</b>		<b>Passport &amp; Visa Details</b>	
Employee Number	: 555	Bank Name	: HDFC Bank	Passport Number	:
Designation	: Executive	Branch	: Koramangala	Country of Issue	:
Function	: Sales	Bank A/c Number	: 001453524377	Passport Expiry Date	:
Location	: Bangalore	<b>Statutory Details</b>		Visa Number	:
Gender	: Male	Income Tax Number (PAN)	: APD2435U5	Visa Expiry Date	:
Date of Birth	: 4 Jun-1978	EPS Account Number	:	<b>Contract Details</b>	
Blood Group	: A Positive	PF Account Number	:	Work Permit Number	:
Father / Mother Name	: Mr. Anderson	PF Date of Joining	:	Contract Start Date	: 5-Aug-2009
Spouse Name	:	ESI Number	:	Contract Expiry Date	: 5-Feb-20
Address	:	ESI Dispensary Name	:		
Contact Numbers	:				<b>Accept ?</b>
E-Mail ID	: james@spectrum.com				<b>Yes or No</b>

Figure 9.2 Employee Creation screen

Similarly, create other Employee Masters i.e., **Vineet**.

## Create Pay Heads

Create the following Pay Heads:

Pay Head	Pay Head Type	Under	Affect Net Salary	Calculation Type	Calculation Period
Basic Wages	Earnings for Employees	Indirect Expenses	Yes	on Attendance	Months
Overtime	Earnings for Employees	Indirect Expenses	Yes	on Production	Months
Local Conveyance	Reimbursements to Employees	Indirect Expenses	Yes	As User Defined Value	-



**i. Create Basic Wages Pay Head**

Go to **Gateway of Tally > Payroll Info. > Pay Heads > Create**

The completed **Basic Wages** Pay Head creation screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions		Total Op. Bal.
Name	: Basic Wages			
(alias)	:			
<p><b>Pay Head Info</b></p> <p>Pay Head Type : <b>Earnings for Employees</b>            Under : <b>Indirect Expenses</b></p> <p>Affect Net Salary ? <b>Yes</b>            Name to appear in Payslip : <b>Wages</b>            Use for Gratuity ? <b>No</b>            Calculation Type : <b>On Attendance</b>            Attendance / Leave with Pay : <b>Not Applicable</b>            Leave without Pay : <b>Absent</b></p> <p>Calculation Period : <b>Months</b>            Per Day Calculation Basis : <b>User Defined</b>              <b>Months</b> of <b>26</b> <b>Days</b></p>				
<p><b>Rounding Info</b></p> <p>Rounding Method : <b>Normal Rounding</b>      Limit : <b>1</b></p>				
Opening Balance ( on 1-Apr-2009 ) :				
				<b>Accept ?</b> <b>Yes or No</b>

Figure 9.3 Pay Head Creation – Basic Wages

- Press **Enter** to **Accept**.

Similarly, create **Overtime Pay Head** with **On Production** as the Attendance Type.

**ii. Create Local Conveyance Pay Head**

The completed **Local Conveyance** Pay Head Creation screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions	
Name	: Local Conveyance	<u>Total Op. Bal.</u>	
(alias)	:		
<b>Pay Head Info</b>			
Pay Head Type	: Reimbursements to Employees		
Under	: Indirect Expenses		
Affect Net Salary	? Yes		
Name to appear in Payslip	: Conveyance		
Calculation Type	: As User Defined Value		
Opening Balance ( on 1-Apr-2009 ) :		<b>Accept ?</b>	
		Yes or No	

Figure 9.4 Pay Head Creation – Local Conveyance

- Press **Enter** to Accept.

**iii. Salary Details setup**

Create the salary details for the above contract employees as discussed in the earlier chapters.

The completed **Salary Details** creation screen for James is displayed as shown.

Effective From	Pay Head	Rate	Per	Pay Head Type	Calculation Type	Computed On
5-Aug-2009	Basic Wages	2,000.00	Months	Earnings for Employees	On Attendance	
	Overtime Pay	50.00	Hrs	Earnings for Employees	On Production	
	Local Conveyance			Reimbursements to Employees	As User Defined Value	

Figure 9.5 Salary Details creation screen

- Press **Enter** to Accept.

Similarly, create the Salary Details for **Vineet**.

### Record Attendance details

The Attendance and Overtime Details for Contract Employees for August 2009 is as shown.

Attendance/Production Type	James	Vineet
Absent	1	2
Overtime	15 Hrs	17 Hrs

#### Step 1: Create Attendance Voucher

Go to **Gateway of Tally > Payroll Vouchers > Press Ctrl+F5 for Attendance Vouchers**

The completed Attendance Voucher for the Contract Employees is displayed as shown:

Attendance Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Attendance</b> No. 9				31-Aug-2009 Monday
Employee Name	Attendance/Production Type	Value	Unit	
James	Absent	Cur Bal: 1 Days	1 Days	
Vineet	Absent	Cur Bal: 2 Days	2 Days	
Narration: Attendance details for contract employees for Aug 2009.				Accept ? Yes or No

Figure 9.6 Completed Attendance Voucher

- Press **Enter** to Accept

**Step 2: Create Production Voucher**

Go to **Gateway of Tally > Payroll Vouchers > Press Ctrl+F5 for Attendance Vouchers**

The **Production Voucher** for Overtime hours is displayed as shown:

Attendance Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Attendance</b> No. 10				31-Aug-2009 Monday
Employee Name	Attendance/Production Type		Value	Unit
James	Overtime	Cur Bal: 15- 0.00 Hrs	15 Hrs	
Vineet	Overtime	Cur Bal: 17- 0.00 Hrs	17 Hrs	
Narration: Overtime details for contract employees for August 2009.				Accept ? Yes or No

Figure 9.7 Completed Production Voucher

- Press **Enter** to Accept.

## Process Payroll

*On 31st August 2009, M/s. Spectrum Software Solutions processed salaries for the contract employees through Cash. The Local Conveyance for August 2009 is as follows:*

Reimbursements Particulars	James	Vineet
Local Conveyance	1250	1225

*The same is accounted as shown:*

### Create Payroll Voucher

Go to **Gateway of Tally > Payroll Vouchers > Press Ctrl+F4 for Payroll Voucher**



The completed **Payroll Voucher** for Contract Employees for the month of August 2009 will appear as shown:

Payroll Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Payroll</b>	No. 15			31-Aug-2009 Monday
Account : <b>Cash</b>				<i>Cur Bal: 1,13,660.00 Dr</i>
<b>Particulars</b>				<b>Amount</b>
<b>Primary Cost Category</b>				<b>7,613.00 Dr</b>
<b>James</b>				<b>3,615.00 Dr</b>
Basic Wages	1,615.00 Dr	<i>Cur Bal: 1,615.00 Dr</i>		
Overtime Pay	750.00 Dr	<i>Cur Bal: 750.00 Dr</i>		
Local Conveyance	1,250.00 Dr	<i>Cur Bal: 1,250.00 Dr</i>		
<b>Vineet</b>				<b>3,998.00 Dr</b>
Basic Wages	1,923.00 Dr	<i>Cur Bal: 1,923.00 Dr</i>		
Overtime Pay	850.00 Dr	<i>Cur Bal: 850.00 Dr</i>		
Local Conveyance	1,225.00 Dr	<i>Cur Bal: 1,225.00 Dr</i>		
Narration:				<b>7,613.00 Dr</b>
Pay Period : 1-Aug-2009 to 31-Aug-2009				
				<b>Accept ?</b>
				<b>Yes or No</b>

Figure 9.8 Completed Payroll Voucher

- Press **Enter** to **Accept**.

## Lesson 10: Payroll Reports

Payroll Reports help you ascertain the payroll expenses for a specified month or for year-to-date (YTD) transactions for a particular employee/ group along with the Attendance and Production details. You can also view the statutory forms required for Provident Fund and Employee State Insurance. In Tally.ERP 9, the Payroll reports can be broadly categorized into two viz.,

- Payroll Reports
- Payroll Statutory Reports

## Payroll Reports

In Tally.ERP 9, you can generate the following Payroll related reports.

### Chart showing Payroll Reports in Tally.ERP 9

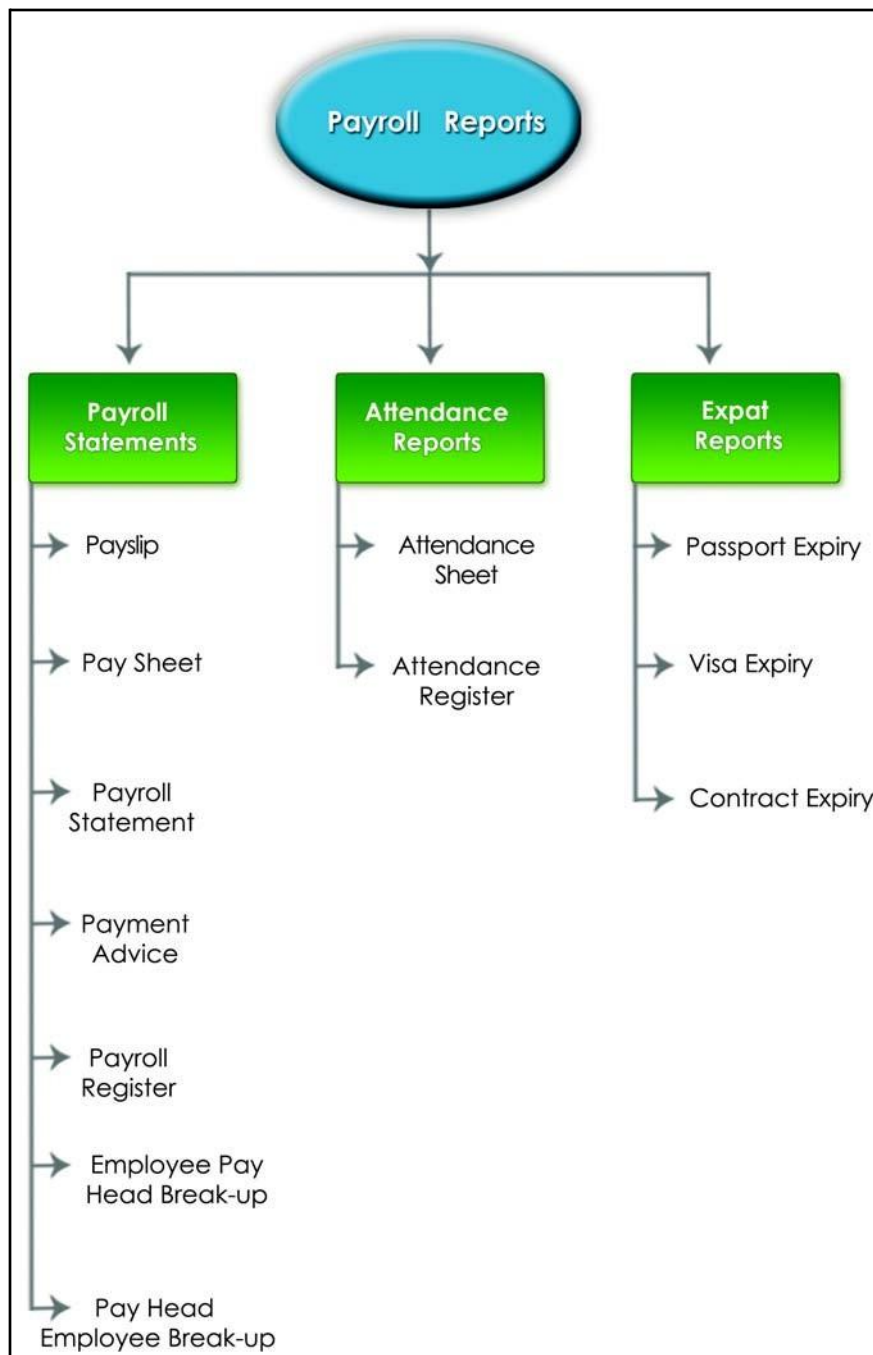


Figure 10.1 Payroll Reports in Tally.ERP 9



We shall discuss each report in detail in the sections as explained below:

### Pay Slip

A Pay Slip refers to a document issued to an employee, which itemises each component of his/her earnings and deductions and the net amount paid for a given pay period. It provides particulars on how the net amount has been arrived at i.e., how much money has been earned and how much tax / deductions have been made.

### Display Pay Slip

Go to **Gateway of Tally > Display > Payroll Reports > Statements of Payroll > Pay Slip > Single Pay Slip**

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

The **Pay Slip** for the selected employee is displayed as shown:

Attendance Details		Value	
Overtime		15- 0.00 Hrs	
Present		26 Days	

Earnings	Amount	Gross Salary	Deductions	Amount	Gross Salary
Basic	10,000.00	10,000.00	Professional Tax	200.00	200.00
House Rent Allowance	4,000.00	4,000.00	EPF @ 12%	780.00	780.00
Conveyance	800.00	800.00			
Overtime Pay	825.00	825.00			
Variable Pay	1,500.00	1,500.00			
<b>Total Earnings</b>	<b>17,125.00</b>	<b>17,125.00</b>	<b>Total Deductions</b>	<b>980.00</b>	<b>980.00</b>
			<b>Net Amount</b>	<b>16,145.00</b>	<b>16,145.00</b>

Figure 10.2 Pay Slip

In Tally.ERP 9 Payroll, the Pay Slip can be configured to vertically display the details of attendance, in terms of attendance or production, with **Year to Date** Values (YTD).

- Press **F12: Configure** and set the following options to **Yes**

<u>Configuration</u>	
Show Vertical Pay Slip	? No
Show Employee Details	? <b>Yes</b>
Show Passport Details	? <b>Yes</b>
Show Visa Expiry Date	? <b>Yes</b>
Show Joining Date	? <b>Yes</b>
Show Attendance/Production Details	? <b>Yes</b>
Show Attendance/Production Groups	? <b>Yes</b>
Display Production Types in Tail Units	? No
Show Year To Date Values	? <b>Yes</b>
Show Gross Salary	? No
Remove Zero Entries	? No
for Attendance/Production also	? <b>Yes</b>
Appearance of Employee Names	: Name Only
Appearance of Pay Head Names	: Payslip Name

Figure 10.3 Pay Slip F12: Configuration screen



*Some of the options in **F12: Configuration** screen, are by default set to **Yes** viz., **Show Employee Details, Show Attendance/Production Details, Show Attendance/Production Groups, Remove Zero Entries for Attendance/Production also** based on the Payroll Features / Payroll Statutory features enabled during voucher entry.*

The **F12:Configuration** options in Pay Slip are explained as follows:

- **Show Vertical Pay Slip** – Set this option to **Yes** to view / print the Pay Slip in vertical format, i.e. align Deductions pay heads below Earnings pay heads
- **Show Employee Details** – Set this option to **Yes** to display employee information as entered in the employee master
- **Show Passport Details** – Set this option to **Yes** to display an employee's passport details
- **Show Visa Expiry Date** – Set this option to **Yes** to display an employee's visa expiry date
- **Show Joining Date** – Set this option to **Yes** to display the date of joining for Employee
- **Show Attendance/Production Details** – Set this option to **Yes** to display Attendance/Production information
- **Show Attendance/Production Groups** – Set this option to **Yes** to display the grouping of the Attendance/Production data as defined during the creation of **Types**
- **Display Attendance/Production Type in Tail Units** – For compound units used in Attendance/Production Type, set this option to **Yes**, to display the value of the Attendance/Production details in the Tail unit. If this option is set to **No**, the Production units will display in primary units
- **Show Year To Date values** – Set this option to **Yes** to display the cumulative value of Attendance/Production records and Earnings /Deductions for any given period
- **Show Gross Salary** - Set this option to **Yes** by setting the '**Show Year To Date values**' to **No**, to view Gross Earnings and Deductions for any given period
- **Remove Zero Entries** – Set this option to **Yes** to remove the Earnings/ Deductions components with Zero value from the Pay Slip
- **For Attendance/Production also** – Set this option to **Yes** to remove Attendance/ Production records with zero values from the Pay Slip
- **Appearance of Employee Names** – Select the appropriate name style to appear in the Pay Slip (i.e., Alias (Name), Alias only, Name (Alias), Name only)
- **Appearance of Pay Head Names** – Select the appropriate name style to appear for each Pay Head in Pay Slip (i.e. Alias(Name), Alias only, Name(Alias), Name Only, Pay Slip Name)



The **Pay Slip** with the above configurations is displayed as shown:

Payslip						Spectrum Software Solutions		Ctrl + M			
<b>Payslip for April-2009</b>											
<b>Vijay Kumar</b>											
Employee Number : 549		Function : Administration		Designation : Manager		Location : Bangalore		Bank Details : 001254624565, HDFC Bank, Koramangala		Date of Joining : 1-Apr-2009	
		Income Tax Number (PAN) : APD192D4D		PF Account Number : KA/BN/18184/563		ESI Number :		Passport Details : IND/BN/PASS130/005		Visa Expiry Date :	
Attendance Details		Apr-09		YTD							
Overtime		900.00 Mins		900.00 Mins							
Present		26 Days		26 Days							
Earnings		Apr-09		YTD		Deductions		Apr-09		YTD	
Basic		10,000.00		10,000.00		Professional Tax		200.00		200.00	
House Rent Allowance		4,000.00		4,000.00		EPF @ 12%		780.00		780.00	
Conveyance		800.00		800.00							
Overtime Pay		825.00		825.00							
Variable Pay		1,500.00		1,500.00							
<b>Total Earnings</b>		<b>17,125.00</b>		<b>17,125.00</b>		<b>Total Deductions</b>		<b>980.00</b>		<b>980.00</b>	
						<b>Net Amount</b>		<b>16,145.00</b>		<b>16,145.00</b>	

Figure 10.4 Pay Slip with YTD values

The Pay Slip now displays the Attendance with Present / Overtime details, Year to Date balance, and so on. To view the Pay Slip in vertical form, press **F12: Configure** and set **Show Vertical Pay Slip** to **Yes**.

The **Vertical Pay Slip** is displayed as shown:

Payslip			Spectrum Software Solutions		Ctrl + M
<b>Payslip for April-2009</b>					
<b>Vijay Kumar</b>					
Employee Number	: 549	Income Tax Number (PAN)	: APD192D4D		
Function	: Administration	PF Account Number	: KA/BN/18184/563		
Designation	: Manager	ESI Number	:		
Location	: Bangalore	Passport Details	: IND/BN/PASS130/005		
Bank Details	: 001254624565, HDFC Bank, Koramangala	Visa Expiry Date	:		
Date of Joining	: 1-Apr-2009				
<b>Attendance Details</b>	<b>Apr-09</b>	<b>YTD</b>			
Overtime	900.00 Mins	900.00 Mins			
Present	26 Days	26 Days			
<b>Earnings</b>		<b>Apr-09</b>	<b>YTD</b>		
Basic		10,000.00	10,000.00		
House Rent Allowance		4,000.00	4,000.00		
Conveyance		800.00	800.00		
Overtime Pay		825.00	825.00		
Variable Pay		1,500.00	1,500.00		
<b>Total Earnings</b>		<b>17,125.00</b>	<b>17,125.00</b>		
<b>Deductions</b>		<b>Apr-09</b>	<b>YTD</b>		
Professional Tax		200.00	200.00		
EPF @ 12%		780.00	780.00		
<b>Total Deductions</b>		<b>980.00</b>	<b>980.00</b>		
<b>Net Amount</b>		<b>16,145.00</b>	<b>16,145.00</b>		

Figure 10.5 Configured Pay Slip with Vertical Display

- You can view additional information in the Pay Slip, by pressing **Alt+F1**.

The detailed **Pay Slip** is displayed as shown:

Payslip			Spectrum Software Solutions		Ctrl + M
<b>Payslip for April-2009</b>					
<b>Vijay Kumar</b>					
Employee Number	: 549	Income Tax Number (PAN)	: APD192D4D		
Function	: Administration	PF Account Number	: KA/BN/18184/563		
Designation	: Manager	ESI Number	:		
Location	: Bangalore	Passport Details	: IND/BN/PASS130/005		
Bank Details	: 001254624565, HDFC Bank, Koramangala	Visa Expiry Date	:		
Date of Joining	: 1-Apr-2009				
<b>Attendance Details</b>			<b>Apr-09</b>	<b>YTD</b>	
Overtime		900.00 Mins	900.00 Mins		
Attendance 2	30-4-2009	1260.00 Mins		2 more ... ↓	
<b>Earnings</b>			<b>Apr-09</b>	<b>YTD</b>	
Basic			10,000.00	10,000.00	
Payroll	1 30-4-2009		10,000.00		
House Rent Allowance			4,000.00	4,000.00	
Payroll	1 30-4-2009		4,000.00		
Conveyance			800.00	800.00	
Payroll	1 30-4-2009		800.00		
<b>Total Earnings</b>			<b>17,125.00</b>	<b>17,125.00</b>	4 more ... ↓
<b>Deductions</b>			<b>Apr-09</b>	<b>YTD</b>	
Professional Tax			200.00	200.00	
Payroll	1 30-4-2009		200.00		
EPF @ 12%			780.00	780.00	
Payroll	1 30-4-2009		780.00		
<b>Total Deductions</b>			<b>980.00</b>	<b>980.00</b>	
<b>Net Amount</b>			<b>16,145.00</b>	<b>16,145.00</b>	

Figure 10.6 Detailed Pay Slip

The voucher number, date and the number of attendance or payroll records are displayed as shown in the above image. This is very useful when multiple attendance/payroll vouchers are entered for the same payroll period. You can drill down to the voucher level for reference or to effect an alteration by pressing **Enter** on the required record.



**Period Button** – By default, the Pay Slip for the current month is displayed. However, you can change the period by pressing **F2: Date** and defining the required date. This button can be used to display multiple period payroll information to view/print a consolidated Pay Slip.

**Employee Button** – From the existing Pay Slip of an employee, you can toggle between employees by pressing **F4: Employee**.

### Printing Pay Slip

- Press **Alt+P** from the **Pay Slip** screen, the **Printing Pay Slip** screen is displayed as shown:

Printing Pay Slip			
Printer	: Printer-02 (Ne03:)	Paper Type :	A4
No. of Copies	: 1		
Print Language	: English		(Printing Dimensions)
Method	: Neat Mode	Paper Size :	8.27" x 11.69" or (210 mm x 297 mm)
Page Range	: All	Print Area :	7.95" x 11.34" or (202 mm x 288 mm)
Report Titles			
<b>Pay Slip</b>			
(with Print Preview)			
<i>Without Date Range of Report, Without Page Numbers</i>			
Height of PaySlip (inches)	:	<b>10</b>	
Width of PaySlip (inches)	:	<b>7.50</b>	
Space to leave on top (default 0.25)	:	<b>0.25</b>	
Space to leave on left (default 0.5)	:	<b>0.50</b>	
Show Vertical Pay Slip	? <b>No</b>	Show Year To Date Values	? <b>Yes</b>
Show Employee Details	? <b>Yes</b>	Show Gross Salary	? <b>No</b>
Show Passport Details	? <b>Yes</b>	Remove Zero Entries	? <b>Yes</b>
Show Visa Expiry Date	? <b>Yes</b>	for Attendance/Production also	? <b>Yes</b>
Show Joining Date	? <b>Yes</b>	Appearance of Names	: <b>Na</b>
Show Attendance/Production Details	? <b>Yes</b>	Show Authorised Signatory	? <b>Yes</b>
Show Attendance/Production Groups	? <b>Yes</b>	Show Pay Slip Note	: <b>No</b>
Display Production Types in Tail Units	? <b>No</b>	Show Pay Slip Message	? <b>Yes</b>
			<b>Print ?</b>
			Yes or No

Figure 10.7 Pay Slip Print Configuration screen

Some of the configuration in the Printing screen, are similar to **F12: Configure** and can be configured from either of the screens. Additionally, the **Show Authorised Signatory** option is available in the above screen.

- In the **Printing Pay Slip** screen, press **Backspace** and enable the required option as required
- Press **Enter** to Print

#### Additional Options in the Pay Slip Printing screen:



- Show Pay Slip Note:** This option should be set to **Yes** if you want to print the **Pay Slip Note** to appear instead of Authorised Signatory details. The content of this Note can be modified from **F12: Configuration** screen from Gateway of Tally.
- Show Pay Slip Message:** This option should be set to **Yes** if you want to print the customised message on the Pay Slip for specific occasions. e.g. Happy new Year!!!!

The printed **Pay Slip** of Mr. Vijay Kumar is displayed as shown:

<b>Spectrum Software Solutions</b>					
14, Mysore Road, Bangalore					
<b>Payslip</b> for April-2009					
<b>Vijay Kumar</b>					
Employee Number : 549			Income Tax Number (PAN) : APD192D4D		
Function : Administration			PF Account Number : KA/BN/18184/563		
Designation : Manager			ESI Number :		
Location : Bangalore			Passport Details : IND/BN/PASS130/005		
Bank Details : 001254624565, HDFC Bank, Koramangala			Visa Expiry Date :		
Date of Joining : 1-Apr-2009					
<hr/>					
<b>Attendance Details</b>		<b>Apr-09</b>	<b>YTD</b>		
Overtime		900.00 Mins	900.00 Mins		
Present		26 Days	26 Days		
<hr/>					
<b>Earnings</b>		<b>Apr-09</b>	<b>YTD</b>	<b>Deductions</b>	
Basic		10,000.00	10,000.00	Professional Tax	
House Rent Allowance		4,000.00	4,000.00	EPF @ 12%	
Conveyance		800.00	800.00		
Overtime Pay		825.00	825.00		
Variable Pay		1,500.00	1,500.00		
<b>Total Earnings</b>		<b>17,125.00</b>	<b>17,125.00</b>	<b>Total Deductions</b>	
				<b>980.00</b>	
				<b>980.00</b>	
<b>Net Amount</b>				<b>16,145.00</b>	<b>16,145.00</b>
<hr/>					
Amount (in words) :				<b>for Spectrum Software Solutions</b>	
Rs. Sixteen Thousand One Hundred Forty Five Only					
Authorised Signatory					

Figure 10.8 Printed Pay Slip



### Emailing Pay Slip

Go to **Gateway of Tally > Display > Payroll Reports > Statements of Payroll > Pay Slip > Single Pay Slip**

- Select the required Employee and press **Enter**
- Press **Alt+M**, the **Mailing Pay Slip** screen is displayed as shown:

Mailing Pay Slip			
E-Mail Server : Server Address : <i>(Name:Port, Default Port is 25)</i> Use SSL : <i>(Choose Yes, if using Secured SMTP Server)</i> Use SSL On Standard Port : <i>(Choose Yes, if using SSL on Default/Standard SMTP Port)</i> From : <i>Spectrum Software Solutions</i> From E-Mail Address : <i>sales@spectrum.com</i> Authentication User Name: <i>(Only if required)</i> Password : Format : <i>HTML (Web-Publishing)</i> Resolution : <i>1024 x 768</i>	To E-Mail Address : <b>vijay@spectrum.com</b> CC To (if any) : <b>None</b> Subject : <b>Pay Slip</b> Additional Text (if any) :  Information sent : <b>As Attachment</b>		
Show Vertical Pay Slip ? <b>No</b> Show Employee Details ? <b>Yes</b> Show Passport Details ? <b>Yes</b> Show Visa Expiry Date ? <b>Yes</b> Show Joining Date ? <b>Yes</b> Show Attendance/Production Details ? <b>Yes</b> Show Attendance/Production Groups ? <b>Yes</b> Display Production Types in Tail Units ? <b>No</b>	Show Year To Date Values ? <b>Yes</b> Show Gross Salary ? <b>No</b> Remove Zero Entries ? <b>No</b> for Attendance/Production also ? <b>Yes</b> Appearance of Names Show Authorised Signatory Show Pay Slip Note Show Pay Slip Message		
<table border="1" style="display: inline-table; border-collapse: collapse;"> <tr> <td style="padding: 5px;"> <b>Mail ?</b>   <span style="color: red;">Yes or No</span> </td> </tr> </table>		<b>Mail ?</b>  <span style="color: red;">Yes or No</span>	
<b>Mail ?</b>  <span style="color: red;">Yes or No</span>			

Figure 10.9 Mailing Pay Slip sub screen

- In the **Mailing Pay Slip** screen,
  - Specify the **SMTP Server Name** in the **Email Server** field
  - Press **Enter** to accept the **From & From E-mail Address** fields (The company name & Email id is defaulted from the company master, however you can modify the same)
  - Specify the **Authentication User Name** and **Password**, if required
  - Set **Use SSL** to **No**
  - Select **HTML (Web publishing)** in the **Format** field
  - Select the required **Resolution** from the Resolutions drop down
  - Press **Enter** to accept the **To Email Address** (The Employee address is defaulted from the Employee Master, however, you may modify as required)
  - Enter the other information as required

The completed **Mailing Pay Slip** configuration screen is displayed as shown:

Mailing Pay Slip					
E-Mail Server	: <i>User defined</i>	To E-Mail Address	: vijay@spectrum.com		
Server Address	: smtp.spectrum.com	CC To (if any)	: None		
<i>(Name:Port, Default Port is 25)</i>		Subject	: Pay Slip		
Use SSL	: No	Additional Text (if any)	:		
<i>(Choose Yes, if using Secured SMTP Server)</i>					
Use SSL On Standard Port	: No				
<i>(Choose Yes, if using SSL on Default/Standard SMTP Port)</i>					
From	: Spectrum Software Solutions				
From E-Mail Address	: payroll@spectrum.com				
Authentication User Name:		Information sent	: As Attachment		
<i>(Only if required)</i>					
Password	:				
Format	: HTML (Web-Publishing)				
Resolution	: 1024 x 768				
Show Vertical Pay Slip	? No	Show Year To Date Values	? Yes		
Show Employee Details	? Yes	Show Gross Salary	? No		
Show Passport Details	? Yes	Remove Zero Entries	? No		
Show Visa Expiry Date	? Yes	for Attendance/Production also	? Yes		
Show Joining Date	? Yes	Appearance of Names			
Show Attendance/Production Details	? Yes	Show Authorised Signatory	<table border="1"> <tr> <td><b>Mail ?</b></td> </tr> <tr> <td><b>Yes or No</b></td> </tr> </table>	<b>Mail ?</b>	<b>Yes or No</b>
<b>Mail ?</b>					
<b>Yes or No</b>					
Show Attendance/Production Groups	? Yes	Show Pay Slip Note			
Display Production Types in Tail Units	? No	Show Pay Slip Message			

Figure 10.10 Completed Mailing Pay Slip sub screen

### **Mailing Pay Slip Configurations**

- **Email Server** – Name of the SMTP mail server should be specified.
- **From** - The From field is pre-filled with the name of your Company as specified in the Company Creation screen. You can change the same if you want some other name to be displayed.
- **From E-mail Address** is pre-filled with the Company's e-mail address as filled during the Company Creation.
- **Authentication User Name and Password** field should be filled if your SMTP Server needs Authentication for sending e-mails.
- **Use SSL** - This is set to **Yes** for the servers using the Secured Socket Layer protocol for extra security reasons.
- **Format** - you can select the format in which the Pay Slip should be viewed by the mail recipient.
- **Resolution** - appropriate resolution for the Emailed Pay Slip can be selected in this field.
- **To E-Mail Address** - this will be selected automatically if the e-mail address is provided in the Employee Master. Or else, you need to specify the same at the time of emailing.
- **CC To (if any)** - If you want the Pay Slip to be sent to another e-mail address, it can be specified here.
- **Subject** - specify the Subject of email to be seen by the user.
- **Additional Text (if any)** - This will appear in the body of the email that is sent.
- **Information Sent** - The option to send the E-mail as an Attachment or as a direct view can be selected here.

Other options are similar same as **Pay Slip Configurations**.

- Press **Enter** to Email the Pay Slip



The **Pay Slip** sent by e-mail when viewed from the mail box of the employee is as shown:

Pay Slip					
Spectrum Software Solutions 14, Mysore Road, Bangalore					
<u>Pay Slip for April-2009</u> Vijay Kumar					
Employee Number:	549	Income Tax Number (PAN):		APD192D4D	
Function:	Administration	PF Account Number:		KA/BN/18184/563	
Designation:	Manager	ESI Number:			
Location:	Bangalore	Passport Details:		IND/BN/PASS130/005	
Bank Details:	001254624565, HDFC Bank, Koramangala		Visa Expiry Date:		
Date of Joining:	1-Apr-2009				
<b>Attendance Details</b>					
	Apr-09	YTD			
Overtime	15- 0.00 Hrs	15- 0.00 Hrs			
Present	26 Days	26 Days			
<hr/>					
<b>Earnings</b>	<b>Apr-09</b>	<b>YTD</b>	<b>Deductions</b>	<b>Apr-09</b>	<b>YTD</b>
Basic	10,000.00	10,000.00	Professional Tax	200.00	200.00
House Rent Allowance	4,000.00	4,000.00	EPF @ 12%	780.00	780.00
Conveyance	800.00	800.00	ESI @ 1.75%		
Overtime Pay	825.00	825.00	Staff Salary Advance		
Variable Pay	1,500.00	1,500.00			
<b>Total Earnings</b>	<b>17,125.00</b>	<b>17,125.00</b>	<b>Total Deductions</b>	<b>980.00</b>	<b>980.00</b>
			<b>Net Amount</b>	<b>16,145.00</b>	<b>16,145.00</b>
Amount (in words) :					
Rs. Sixteen Thousand One Hundred Forty Five Only					
This is a Computer Generated Pay Slip					
<i>Created using Tally.ERP 9</i>					

Figure 10.11 Emailed Pay Slip

### Exporting Pay Slip to MS Excel

Go to **Gateway of Tally > Display > Payroll Reports > Statements of Payroll > Pay Slip > Single Pay Slip**

- Select the required Employee and press **Enter**
- Press **Alt+E**, the configuration screen to select the required format appears as shown:
- In the **Export** screen, specify the details as shown:

The completed **Export** screen is displayed as shown:

**Exporting Pay Slip**

Language : Default (All Languages)  
 Format : Excel (Spreadsheet)  
 Export Location : C:\Tally.ERP9  
 Output File Name : Pay Slip.xls  
 Output Sheet Name : Pay Slip  
 Update existing file : Yes  
 Excel (Spreadsheet) Formatting with Colour : Yes

**Export ?**

Yes or No

Figure 10.12 Export Pay Slip screen

The Pay Slip exported into Excel will appear as shown:

	A	B	C	D	E	F	G	
1	Spectrum Software Solutions							
2	14, Mysore Road,							
3	Bangalore							
4	<b>Payslip for April-2009</b>							
5	<b>Vijay Kumar</b>							
6	Employee Number:	549	Income Tax Number (PAN):	APD192D4D				
7	Function:	Administration	PF Account Number:	KABN/18184/563				
8	Designation:	Manager	ESI Number:					
9	Location:	Bangalore	Passport Details:	IND/BN/PASS130/005				
10	Bank Details:	001254624565, HDFC Bank					Visa Expiry Date:	
11	<b>Date of Joining:</b>	<b>1-Apr</b>						
12	<b>Attendance Details</b>	<b>Value</b>						
13	Overtime	15- 0.00 Hrs						
14	<b>Present</b>	<b>26 Days</b>						
15	<b>Earnings</b>	<b>Amount</b>	<b>Gross Salary</b>	<b>Deductions</b>	<b>Amount</b>	<b>Gross Salary</b>		
16	Basic	10000.00	10000.00	Professional Tax	200.00	200.00		
17	House Rent Allowance	4000.00	4000.00	EPF @ 12%	780.00	780.00		
18	Conveyance	800.00	800.00					
19	Overtime Pay	825.00	825.00					
20	<b>Variable Pay</b>	<b>1500.00</b>	<b>1500.00</b>					
21		<b>Total Earnings</b>		<b>Total Deductions</b>		<b>980.00</b>	<b>980.00</b>	
22								
23	Amount (in words) :		<b>for Spectrum Software Solutions</b>					
24			Rs. Sixteen Thousand One Hundred Forty Five Only					
25			Authorised Signatory					
26								
27								

Figure 10.13 Exported Pay Slip

The Pay Slip can also be exported to pdf, jpeg or other formats as per the requirement.

### Multi Pay Slips

Tally.ERP 9 provides the flexibility to print, E-Mail or export selected or all Pay Slips on Click of a Button.

Before E-mailing the Pay Slips to all Employees, you can check whether the Email ID's are entered correctly for all Employees.

### E-mail IDs

To check the E-Mail IDs entered,

Go to **Gateway of Tally > Display > Payroll Reports > Statements of Payroll > Pay Slip > E-Mail IDs**

E-Mail IDs		
Spectrum Software Solutions		
For Exceptions Only		
Particulars	Contact Number	E-Mail ID
James		

Figure 10.14 E-Mail IDs - Exceptions Only

The above report displays the Employees' for whom the E-Mail ID's are either not entered or incorrectly entered. You can press **Ctrl+Enter** to add or alter the E-Mail ID's for the required Employees. To view the E-Mail ID's for all Employees you can press **F5: All Items** from the above report.

The E-Mail IDs report for all the Employees is as shown:

E-Mail IDs		
Spectrum Software Solutions		
For All Employees		
Particulars	Contact Number	E-Mail ID
Ajay		ajay@spectrum.com
James		
Mahesh		mahesh@spectrum.com
Rahul		rahul@spectrum.com
Rajesh	080-52525354	rajesh@spectrum.com
Suresh	080-23425234	suresh@spectrum.com
Vijay Kumar	080-55669878	vijay@spectrum.com
Vineet		vineet@spectrum.com

Figure 10.15 E-Mail IDs for All Employees

**ail/Print/Export Multi Pay Slips**

To E-Mail/Print/Export all the Pay Slips or selected Pay Slips,

Go to **Gateway of Tally > Display > Payroll Reports > Statements of Payroll > Pay Slip > Multi Pay Slips**

- Select the appropriate **Employee Category** and **Employee Group** in the Employee Filters subscreen as shown:



Figure 10.16 Employee Filters

- Press **Enter** to view the **Multi Pay Slip** report as shown:

Multi Pay Slip						
Spectrum Software Solutions						
For All Employees						
						1-Apr-2009 to 30-Apr-2009
Particulars	Employee Number	Account No.	Bank Name	Branch	Amount	E-Mail ID
<b>Primary Cost Category</b>					<b>86,340.00</b>	
Administration					<b>16,145.00</b>	
Vijay Kumar	549	001254624565	HDFC Bank	Koramangala	16,145.00	vijay@spectrum.com
R&D					<b>22,712.00</b>	
Rahul	552	001245766542	HDFC Bank	Koramangala	22,712.00	rahul@spectrum.com
Sales					<b>47,483.00</b>	
Ajay	551	001423137862	HDFC Bank	Koramangala	10,116.00	ajay@spectrum.com
Mahesh	550	001453276895	HDFC Bank	Koramangala	37,367.00	mahesh@spectrum.com
<b>Grand Total</b>					<b>86,340.00</b>	

Figure 10.17 Multi Pay Slip screen



Tally.ERP 9 provides the flexibility to **E-Mail/Print or Export** all Pay Slips from the above screen using the standard **Alt+M/Alt+P/Alt+E** buttons from the above screen.

The options in the email/print and Export screens are similar to Single Pay Slip report already discussed.



To **E-Mail/Print/Export** Pay Slips for selective Employees, you have to select the required Employees using the **Space bar**.

If the cursor is on a particular **Category** or a **Group**, then the Pay Slips belonging to that **Category** or **Group** only will be **E-Mailed/Printed/Exported**.

### Pay Sheet

A Pay Sheet is a columnar report which displays the Group/Department-wise break-up of employees' earnings and deductions for the selected month.

Go to **Gateway of Tally > Display > Payroll Reports > Statements of Payroll > Pay Sheet**

- Select the **All Items** in the **Name of Employee Category** field
- Select **All Items** in the **Name of Employee / Group** as shown:

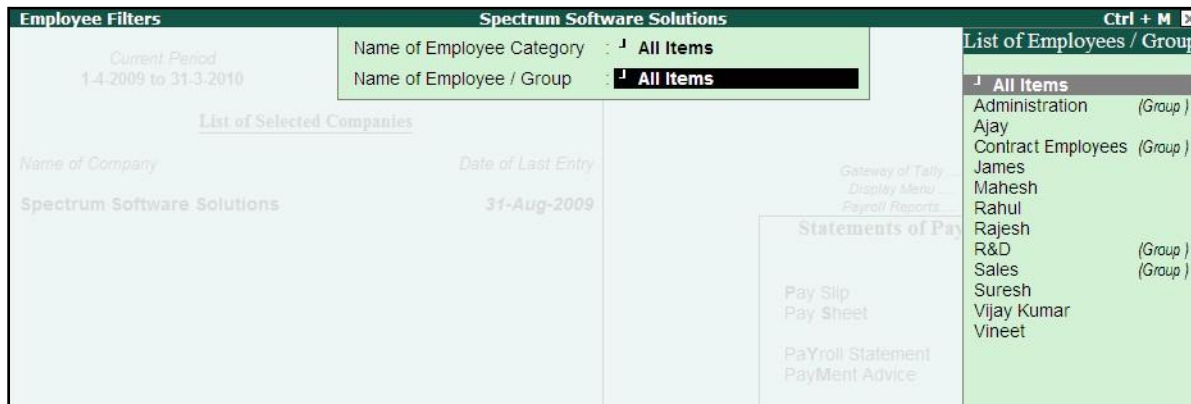


Figure 10.18 Employee Filters

- Press **Enter** to display the Pay Sheet

The **Pay Sheet** is displayed as shown:

PaySheet										
Spectrum Software Solutions										Ctrl + M
For All Employees										
Particulars	Conveyance	Overtime Pay	Variable Pay	Total Earnings	ESI @ 1.75%	EPF @ 12%	Professional Tax	Staff Salary Advance	Total Deductions	Net Amount
	← ... 4 more									
<b>Primary Cost Category</b>		2,025.00	2,500.00	90,210.00		3,120.00	750.00		3,870.00	86,340.00
<b>Administration</b>		825.00	1,500.00	17,125.00		780.00	200.00		980.00	16,145.00
Vijay Kumar		825.00	1,500.00	17,125.00		780.00	200.00		980.00	16,145.00
<b>R&amp;D</b>				23,692.00		780.00	200.00		980.00	22,712.00
Rahul				23,692.00		780.00	200.00		980.00	22,712.00
<b>Sales</b>		1,200.00	1,000.00	49,393.00		1,560.00	350.00		1,910.00	47,483.00
Ajay		1,200.00		11,046.00		780.00	150.00		930.00	10,116.00
Mahesh			1,000.00	38,347.00		780.00	200.00		980.00	37,367.00
<b>Grand Total</b>		2,025.00	2,500.00	90,210.00		3,120.00	750.00		3,870.00	86,340.00

Figure 10.19 Pay Sheet

You can further configure the Pay Sheet to display the net amount, column subtotals, Category/Group subtotals, user-defined Pay Slip names, Employee names and sort it by Employee number in the **F12: Configuration**.

The **F12: Configuration** from the Pay Sheet screen is displayed as shown:

Configuration		Appearance
Appearance of Pay Head Types	: All Items	All Items
Show 'Net Amount' Column	? Yes	Deductions
Show Column SubTotals	? Yes	Earnings
Remove Zero Entries	? Yes	
Show Payslip Names for Ledgers	? Yes	
Include Employee Groups & Categories	? Yes	
Show Category/Group Total	? Yes	
Show Grand Total	? Yes	
Show Attendance Details	? No	
Display Production Types in Tail Units	? No	
Format	: Detailed	
Show Employee Number	? No	
Show Employee Designation	? No	
Expand all levels in Detailed Format	? Yes	
Appearance of Names	: Name Only	
Sorting Method	: Default	

Figure 10.20 F12: Configuration

The **F12:Configuration** options in the Pay Sheet are explained as follows.

- **Appearance of Pay Head Types** – Select the required **Pay Head Types** from **Deductions, Earnings** or **All Items**.
- **Show Net Amount Column** – Set this option to **Yes** to display the Net Payable Column.
- **Show Column SubTotals** – Set this option to **Yes** to display the subtotals of Earnings/Deductions pay head columns.
- **Remove Zero Entries** – Set this option to **Yes** to eliminate Earnings/Deductions pay heads with Zero values.
- **Show Pay Slip Names for Ledgers** – Set this option to **Yes** to display the Name defined in the Appear in Pay Slip field in the pay head master.
- **Include Employee Groups & Categories** – Set this option to **Yes** to display Category-wise/ Group-wise pay sheet. If this option is set to No, the Pay Sheet will appear Employee-wise.
- **Show Category/Group Total** – Set this option to **Yes** to display Category and Group-wise columnar pay head totals.
- **Show Grand Total** – Set this option to **Yes** to display the sum of all pay head columns appearing in the report.
- **Show Attendance Details** - Set this Option to **Yes** to display the Attendance for the Employees
- **Display Production types in Tail Units** - Set this Option to **Yes** to show the Overtime details in minutes.
- **Format** – Select Detailed mode to view Pay Sheet information of employees with their respective category and group. Select Condensed mode when only sum totals are required for each category and group.
- **Show Employee Number** – Set this option to **Yes** to display employee numbers.
- **Show Employee Designation** - Set this Option to **Yes** to show the designation for employees.
- **Expand all levels in Detailed Format** – Set this option to **Yes** to expand all levels and display Employee details.
- **Appearance of Names** – Select the appropriate name style to appear in the paysheet (viz., Alias (Name), Alias only, Name (Alias), Name only).
- **Sorting Method** – Sort the Pay Sheet either by Alphabetically increasing / decreasing, Employee number or by the Default method.



- Set the **F12: Configuration** screen is displayed as shown:

Configuration		0.00	17,125.00	
			23,692.00	
Appearance of Pay Head Types	: <b>All Items</b>		23,692.00	
Show 'Net Amount' Column	? <b>Yes</b>	0.00	49,393.00	
Show Column SubTotals	? <b>Yes</b>		11,046.00	
Remove Zero Entries	? <b>Yes</b>	0.00	38,347.00	
Show Payslip Names for Ledgers	? <b>Yes</b>			
Include Employee Groups & Categories	? <b>Yes</b>			
Show Category/Group Total	? <b>Yes</b>			
Show Grand Total	? <b>Yes</b>			
Show Attendance Details	? <b>Yes</b>			
Display Production Types in Tail Units	? <b>Yes</b>			
Format				
Show Employee Number	? <b>Yes</b>			
Show Employee Designation	? <b>Yes</b>			
Expand all levels in Detailed Format	? <b>Yes</b>			
Appearance of Names	: <b>Name Only</b>			
Sorting Method	: <b>Default</b>			
<b>Sorting Methods</b>				
Alphabetical (Decreasing)				
Alphabetical (Increasing)				
<b>Default</b>				
EmployeeNumber				

Figure 10.21 F12: Configuration screen - Pay Sheet

The **Pay Sheet** with the above configurations will appear as shown:

PaySheet		Spectrum Software Solutions						Ctrl + M	
For All Employees			1-Apr-2009 to 30-Apr-2009						
Particulars	Employee Number	Employee Designation	Absent	Overtime	Present	Basic	Wages	Conveyance	House Rent Allowance
<b>Primary Cost Category</b>				1,620 Mins	80 Days	59,423.00		3,800.00	22,462.00
<b>Administration</b>				900 Mins	26 Days	10,000.00		800.00	4,000.00
Vijay Kumar	549	Manager		900 Mins	26 Days	10,000.00		800.00	4,000.00
<b>R&amp;D</b>					22 Days	16,923.00			6,769.00
Rahul	552	Manager			22 Days	16,923.00			6,769.00
<b>Sales</b>				720 Mins	32 Days	32,500.00		3,000.00	11,693.00
Ajay	551	Area Sales Manager		720 Mins	17 Days	6,538.00		2,000.00	1,308.00
Mahesh	550	Sr. Manager			15 Days	25,962.00		1,000.00	10,385.00
<b>Grand Total</b>				<b>1620 Mins</b>	<b>80 Days</b>	<b>59,423.00</b>		<b>3,800.00</b>	<b>22,462.00</b>

Figure 10.22 Pay Sheet

To view the **Pay Sheet** till date with **Category** and **Group Totals**,

- Press **Alt+F2** and change period as **01-04-2009** to **31-08-2009**
- Press **F12: Configure** and set **Show Category/Group Total** to **Yes**

The **Pay Sheet** with Category and Group Totals displays is displayed as shown:

PaySheet									
Spectrum Software Solutions									
For All Employees									
1-Apr-2009 to 31-Aug-2009									
Particulars	Employee Number	Employee Designation	Total Earnings	ESI @ 1.75%	EPF @ 12%	Professional Tax	Staff Salary Advance	Total Deductions	Net Amount
			← ... 10 more						
<b>Primary Cost Category</b>			<b>6,04,457.00</b>	<b>687.00</b>	<b>18,601.00</b>	<b>3,960.00</b>	<b>6,500.00</b>	<b>29,748.00</b>	<b>5,74,709.00</b>
<b>Administration</b>			<b>95,158.00</b>	<b>329.00</b>	<b>5,354.00</b>	<b>980.00</b>		<b>6,663.00</b>	<b>88,495.00</b>
Suresh	553	Executive	18,762.00	329.00	1,454.00	180.00		1,963.00	16,799.00
Vijay Kumar	549	Manager	76,396.00		3,900.00	800.00		4,700.00	71,696.00
<b>Contract Employees</b>			<b>7,613.00</b>						<b>7,613.00</b>
James	555	Executive	3,615.00						3,615.00
Vineet	556	Executive	3,998.00						3,998.00
<b>R&amp;D</b>			<b>1,17,386.00</b>		<b>3,900.00</b>	<b>1,000.00</b>	<b>5,000.00</b>	<b>9,900.00</b>	<b>1,07,486.00</b>
Rahul	552	Manager	1,17,386.00		3,900.00	1,000.00	5,000.00	9,900.00	1,07,486.00
<b>Sales</b>			<b>3,84,300.00</b>	<b>358.00</b>	<b>9,347.00</b>	<b>1,980.00</b>	<b>1,500.00</b>	<b>13,185.00</b>	<b>3,71,115.00</b>
Ajay	551	Area Sales Manager	67,130.00		3,900.00	800.00		4,700.00	62,430.00
Mahesh	550	Sr. Manager	2,96,733.00		3,900.00	1,000.00		4,900.00	2,91,833.00
Rajesh	554	Junior Executive	20,437.00	358.00	1,547.00	180.00	1,500.00	3,585.00	16,852.00
<b>Grand Total</b>			<b>6,04,457.00</b>	<b>687.00</b>	<b>18,601.00</b>	<b>3,960.00</b>	<b>6,500.00</b>	<b>29,748.00</b>	<b>5,74,709.00</b>

Figure 10.23 Pay Sheet with Category and Group Total

**Button options:**



- **Detailed/Condensed Button** – This button (**Alt+F1**) is used to toggle between the **detailed** and **condensed** modes of reporting.
- **Period button** – This option (**F2**) is used to define the periodicity of the report, i.e. for a day, week, fortnight, month, quarter, half-year, year or any given period.

To view the **Pay Sheet** for a particular Employee Group,

- Press **Ctrl+F7** from the Pay Sheet display, the Employee Filters screen is displayed
- In the **Employee Filters** screen,
  - Select **Primary Cost Category** in the **Employee Category** field
  - Select **Sales** as the **Employee group**

The **Employee Filters** screen is displayed as shown:

Employee Filters							Spectrum Software Solutions		Ctrl + M
For All Employees Under Category: Primary Cost Category							List of Employees / Group		
Particulars	Employee Number	Employee Designation	Present	Absent	Overtime	Basic	W		
Primary Cost Category			80 Days			59,423.00		All Items	
Administration			26 Days			10,000.00		Sales (Group)	
Vijay Kumar	549	Manager	26 Days			10,000.00			
R&D			22 Days			16,923.00			
Rahul	552	Manager	22 Days			16,923.00			
Sales			32 Days			32,500.00			
Ajay	551	Area Sales Manager	17 Days			6,538.00			
Mahesh	550	Sr. Manager	15 Days			25,962.00			
<b>Employee Filters</b>									
Employee Category		: Primary Cost Category							
Employee/Group		Sales							
Grand Total			80 Days			59,423.00			

Figure 10.24 Employee Filters

The **Pay Sheet** for the selected Employee Group is displayed as shown:

PaySheet		Spectrum Software Solutions					Ctrl + M		
For All Employees Under Group: Sales			1-Aug-2009 to 31-Aug-2009						
Particulars	Employee Number	Employee Designation	Absent	Overtime	Present	Basic	Wages	Conveyance	House Rent Allowance
<b>Primary Cost Category</b>					77 Days	64,077.00		4,800.00	10 more ... →
<b>Sales</b>					77 Days	64,077.00		4,800.00	24,531.00
Ajay	551	Area Sales Manager			26 Days	11,000.00		2,000.00	3,300.00
Mahesh	550	Sr. Manager			25 Days	48,077.00		2,000.00	19,231.00
Rajesh	554	Junior Executive			26 Days	5,000.00		800.00	2,000.00
<b>Grand Total</b>					77 Days	64,077.00		4,800.00	24,531.00

Figure 10.25 Employee Group Pay Sheet

You can also drill down from the above report to the voucher level, by highlighting the pay heads column of the required employee and pressing **Enter**.

**Button Options:**



- **Employee Filter Button** – By using the **Employee Filter button (Ctrl+F7)**, view the individual employee/ Employee group pay sheet report.
- **New Column** – This option (**Alt+C**) is used to add a new column for any other Pay Head, which is not part of the pay structure.
- **Alter Column** – This option (**Alt+A**) is used to replace an existing column in the report with another Pay Head column.
- **Delete Column** – This option (**Alt+D**) is used to delete an existing column in the report.

You can also print the Pay Sheet, by pressing **Alt+P** and specifying the required options in the **Pay Sheet Print configuration** screen.

The **Pay Sheet Print Configuration** screen is displayed as shown:

<b>Printing Pay Sheet</b>			
<b>Printer</b>	: Printer-02 (Ne03:)		
<b>No. of Copies</b>	: 1		
<b>Print Language</b>	: English		
<b>Method</b>	: Neat Mode		
<b>Page Range</b>	: All		
<b>Paper Type</b>	: A4		
<i>(Printing Dimensions)</i>			
<b>Paper Size</b>	: (8.27" x 11.69") or (210 mm x 297 mm)		
<b>Print Area</b>	: (7.95" x 11.34") or (202 mm x 288 mm)		
<u>Report Titles</u>			
<b>Pay Sheet</b>			
(with Print Preview)			
Increase Line Height for Signature / Stamp ? <b>No</b>			
<table border="1"> <tr> <td style="text-align: center;"><b>Print ?</b></td> </tr> <tr> <td style="text-align: center;"><b>Yes</b> or <b>No</b></td> </tr> </table>		<b>Print ?</b>	<b>Yes</b> or <b>No</b>
<b>Print ?</b>			
<b>Yes</b> or <b>No</b>			

Figure 10.26 Pay Sheet Print Configuration screen



The **Printed Pay Sheet** is displayed as shown:

Spectrum Software Solutions  
14, Mysore Road,  
Bangalore

**Pay Sheet**  
1-Apr-2009 to 30-Apr-2009

Page 1

Particulars	Overtime	Present	Basic	Conveyance	House Rent Allowance	Overtime Pay	Total Earnings	EPF @ 12 %	Professional Tax	Total Deductions	Net Amount
<b>Primary Cost Category</b>											
<b>Administration</b>											
Vijay Kumar	1,620 Mins	80 Days	59,423.00	3,800.00	22,462.00	2,025.00	87,710.00	3,120.00	750.00	3,870.00	83,840.00
R&D	900 Mins	26 Days	10,000.00	800.00	4,000.00	825.00	15,625.00	780.00	200.00	980.00	14,645.00
Rahul	900 Mins	26 Days	10,000.00	800.00	4,000.00	825.00	15,625.00	780.00	200.00	980.00	14,645.00
Sales	720 Mins	22 Days	16,923.00	800.00	6,769.00		23,692.00	780.00	200.00	980.00	22,712.00
Ajay	720 Mins	22 Days	16,923.00	800.00	6,769.00		23,692.00	780.00	200.00	980.00	22,712.00
Mahesh	720 Mins	32 Days	32,500.00	3,000.00	11,693.00	1,200.00	48,393.00	1,560.00	350.00	1,910.00	46,483.00
<b>Grand Total</b>	<b>1,620 Mins</b>	<b>80 Days</b>	<b>59,423.00</b>	<b>3,800.00</b>	<b>22,462.00</b>	<b>2,025.00</b>	<b>87,710.00</b>	<b>3,120.00</b>	<b>750.00</b>	<b>3,870.00</b>	<b>83,840.00</b>

Figure 10.27 Printed Pay Sheet (Landscape view)

While printing the Pay Sheet, you can choose to **Increase the Line Height** (for each employee line) if you want to create space for the employee's signature or to affix a stamp. Such a Pay Sheet can also be used for the salary disbursement register.

- Press **Alt+P** to print Pay Sheet and set the **Increase Line Height for Signature/ Stamp?** field to **Yes**

The printed **Pay Sheet** with space for signature/ stamp is as shown.

Spectrum Software Solutions 14, Mysore Road, Bangalore											
Pay Sheet 1-Apr-2009 to 30-Apr-2009											
Particulars	Overtime	Present	Basic	Conveyance	House Rent Allowance	Overtime Pay	Total Earnings	EPF @ 12 %	Professional Tax	Total Deductions	Net Amount
Primary Cost Category Administration Vijay Kumar	1,620 Mins	80 Days	59,423.00	3,800.00	22,462.00	2,025.00	87,710.00	3,120.00	750.00	3,870.00	83,840.00
	900 Mins	26 Days	10,000.00	800.00	4,000.00	825.00	15,625.00	780.00	200.00	980.00	14,645.00
	900 Mins	26 Days	10,000.00	800.00	4,000.00	825.00	15,625.00	780.00	200.00	980.00	14,645.00
R&D Rahul		22 Days	16,923.00		6,769.00		23,692.00	780.00	200.00	980.00	22,712.00
		22 Days	16,923.00		6,769.00		23,692.00	780.00	200.00	980.00	22,712.00
Sales Ajay	720 Mins	32 Days	32,500.00	3,000.00	11,693.00	1,200.00	48,393.00	1,560.00	350.00	1,910.00	46,483.00
	720 Mins	17 Days	6,538.00	2,000.00	1,308.00	1,200.00	11,046.00	780.00	150.00	930.00	10,116.00

Figure 10.28 Printed Pay Sheet with space for Signature/ Stamp

Page 2 of the Printed **Pay Sheet** is as shown:

Spectrum Software Solutions											
Pay Sheet : 1-Apr-2009 to 30-Apr-2009											
Particulars	Overtime	Present	Basic	Conveyance	House Rent Allowance	Overtime Pay	Total Earnings	EPF @ 12 %	Professional Tax	Total Deductions	Net Amount
Mahesh		15 Days	25,962.00	1,000.00	10,385.00		37,347.00	780.00	200.00	980.00	36,367.00
<b>Grand Total</b>	1620 Mins	80 Days	59,423.00	3,800.00	22,462.00	2,025.00	87,710.00	3,120.00	750.00	3,870.00	83,840.00

Figure 10.29 Printed Pay Sheet with space for Signature/ Stamp – Page 2



You can also **E-mail** or use **Export Pay Sheet Report** in the manner as discussed in Pay Slip Section. The navigation steps for E-mailing and Exporting Pay Sheet is similar to the steps explained in **Pay Slip Report**.

### Payroll Statement

A Payroll Statement is a columnar report which displays Group/Department-wise employees' break-up of selected earnings or deductions, for a specified month or period.

Go to **Gateway of Tally > Display > Payroll Reports > Statements of Payroll > Payroll Statement**

- Select the required pay head and press **Enter**

The **Payroll Statement** for Basic Pay Earnings Head for the month of April 2009 is displayed as shown:

Payroll Statement		Spectrum Software Solutions	Ctrl + M
For All Employees		1-Apr-2009 to 30-Apr-2009	
Particulars	Basic		
<b>Primary Cost Category</b>	<b>59,423.00</b>		
Administration	10,000.00		
Vijay Kumar	10,000.00		
R&D	16,923.00		
Rahul	16,923.00		
Sales	32,500.00		
Ajay	6,538.00		
Mahesh	25,962.00		
<b>Grand Total</b>	<b>59,423.00</b>		

Figure 10.30 Payroll Statement

You can further configure the Payroll Statement to display the Employee groups and categories, category/group subtotals, grand totals, user-defined Pay Slip names, employee names, employee bank details, sort it by Employee number, by pressing **F12: Configure**

- Enter the details in **F12: Configuration** screen as shown

The **F12: Configuration** screen is displayed as shown:

Configuration	
Remove Zero Entries	? Yes
Show Payslip Names for Ledgers	? Yes
Include Employee Groups & Categories	? Yes
Show Category/Group Total	? Yes
Show Grand Total	? Yes
Format	: Detailed
Show Employee PF Account Number	? No
Show Income Tax Number (PAN)	? Yes
Show Employee Bank Details	? Yes
Show Employee Number	? Yes
Show Employee ESI Number	? No
Show Employee Passport Details	? No
Show Employee Visa Expiry Date	? No
Expand all levels in Detailed Format	? Yes
Appearance of Names	: Name Only
Sorting Method	: Default

Sorting Methods
Alphabetical (Decreasing)
Alphabetical (Increasing)
Bank Details
Default
EmployeeNumber
ESI Number
Income Tax Number (PAN)
Passport Details
PF Account Number
Visa Expiry Date

Figure 10.31 F12: Configuration

**The F12: Configuration options in Payroll Statement Report are as follows:**

- **Remove Zero Entries** – Set this option to **Yes** to remove Earnings/ Deductions pay head information with Zero values.
- **Show Pay Slip Names for Ledgers** – Set this option to **Yes**, to view the names of pay heads as specified in the **Name to Appear in Pay Slip** field in the Pay Head master creation.
- **Include Employee Groups & Categories** – Set this option to **Yes** to display Category and Group-wise Employee information.
- **Show Category/Group Total** – Set this option to **Yes**, to display Category and Group-wise Totals.
- **Show Grand Total** – Set this option to **Yes**, to display the sum of all the pay head columns in the report.
- **Format** – Select the mode **Detailed** to view payroll information of employees with their respective categories and groups. Select the **Condensed** mode when only sum totals are required for each category and group.





- **Show Employee PF Account Number** – Set this option to **Yes**, to display the Provident Fund Account number of an employee.
- **Show Income Tax Number (PAN)** – Set this option to **Yes**, to display the Income Tax Permanent Account Number (PAN) of an employee.
- **Show Employee Bank Details** – Set this option to **Yes**, to display the Bank Account Number of an employee
- **Show Employee Number** – Set this option to **Yes**, to display the Employee Number of an employee.
- **Show Employee ESI Number** – Set this option to **Yes**, to display the State Insurance Number of an employee.
- **Show Employee Passport Details** – Set this option to **Yes**, to display an employee's passport details.
- **Show Employee Visa Expiry Date** – Set this option to **Yes**, to display an employee's visa expiry date.
- **Expand all levels in Detailed format** – Set this option to **Yes**, to expand all levels and display Employee details.
- **Appearance of Names** – Select the appropriate name style to appear in the Payroll Statement (Alias (Name), Alias only, Name (Alias), Name only).
- **Sorting Method** – Sort the Payroll Statement using Alphabetical (Decreasing), Alphabetical (Increasing), Bank details, Employee Number, ESI Number, Income Tax Number (PAN), Passport Details, PF Account Number, or by the default method.



The Employee PF Account Number, IT PAN Number, ESI Number, Passport Details, Visa Expiry Date options will be available in **F12: Configure** only when the options, **Show Statutory details** and **Passport & Visa details**, are set to **Yes** in **F12: Payroll Configuration**.

The Payroll Statement with the above Configurations is displayed as shown:

Payroll Statement				Spectrum Software Solutions	Ctrl + M
For All Employees				1-Apr-2009 to 30-Apr-2009	
Particulars	Employee Number	Income Tax Number (PAN)	Bank Details	Basic	
<b>Primary Cost Category</b>				<b>59,423.00</b>	
<b>Administration</b>				10,000.00	
Vijay Kumar	549	APD192D4D	HDFC Bank	10,000.00	
<b>R&amp;D</b>				16,923.00	
Rahul	552	ARDP45D8	HDFC Bank	16,923.00	
<b>Sales</b>				32,500.00	
Ajay	551	ARDJH1234J	HDFC Bank	6,538.00	
Mahesh	550	APD123D54	HDFC Bank	25,962.00	
<b>Grand Total</b>				<b>59,423.00</b>	

Figure 10.32 Payroll Statement with additional information



- You can also **Email** or **Export Payroll Statement** in the manner as discussed in **Pay Slip** Section.
- The **Button Bar** options in **Payroll Statement** are same as in the **Pay-sheet** report.

To view Payroll Statement for other Pay Heads, you can either select other Pay Head(s) in the manner as discussed or you may also include other Pay Heads in the above report for comparative analysis or to obtain a cumulative value, by pressing **Alt+C** and selecting the required Pay Head(s).

The **Payroll statement** with additional Pay Heads will be displayed as shown:

Payroll Statement				Spectrum Software Solutions			Ctrl + M
For All Employees				1-Apr-2009 to 30-Apr-2009			
Particulars	Employee Number	Income Tax Number (PAN)	Bank Details	Basic	House Rent Allowance	Conveyance	
<b>Primary Cost Category</b>				59,423.00	22,462.00	3,800.00	
<b>Administration</b>				10,000.00	4,000.00	800.00	
Vijay Kumar	549	APD192D4D	HDFC Bank	10,000.00	4,000.00	800.00	
<b>R&amp;D</b>				16,923.00	6,769.00		
Rahul	552	ARDP45D8	HDFC Bank	16,923.00	6,769.00		
<b>Sales</b>				32,500.00	11,693.00	3,000.00	
Ajay	551	ARDJH1234J	HDFC Bank	6,538.00	1,308.00	2,000.00	
Mahesh	550	APD123D54	HDFC Bank	25,962.00	10,385.00	1,000.00	
<b>Grand Total</b>				59,423.00	22,462.00	3,800.00	

Figure 10.33 Payroll Statement with additional Columns

### Payment Advice

A Payment Advice is an intimation letter containing the details of employees with their bank account numbers issued to the banker to transfer a specified sum (salaries earned) to the employees' bank accounts.

As discussed earlier, the contents of the Payment Advice can be altered in **F12: Payroll Configuration** as per the employer's requirements.

Go to **Gateway of Tally > Display > Payroll Reports > Statements of Payroll > Payment Advice**



The **Printing Configuration** for **Payment Advice** is displayed as shown:

Printing Payment Advice	
Printer : (Ne02:)	Paper Type : Letter
No. of Copies : 1	
Print Language : English	(Printing Dimensions)
Method : Neat Mode	Paper Size : (8.50" x 10.98") or (216 mm x 279 mm)
Page Range : All	Print Area : (8.50" x 10.98") or (216 mm x 279 mm)
Report Titles	
Payment Advice	
(with Print Preview)	
Without Date Range of Report, Without Page Numbers	
From (blank for beginning) :	1-5-2009
To (blank for end) :	31-5-2009
<i>(Note: The above From and To should be Payment Voucher Period)</i>	
Employee Category :	↓ All Items
Employee/Group :	↓ All Items
Bank Ledger :	HDFC Bank
Date Range to Print :	From: 1-5-2009 To: 31-5-2009
<i>(Note: Salary/Payroll Period to be specified in the Date Range to Print)</i>	
Bank Name :	Yes
Branch :	Yes
Sorting Method :	Bank Details
Date of Printing :	31-5-2010
<div style="border: 1px solid black; padding: 5px; display: inline-block;"> <b>Print ?</b>                      Yes or No                 </div>	

Figure 10.34 Printing Configuration for Payment Advice

- Press **Backspace** and enter the details as shown above
- Press **Enter** to print

The printed **Payment Advice** for May 2009 will appear as shown:

**Spectrum Software Solutions**  
 14, Mysore Road,  
 Bangalore

**Payment Advice**

31-May-2010

The Manager  
HDFC Bank

Dear Sir,

Payment Advice from Spectrum Software Solutions A/C # for period 1-May-2009 to 31-May-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.	Bank Name	Branch	Amount
1.	Rahul	001245766542	HDFC Bank	Koramangala	41,118.00
2.	Vijay Kumar	001254624565	HDFC Bank	Koramangala	27,662.00
3.	Ajay	001423137862	HDFC Bank	Koramangala	24,324.00
4.	Mahesh	001453276895	HDFC Bank	Koramangala	1,26,040.00
	<b>Total</b>				<b>2,19,144.00</b>

Yours Sincerely  
for Spectrum Software Solutions

Authorised Signatory

Figure 10.35 Printed Payment Advice



- The **Payment Advice** will be available only when the Salaries are processed through Bank Transfer and a Payment voucher is passed for the salaries payable for a given month/period.
- You can also **Email** or **Export Payment Advice** in the manner as discussed in Pay Slip Section.

### Payroll Register

A Payroll Register is a month-wise transaction summary report which displays the number of payroll vouchers passed during a particular month. Additional information can be appended into the Payroll Register, by inserting a new column with the required voucher type i.e., Attendance, Journal, Purchases, Sales and so on.

Go to **Gateway of Tally > Display > Payroll Reports > Statements of Payroll > Payroll Register**

The **Payroll Register** is displayed as shown:

Payroll Register		Spectrum Software Solutions		Ctrl + M
Particulars	Payroll			
	Spectrum Software Solutions			
	1-Apr-2009 to 31-Aug-2009			
		Transactions		
		Total Vouchers	(cancelled)	
April		2		
May		2		
June		3		
July		4		
August		4		
September				
October				
November				
December				
January				
February				
March				
<b>Grand Total</b>		<b>15</b>		

Figure 10.36 Payroll Register

- Press **F12: Configure** and set the **Appearance of Names** and the **Periodicity to use** as shown.

The **F12: Configuration** screen is displayed as shown:

<u>Configuration</u>		Periodicity
Appearance of Names	: <b>Name Only</b>	4 Week Month
Periodicity to use	: <b>Quarterly</b>	Daily
		Fortnightly
		Half Yearly
		Monthly
		<b>Quarterly</b>
		Weekly
		Yearly

Figure 10.37 F12: Configuration

The **Payroll Register** with the above configurations is displayed as shown:

Payroll Register		Spectrum Software Solutions		Ctrl + M
Particulars			Payroll	
			Spectrum Software Solutions	
			1-Apr-2009 to 31-Aug-2009	
		Transactions		
		Total Vouchers	(cancelled)	
Apr - Jun			7	
Jul - Sep			8	
Oct - Dec				
Jan - Mar				
<b>Grand Total</b>			<b>15</b>	

Figure 10.38 Payroll Register - Quarterly

Tally.ERP 9 allows you to drill down to the voucher level from the above display for any kind of verification. Use the **Enter key** on the required month/period to drill down to the required level.

The **Payroll Register** voucher level screen is displayed as shown:

Voucher Register		Spectrum Software Solutions		Ctrl + M	
List of All Payroll Vouchers				1-May-2009 to 31-May-2009	
Date	Particulars	Vch Type	Vch No.	Debit Amount	Credit Amount
31-5-2009	Basic Pay	Payroll	3	78,077.00	
31-5-2009	Employer EPS @ 8.33%	Payroll	4	2,164.00	

Figure 10.39 Payroll Voucher Register

You can further drill down to the transaction level, by selecting the required transaction and pressing **Enter**.

### Employee Pay Head Breakup

An Employee Pay Head Breakup report is a columnar report which displays the Group/Department-wise employees' breakup of a selected earnings or deductions pay head for a specified month/period. This report also displays the opening balance, debit and credit transactions and the closing balance for a specified period.

This report is also helpful in tracking loan outstandings and instalments deducted till date or for any specified period.

Go to **Gateway of Tally > Display > Payroll Reports > Statements of Payroll > Employee Pay Head Breakup**

- Select the **required Pay Head** from the **List of Pay Heads** and press **Enter**

The **Employee Breakup of Pay Head** for **Basic pay** screen is displayed as shown:

Employee Breakup of Pay Head		Spectrum Software Solutions		Ctrl + M
Particulars	Pay Head: Basic Pay			
	Spectrum Software Solutions			
	1-Apr-2009 to 31-Aug-2009			
Opening Balance	Transactions		Closing Balance	
	Debit	Credit		
<b>Primary Cost Category</b>	<b>4,06,963.00</b>		<b>4,06,963.00 Dr</b>	
Administration	61,731.00		61,731.00 Dr	
R&D	83,847.00		83,847.00 Dr	
Sales	2,61,385.00		2,61,385.00 Dr	

Figure 10.40 Employee Breakup of Pay Head

To drill down to **Employee Summary report** from the above display,

- Select **Employee Category** and press **Enter**
- Press **Alt+F1** to view the detailed report

The **Employee Summary** screen is displayed as shown:

Employee Summary		Spectrum Software Solutions		Ctrl + M
Particulars	Category: Primary Cost Category Pay Head: Basic Pay Spectrum Software Solutions 1-Apr-2009 to 31-Aug-2009			Closing Balance
	Opening Balance	Transactions		
		Debit	Credit	
<b>Administration</b>		61,731.00		61,731.00 Dr
Suresh		12,116.00		12,116.00 Dr
Vijay Kumar		49,615.00		49,615.00 Dr
<b>Contract Employees</b>				
James				
Vineet				
<b>R&amp;D</b>		83,847.00		83,847.00 Dr
Rahul		83,847.00		83,847.00 Dr
<b>Sales</b>		2,61,385.00		2,61,385.00 Dr
Ajay		43,692.00		43,692.00 Dr
Mahesh		2,04,809.00		2,04,809.00 Dr
Rajesh		12,884.00		12,884.00 Dr
<b>Grand Total</b>		4,06,963.00		4,06,963.00 Dr

Figure 10.41 Employee Summary



You can also **Email** or **Export Employee Breakup of Pay Head Report** in the manner as discussed in Pay Slip Section.

To drill down to the **Employee Monthly Summary** report from the **Employee Summary** report,

- Highlight the required employee and press **Enter**

The **Employee Monthly Summary** screen is displayed as shown:

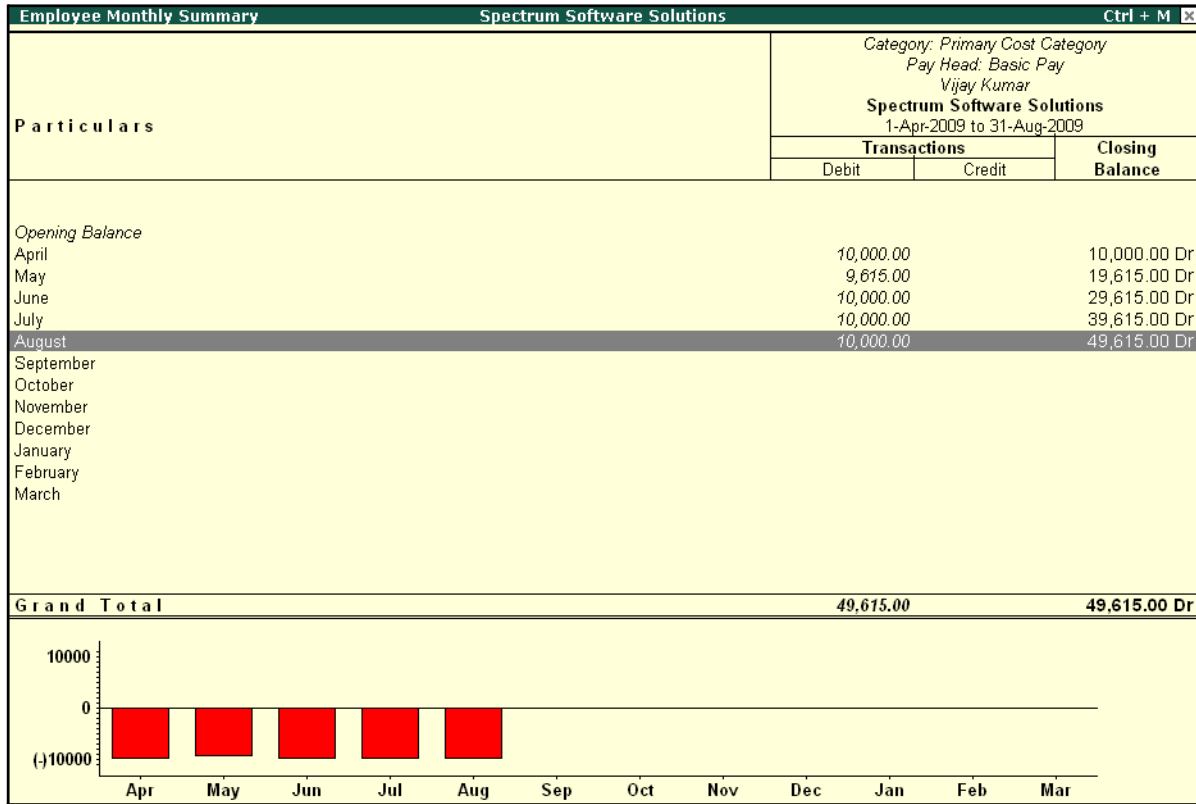


Figure 10.42 Employee Monthly Summary

To further drill down to Employee Voucher level screen from the Employee Monthly Summary report, press **Enter** on the required month.



The **Employee Summary** voucher level screen is displayed as shown:

Employee Vouchers		Spectrum Software Solutions		Ctrl + M	
Employee : <b>Vijay Kumar</b>				1-May-2009 to 31-May-2009	
For Pay Head : <i>Basic Pay</i>					
Date	Particulars	Vch Type	Vch No.	Debit	Credit
31-5-2009	<b>Basic Pay</b>	Payroll	3		<b>9,615.00</b>
				Opening Balance :	
				Current Total :	<b>9,615.00</b>
				<b>Closing Balance :</b>	<b>9,615.00</b>

Figure 10.43 Employee Vouchers Summary

You can further drill down to the transaction level, by selecting the required transaction and pressing **Enter**.

The **Employee Breakup of Pay Head** report can be viewed with additional Pay Heads, by pressing **Alt+C** and adding the required Pay Head and by pressing **Alt+N** for multiple periods.

### Pay Head Employee Breakup

A Pay Head Employee Breakup report displays the sum of transactions and closing balance of the transacted groups for the selected employee.

Go to **Gateway of Tally > Display > Payroll Reports > Statements of Payroll > Pay Head Employee Breakup**

The **Employee Selection** screen is displayed as shown:

Spectrum Software Solutions		
Current Date Monday, 31 A	<b>Name of Employee</b>	
	<b>Ajay</b>	
List of Employees		
<b>Ajay</b>	<b>Sales</b>	<b>Primary Cost Category</b>
James	Contract Employees	Primary Cost Category
Mahesh	Sales	Primary Cost Category
Rahul	R&D	Primary Cost Category
Rajesh	Sales	Primary Cost Category
Suresh	Administration	Primary Cost Category
Vijay Kumar	Administration	Primary Cost Category
Vineet	Contract Employees	Primary Cost Category

Figure 10.44 Employee Selection

To view the Pay Head breakup,

- Select the required Employee from the **List of Employees** and press **Enter**
- Press **Alt+F1** for a detailed view

The ledger-wise **Breakup of Employee** screen is displayed as shown:

Breakup of Employee				Spectrum Software Solutions		Ctrl + M	
Particulars	Employee: Ajay						
	Spectrum Software Solutions						
	1-Apr-2009 to 31-Aug-2009						
	Transactions				Closing Balance		
	Debit	Credit					
<b>Current Liabilities</b>	61,444.00	61,444.00					
EDLI Admin Charges @ 0.01%	10.00	10.00					
EDLI Contribution @ 0.5%	162.50	162.50					
Employee's PF Contribution @ 12%	3,900.00	3,900.00					
PF Admin Charges @ 1.10%	357.50	357.50					
PF Payable	3,900.00	3,900.00					
Professional Tax	800.00	800.00					
Salary Payable	52,314.00	52,314.00					
<b>Indirect Expenses</b>	71,030.00				<b>71,030.00 Dr</b>		
Basic Pay	43,692.00				43,692.00 Dr		
Conveyance	10,000.00				10,000.00 Dr		
Employer EPF @ 3.67%	1,195.00				1,195.00 Dr		
Employer EPS @ 8.33%	2,705.00				2,705.00 Dr		
House Rent Allowance	9,838.00				9,838.00 Dr		
Overtime Pay	2,400.00				2,400.00 Dr		
Variable Pay	1,200.00				1,200.00 Dr		
<b>Grand Total</b>	<b>1,32,474.00</b>	<b>61,444.00</b>			<b>71,030.00 Dr</b>		

Figure 10.45 Pay Head Employee Breakup

To further drill down to view the Breakup of Employee report for each ledger from the above displayed report, select the required ledger and press **Enter**.

The **Breakup of Employee** screen for a selected ledger (Basic Pay) is displayed as shown:

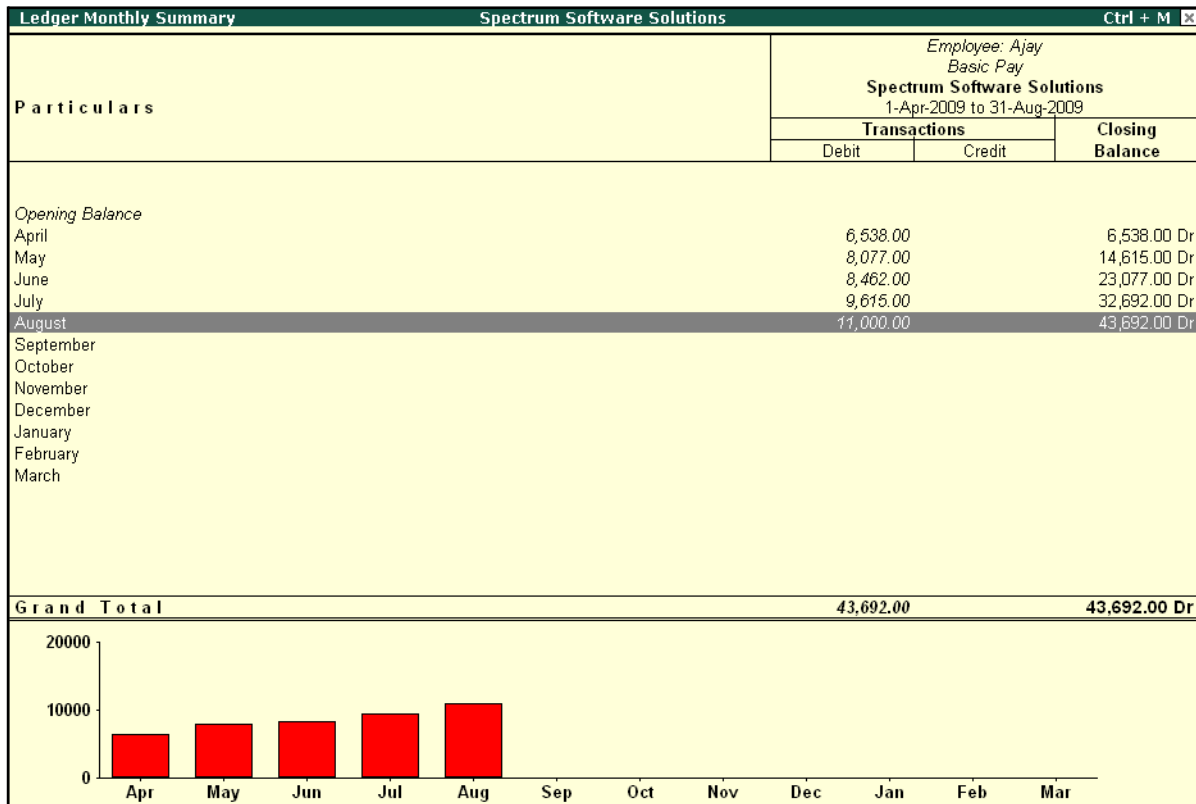


Figure 10.46 Ledger Monthly Summary

You can drill down further to view the Monthly Summary of the selected ledger and the Employee Voucher report.

The **Pay Head Employee Breakup** report can be viewed with additional employees, by pressing **Alt+C** and adding the required Employee and for multiple periods, by pressing **Alt+N**.

### Attendance Sheet

An Attendance Sheet is a columnar report which displays the details of Attendance/ Production types with the number of attendance/ production units achieved during a particular month or period.

Go to **Gateway of Tally > Display > Payroll Reports > Attendance Sheet**

The **Attendance Sheet** is displayed as shown:

Attendance Sheet			
Spectrum Software Solutions		Ctrl + M	
For All Employees			
Particulars	Absent	Overtime	Present
<b>Primary Cost Category</b>		1,620.00 Mins	80 Days
<b>Administration</b>		900.00 Mins	26 Days
Vijay Kumar		900.00 Mins	26 Days
<b>R&amp;D</b>			22 Days
Rahul			22 Days
<b>Sales</b>		720.00 Mins	32 Days
Ajay		720.00 Mins	17 Days
Mahesh			15 Days

Figure 10.47 Attendance Sheet

You may configure the above report with additional details, by pressing **F12:Configure** and enabling the following options, as required.

The completed **F12: Configuration** screen is displayed as shown:

Configuration		720.00 Mins
Remove Zero Entries	? Yes	
Include Employee Groups & Categories	? Yes	
Show Category/Group Total	? Yes	
Include Group Attendance/Production Types	? Yes	
Display Production Types in Tail Units	? Yes	
Format	: Detailed	
Show Employee Number	? Yes	
Expand all levels in Detailed Format	? Yes	
Appearance of Names	: Name Only	
Sorting Method	: <b>EmployeeNumber</b>	
		<b>Sorting Methods</b>
		Alphabetical (Decreasing)
		Alphabetical (Increasing)
		Default
		<b>EmployeeNumber</b>

Figure 10.48 F12: Configuration screen

**F12: Configurations for Attendance Sheet:**

- **Remove Zero Entries** – Set this option to **Yes**, to remove Attendance/Production information with Zero values.
- **Include Employee Groups & Categories** – Set this option to **Yes**, to display Category and Group-wise Employee information.
- **Show Category/Group Total** – Set this option to **Yes**, to display Category and Group-wise Totals.
- **Include Group Attendance/Production Types** – Set this option to **Yes** to include Group Attendance/Production Types in Attendance Sheet report.
- **Display Attendance/Production Types in Tail Units** – Set this option to **Yes**, to display the Attendance/Production Types in Tail Units.
- **Format** – Select the **Detailed** mode to view the payroll information of employees with their respective categories and groups. Select the **Condensed** mode when only sum totals are required for each category and group.
- **Expand all levels in Detailed Format** – Set this option to **Yes**, to expand all levels and display Employee details.
- **Show Employee Number** – Set this option to **Yes**, to display employee numbers of employees.
- **Appearance of Names** – Select the appropriate name style to appear in the payroll statement (Alias (Name), Alias only, Name (Alias), Name only)
- **Sorting Method** – Sort the Attendance Sheet, either by **Employee Number** or by the **Default** method.



The Attendance Sheet with the above Configurations is displayed as shown:

Attendance Sheet		Spectrum Software Solutions		Ctrl + M	
For All Employees		1-Apr-2009 to 30-Apr-2009			
Particulars	Employee Number	Absent	Overtime	Present	
<b>Primary Cost Category</b>			1,620.00 Mins	80 Days	
<b>Administration</b>			900.00 Mins	26 Days	
Vijay Kumar	549		900.00 Mins	26 Days	
<b>R&amp;D</b>				22 Days	
Rahul	552			22 Days	
<b>Sales</b>			720.00 Mins	32 Days	
Mahesh	550			15 Days	
Ajay	551		720.00 Mins	17 Days	

Figure 10.49 Attendance sheet

### Attendance Register

An Attendance Register is a month-wise transactions summary report which displays the number of attendance vouchers passed during the month. You can append additional information by inserting a new column with the required voucher type, i.e. Payroll, Journal, Purchases, Sales and so on.

Go to **Gateway of Tally > Display > Payroll Reports > Attendance Register**

The **Attendance Register** is displayed as shown:

Attendance Register		Spectrum Software Solutions		Ctrl + M
Particulars	Attendance			
	Spectrum Software Solutions			
	1-Apr-2009 to 31-Aug-2009			
		Transactions		
		Total Vouchers	(cancelled)	
April		2		
May		2		
June		2		
July		1		
August		3		
September				
October				
November				
December				
January				
February				
March				
<b>Grand Total</b>		<b>10</b>		

Figure 10.50 Attendance Register

- Press **F12: Configure** and set the **Appearance of Names** and the **Periodicity to use** as shown

The **F12:Configuration** options in **Attendance Register** are as displayed below:

<u>Configuration</u>		Periodicity
Appearance of Names	: <b>Name Only</b>	4 Week Month
Periodicity to use	: <b>Monthly</b>	Daily
		Fortnightly
		Half Yearly
		<b>Monthly</b>
		Quarterly
		Weekly
		Yearly

Figure 10.51 F12: Configuration for Attendance Register

Tally.ERP 9 allows you to drill down to the voucher register, from the Attendance Register screen for any kind of verification.



The **Voucher level screen from Attendance Register** is displayed as shown:

Voucher Register		Spectrum Software Solutions		Ctrl + M	
List of All Attendance Vouchers			1-May-2009 to 31-May-2009		
Date	Particulars	Vch Type	Vch No.	Debit Amount	Credit Amount
31-5-2009	Ajay - Present	Attendance	3		
31-5-2009	Ajay - Overtime	Attendance	4		

Figure 10.52 Attendance Voucher Register

You may further drill down to voucher level, by pressing **Enter** on the required transaction.

## Expat Reports

Expat Reports provide information about regular as well as contractual employees, working abroad on a short/ long tenure or on assignment. They capture all the relevant information in respect of passport, visa and contract details along with the date of joining, the issuing country and the expiry date. In Tally.ERP 9, the following Expat reports are available.

- Passport Expiry
- Visa Expiry
- Contract Expiry

### Passport Expiry Report

The Passport Expiry Report provides information on the passport details of employees, such as passport number, country of Issue, passport expiry date and other details such as the employee's date of joining and email id.

Go to **Gateway of Tally > Display > Payroll Reports > Expat Reports > Passport Expiry**

The **Passport Expiry Report** is displayed as shown:

Passport Expiry Report		Spectrum Software Solutions		Ctrl + M	
For All Employees			As on : 31-Aug-2009		
Particulars	Passport Number	Country of Issue	Date of Joining	Passport Expiry Date	
<b>Primary Cost Category</b>					
<b>Administration</b>					
Vijay Kumar	IND/BN/PASS130/005	India	1-4-2009	31-12-2010	
<b>Sales</b>					
Ajay	IND/BN/PASS178/006	India	1-4-2009	26-10-2011	
Mahesh	IND/BN/PASS233/005	India	1-4-2009	21-10-2012	

Figure 10.53 Passport Expiry Report

- Press **F12: Configure** to configure additional options

The **F12: Configuration** screen is displayed as shown:

<u>Configuration</u>	
Show All Employees ?	No
Show Expiry in days ?	Yes
Expiry in next n days :	30
Show Employee Number ?	No
Appearance of Names :	Name Only
Sorting Method :	Default
Show Employee Email ID ?	No

Figure 10.54 F12: Configuration screen



- **Show All Employees** – Set this option to **Yes**, to view the passport details of all employees. It includes information on expired and unexpired passport details. If this option is set to **No**, **Show Expiry in days** will be available.
- **Show Expiry in days** – Set this option to **Yes**, to enter the expiry days. When **Show All Employees** and **Show Expiry in days** options are set to **No**, Tally.ERP 9 filters only those employee passport details, which are nearing the expiry date. If this option is set to **Yes**, **Expiry in next n days** will be available.
- **Expiry in next n days** – Set this option to **Yes**, to get the passport expiry details for the next specified number of days. On entering the number of days, Tally.ERP 9 filters the employee passport details which are likely to expire within the specified period (number of specified days). If this option is left blank, the report will denote the current date (last date of voucher entry).
- **Show Employee Number** – Set this option to **Yes**, to display the employee number of employees in the report.
- **Appearance of Names** – Select the appropriate name style to appear in the Passport Expiry Report (Alias (Name), Alias only, Name (Alias), Name only).
- **Sorting Method** — Sort employee details based on Employee Number, Passport Expiry Date (Ascending/Descending), or by the default method.
- **Show Employee Email Id** – Set this option to **Yes**, to view the email ids of employees.

**Button options in Passport Expiry Report:**



- **F2: Change Period** – Allows you to change the period of the report.
- **F5: Employee Wise** – Allows you to display the Employee-wise Passport Expiry report.
- **F7: Employee Filters** – This option (**Ctrl+F7**) allows you to display the Passport Expiry Report for a particular Employee Category with the required Group or Employee.

## Visa Expiry Report

The Visa Expiry Report provides information on the visa details of employees i.e., visa number, visa Expiry date and other details such as the employee's date of joining and email id.

Go to **Gateway of Tally > Display > Payroll Reports > Expat Reports > Visa Expiry**

The **Visa Expiry Report** is displayed as shown:

Visa Expiry Report		Spectrum Software Solutions		Ctrl + M
For All Employees		As on : 31-Aug-2009		
Particulars	Visa Number	Date of Joining	Visa Expiry Date	
<b>Primary Cost Category</b>				
<b>Sales</b>				
Ajay		1-4-2009	10-10-2011	
Mahesh		1-4-2009	2-1-2011	

Figure 10.55 Visa Expiry Report



*The **F12: Configuration** and **Button** Options are the same as shown in **Passport Expiry Report**.*

### Contract Expiry Report

The Contract Expiry Report provides information on the contract details of employees on assignment/ contract. It displays the contract particulars such as work permit number, contract start and expiry date along with the employee's date of joining and the email id.

Go to **Gateway of Tally > Display > Payroll Reports > Expat Reports > Contract Expiry**

The **Contract Expiry Report** is displayed as shown:

Contract Expiry Report		Spectrum Software Solutions			Ctrl + M
For All Employees		As on : 31-Aug-2009			
Particulars	Work Permit Number	Contract Start Date	Date of Joining	Contract Expiry Date	
<b>Primary Cost Category</b>					
<b>Contract Employees</b>					
James		5-8-2009	5-8-2009	5-2-2010	
Vineet		5-8-2009	5-8-2009	5-5-2010	

Figure 10.56 Contract Expiry Report



*The F12: Configuration and Button Options are the same as shown in Passport Expiry Report.*

## Payroll Statutory Reports

In Tally.ERP 9, you can display, print statutory forms and reports for Provident Fund (EPF), Employee State Insurance (ESI) and Professional Tax (PT) in the prescribed format as required by the statutes. The following Statutory reports are available in Tally.ERP 9:

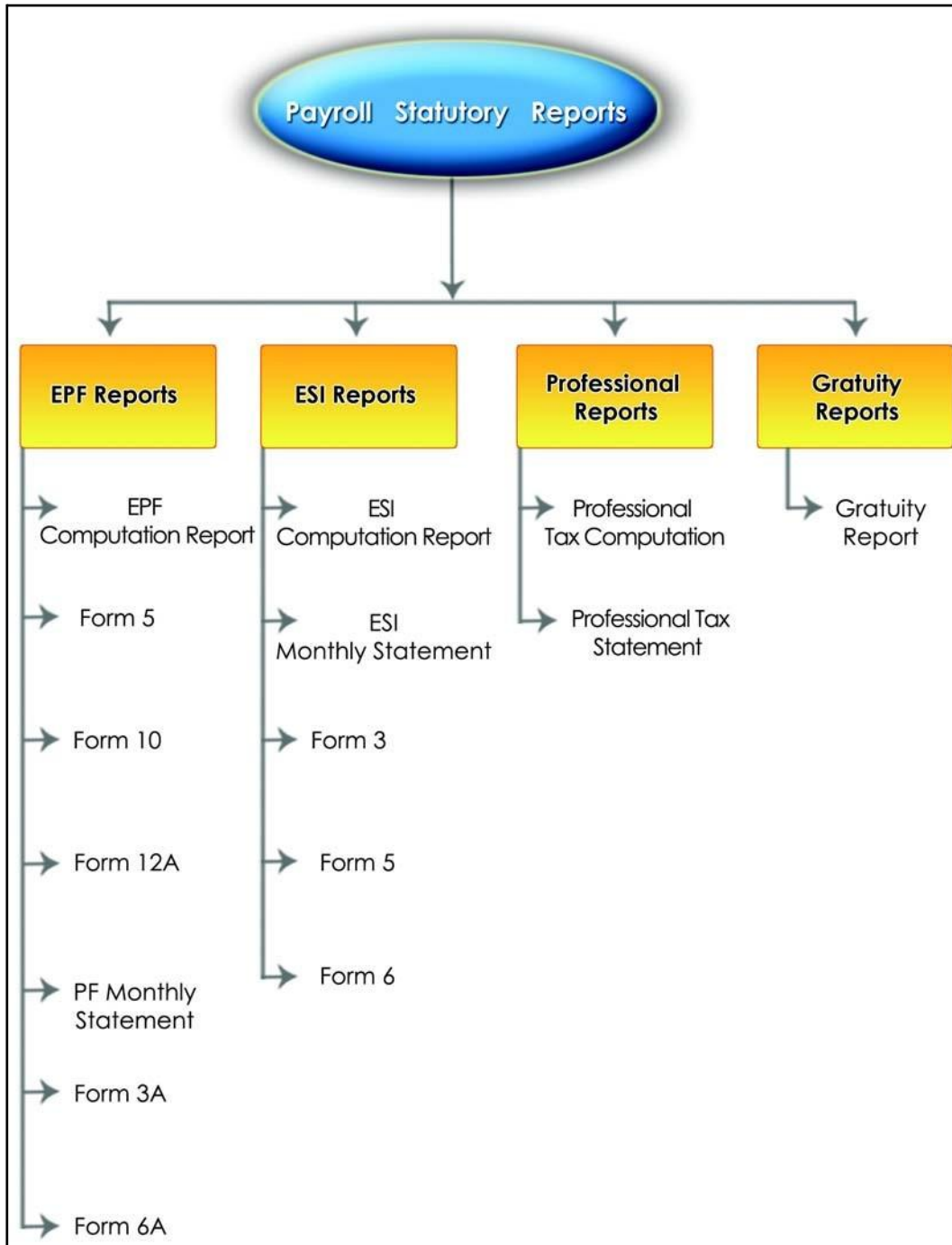


Figure 10.57 Payroll Statutory Reports in Tally.ERP 9

You can view Payroll Statutory reports either from the Statutory Reports menu or Payroll Reports menu i.e., **Gateway of Tally > Display > Statutory Reports > Payroll Reports** or **Gateway of Tally > Display > Payroll Reports > Statutory Reports**

### **Provident Fund Reports**

As mentioned earlier, the following Provident Fund Reports are available in Tally.ERP 9:

- EPF Computation report
- Form 5
- Form 10
- Form 12A
- PF Monthly Statement
- Form 3A
- Form 6A

In this section, we will generate each of the above mentioned forms / report and understand the purpose and information to be furnished.

#### **i. PF Computation Report**

The PF Computation Report provides the summary of Amount Payable and amount paid in respect of PF for a given period comprising of Employer Contributions, Employee Deductions and Employer's Other charges, if any. To view PF Computation Report, follow the steps given below:

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

- Press **F2** and specify the period as **01-07-2009** to **31-07-2009** and press **Enter**

The Payroll Statutory Computation Report is displayed as shown:

Payroll Statutory Computation		Spectrum Software Solutions		Ctrl + M
Payroll Statutory Computation		1-Jul-2009 to 31-Jul-2009		
Particulars	Payable Amount	Paid Amount		
<u>Provident Fund</u>				
Employees' Statutory Deductions	4,018.00	4,018.00		
Employer's Statutory Contributions	4,018.00	4,018.00		
Employer's Other Charges	547.71	547.71		
<u>Employee State Insurance</u>				
Employees' Statutory Deductions	208.00	208.00		
Employer's Statutory Contributions	564.00	564.00		
<u>Professional Tax</u>				
Employees' Statutory Deductions	820.00	820.00		
<b>Grand Total</b>	<b>10,175.71</b>	<b>10,175.71</b>		

Figure 10.58 Payroll Statutory Computation Report

The report, by default displays the summary of Employee's Provident Fund, Employees' State Insurance and Professional Tax. You may however configure to display only details of Provident Fund.

- Press **F12: Configure** and enable/disable the following options as required

- Press **Enter**

Configuration	
Format	: Condensed
Show Provident Fund Details	? Yes
Show Employee State Insurance Details	? No
Show Professional Tax Details	? No

Figure 10.59 F12: Configurations screen



The **PF Computation** report will is displayed as shown:

Payroll Statutory Computation		Spectrum Software Solutions		Ctrl + M
Payroll Statutory Computation		1-Jul-2009 to 31-Jul-2009		
Particulars	Payable Amount	Paid Amount		
<b>Provident Fund</b>				
Employees' Statutory Deductions	4,018.00	4,018.00		
Employer's Statutory Contributions	4,018.00	4,018.00		
Employer's Other Charges	547.71	547.71		
<b>Grand Total</b>	<b>8,583.71</b>	<b>8,583.71</b>		

Figure 10.60 PF Computation screen

To view detailed ledger wise information under each contributions / deductions head, press **Alt+F1**.

The detailed **Provident Fund** Computation Report is displayed as shown:

Payroll Statutory Computation		Spectrum Software Solutions			Ctrl + M	
Payroll Statutory Computation		1-Jul-2009 to 31-Jul-2009				
Particulars	Gross Amount	Statutory Details			Payable Amount	Paid Amount
		Percentage	A/c No.	Amount		
<b>Provident Fund</b>						
<b>Employees' Statutory Deductions</b>					<b>4,018.00</b>	<b>4,018.00</b>
Employee's PF Contribution @ 12%	33,481.00	12%	A/c No.1	4,018.00 Cr		
<b>Employer's Statutory Contributions</b>					<b>4,018.00</b>	<b>4,018.00</b>
Employer EPF @ 3.67%	33,481.00	3.67%	A/c No.1	1,231.00 Dr		
Employer EPS @ 8.33%	33,481.00	8.33%	A/c No.10	2,787.00 Dr		
<b>Employer's Other Charges</b>					<b>547.71</b>	<b>547.71</b>
EDLI Admin Charges @ 0.01%	33,481.00	0.01%	A/c No.22	12.00 Cr		
EDLI Contribution @ 0.5%	33,481.00	0.50%	A/c No.21	167.41 Cr		
PF Admin Charges @ 1.10%	33,481.00	1.10%	A/c No.2	368.30 Cr		
<b>Grand Total</b>					<b>8,583.71</b>	<b>8,583.71</b>

Figure 10.61 Detailed PF Computation Report

You can further drill down to Employee Breakup of Pay Head report and from there to Employee Vouchers and so on, by pressing **Enter** on the required ledger from the above screen.

**ii. Form 5**

In accordance with the Employees' Provident Funds Scheme, 1952 [para 36 (2)(a)], a return is required to be submitted in Form 5 within 15 days of the following month detailing the list of Employees qualifying for membership to the Employees' Provident Fund for the First time during every month.

Form 5 is a monthly Returns to be submitted with the details of any new employee covered under EPF. In Tally.ERP 9, you can generate Form 5 in the prescribed format containing the details of the new joinees in the organisation for the selected month. To generate the PF Form 5 for the month of June 2009, follow the steps given below:

Go to **Gateway of Tally > Display > Payroll Reports > Statutory Reports > Provident Fund > Form 5**

In the **Payroll Statutory Print Configuration** screen,

- Specify **01-06-2009** and **30-06-2009** in the **From** and **To** fields respectively
- Select **All Items** in the **Employee Category** field
- Select **All Items** in the **Employee / Group** field

- Select **Account Number** as the **Sorting Method**
- Specify **30-06-2009** in the **Date** field

The completed **Payroll Statutory Print Configuration** screen is displayed as shown:

Payroll Statutory Print Configuration			
Printer	: Printer 1 (Ne02:)	Paper Type :	A4
No. of Copies	: 1		
Print Language	: English		<i>(Printing Dimensions)</i>
Method	: Neat Mode	Paper Size :	(8.27" x 11.69") or (210 mm x 297 mm)
Page Range	: All	Print Area :	(8.27" x 11.69") or (210 mm x 297 mm)
<p><u>Report Titles</u></p> <p><b>Form 5</b></p> <p>(with Print Preview)</p>			
From (blank for beginning) : 1-6-2009 To (blank for end) : 30-6-2009 Employee Category : ↓ All Items Employee/Group : ↓ All Items Sorting Method : Account Number Date of Printing : 30-6-2010			
			<div style="border: 1px solid black; padding: 5px; display: inline-block;"> <p><b>Print ?</b></p> <p>Yes or No</p> </div>

Figure 10.62 Payroll Statutory Print Configuration screen

- Press **Enter** to print.

The printed **PF Form 5** is displayed as shown:

<b>FORM 5</b>								
<b>THE EMPLOYEES' PROVIDENT FUNDS SCHEME, 1952</b>								
<b>[Paragraph 36(2)(a) &amp; THE EMPLOYEES PENSION SCHEME, 1995 Paragraph 20(2)]</b>								
Return of Employees' qualifying for membership of the Employees' Provident Fund, Employees' Pension Fund & Employees' Deposit Linked Insurance Fund for the first time during the month of June 2009 (To be sent to the Commissioner with Form 2 (EPF & EPS))								
Name and Address of the Factory / Establishment : <b>Spectrum Software Solutions</b> 14, Mysore Road, Bangalore								
Code No. of the Factory / Establishment : <b>KA/BN/12345/00129</b>								
Sl No.	Account No.	Name of Employee (in block letters)	Father's Name or Husband's Name (in case of married women)	Date of Birth	Sex	Date of Joining the Fund	Total period of previous service as on the date of joining the Fund (Enclose Scheme Certificate if applicable)	Re- mar- ks
1	2	3	4	5	6	7	8	9
1	KA/BN/8181/23425	RAJESH	Mr. Srinivas	20-4-1976	Male	10-6-2009		
2	KA/BN/8181/2534	SURESH	Mr. Kannan	20-5-1975	Male	1-6-2009		

Date : 30-6-2009

Signature of the employer or other authorised  
Officer of the Factory/Establishment & Stamp of  
the Factory/Establishment

Figure 10.63 PF Form 5

In our case study, there are two new employees who have joined during the month of June 2009 and thus Form 5 contains the details of these employees.

**iii. Form 10**

In accordance with the Employees' Provident Funds Scheme, 1952 [para 36 (2)(a) & (b)], a Return is required to be submitted in Form 10 within 15 days of the following month detailing the list of members leaving service during the month.

Form 10 is a monthly Return to be submitted with the details of employees leaving the organisation. In Tally.ERP 9, on resignation or retirement or expulsion of any employee, the date of leaving is required to be specified in the Employee master of such employee. The **Date of Leaving** option in the Employee Master is available in the alteration mode. Form 10 contains the details of Employees for whom the date of leaving is specified in the Employee Master.

You can generate Form 10 in the prescribed format containing the details of the employees who have resigned in the selected month. To generate the PF Form 10 for the month of August 2009, follow the steps given below.

Go to **Gateway of Tally > Display > Payroll Reports > Statutory Reports > Provident Fund > Form 10**

In the **Payroll Statutory Print Configuration** screen

- Specify **01-09-2009** and **30-09-2009** in the **From** and **To** fields respectively
- Select **All Items** in the **Employee Category** field
- Select **All Items** in the **Employee / Group** field
- Select **Account Number** as the **Sorting Method**
- Specify **30-09-2009** in the **Date** field

The completed **Payroll Statutory Print Configuration** screen is displayed as shown:

Payroll Statutory Print Configuration			
Printer	: Printer 1 (Ne02:)	Paper Type :	A4
No. of Copies	: 1		
Print Language	: English		<i>(Printing Dimensions)</i>
Method	: Neat Mode	Paper Size :	{8.27" x 11.69"} or {210 mm x 297 mm}
Page Range	: All	Print Area :	{8.27" x 11.69"} or {210 mm x 297 mm}
<u>Report Titles</u>			
Form 10			
(with Print Preview)			
From (blank for beginning)	: 1-9-2009		
To (blank for end)	: 30-9-2009		
Employee Category	: ↓ All Items		
Employee/Group	: ↓ All Items		
Sorting Method	: Account Number		
Date of Printing	: 30-9-2010		
			<b>Print ?</b> Yes or No

Figure 10.64 Payroll Statutory Print Configuration screen

- Press **Enter** to print

The printed **Form 10** is displayed as shown:

<b>FORM 10</b>						
<b>THE EMPLOYEES' PROVIDENT FUNDS SCHEME, 1952</b>						
<b>[Paragraph 36(2) (a) &amp; (b) EMPLOYEES' PENSION SCHEME, 1995 (Paragraph 20(2))]</b>						
Return of the members leaving service during the month of : <b>September 2009</b>						
Name and Address of the Factory / Establishment : <b>Spectrum Software Solutions</b> 14, Mysore Road, Bangalore						
SI No.	Account No.	Name of the Member (in block letters)	Father's Name or husband's Name (in case of married women)	Date of leaving service	Reason for leaving service	Remarks
1	2	3	4	5	6	7
1	KABN/8181/23425	RAJESH	Mr. Srinivas	10-9-2009	Personal Reason	

Date : **30-9-2009** Signature of the employer or the authorised Officer  
Stamp of the Factory/Establishment

Please state whether the member is (a) retiring according to para(69), (i) (a) or (b) of the scheme (b) leaving India for permanent settlement abroad (c) retrenchment (d) Pt. & total disablement due to employment injury (e) discharged (f) resigning from or leaving service (g) taking up employment elsewhere (The name and address of the Employers should be stated) (h) death; (i) attained the age of 58 years.

Certified that the member mentioned at serial No. \_\_\_\_\_ Shri \_\_\_\_\_ was paid/not paid retrenchment compensation of Rs \_\_\_\_\_ under the Industrial Dispute Act, 1947.

Figure 10.65 Printed Form 10

**iv. Form 12A**

In accordance with the Employees' Provident Funds Scheme, 1952 [para 36(1)] and the Employees' Pension Scheme 1995 [para 20(4)] and the Employees' Deposit Linked Insurance Scheme, 1976, a consolidated Statement of dues and remittance is required to be submitted by 25th of the following month to which the dues relate.

You can generate Form 12A in the prescribed format containing the details of the amount of contribution, amount of contribution remitted and the date of remittance in respect of EPF, Pension Fund and EDLI Contribution for the selected month. To generate the PF Form 12A for the month of August 2009, follow the steps given below.

Go to **Gateway of Tally > Display > Payroll Reports > Statutory Reports > Provident Fund > Form 12A**

In the **Payroll Statutory Print Configuration** screen

- Specify **01-08-2009** and **31-08-2009** in the **From** and **To** fields respectively
- Select **All Items** in the **Employee Category** field
- Select **All Items** in the **Employee / Group** field
- Specify the **Name & Address of the Bank**
- Set **Include VPF Account** to **No**
- Specify **2** in the **Number of Contract Employees** field
- Press **Enter** to accept **0** in **Number of Rest (Temporary Employees)** field

The completed **Payroll Statutory Print Configuration** screen is displayed as shown:

Payroll Statutory Print Configuration			
Printer	: Printer 1 (Ne02:)	Paper Type :	A4
No. of Copies	: 1		
Print Language	: English		<i>(Printing Dimensions)</i>
Method	: Neat Mode	Paper Size :	(8.27" x 11.69") or (210 mm x 297 mm)
Page Range	: All	Print Area :	(8.27" x 11.69") or (210 mm x 297 mm)
<u>Report Titles</u>			
Form 12A			
(with Print Preview)			
From (blank for beginning)	:	1-8-2009	
To (blank for end)	:	31-8-2009	
Employee Category	:	↓ All Items	
Employee/Group	:	↓ All Items	
Name & Address of the Bank	:	SBI, Koramangala	
Include VPF Account	:	No	
Number of Contract Employees	:	2	
Number of Rest(Temporary Employees)	:	0	
			<b>Print ?</b> Yes or No

Figure 10.66 Completed Print Configuration screen

- Press **Enter** to print

The printed **Form 12A** is displayed as shown:

**(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 : **KA/BN/12345/00009**  
Establishment status :

Name and Address of the Establishment : **Spectrum Software Solutions**  
14, Mysore Road,  
Bangalore

Code No. : **KA/BN/12345/00129**  
Currency period from : **1-Apr-2009 to 31-Mar-2010**  
Statement of Contribution for the month of : **Aug-2009**

	Wages on which Contributions are payable	Amount of Contribution		Amount of contribution remitted		Amount of Administrative charges due	Amount of Administrative charges remitted	Date Of Remittance (enclose triplicate copies of Challan)
		Recovered from the Employees'	Payable by the Employer	Employee's Share	Employer's Share			
E.P.F. A/c No. 01	35,500.00	4,260.00	1,304.00	4,260.00	1,304.00	390.50	390.50	31-Aug-2009
Pension Fund A/c No. 10	35,500.00	NIL	2,956.00	NIL	2,956.00	NIL	NIL	31-Aug-2009
E.D.L.I A/c No. 21	35,500.00	NIL	177.50	NIL	177.50	12.00	12.00	31-Aug-2009

Total No. of Employees : **8** Name & Address of the Bank in which the amount is remitted : **SBI, Koramangala**  
(a) Contract : **2**  
(b) Rest : **0**  
(c) PF Subscribers : **6**

Details of Subscribers	E.P.F.	Pension Fund	E.D.L.I.
No. of Subscribers as per last month (vide Form 12A)	6	6	6
No. of New Subscribers (vide Form 5)			
No. of Subscribers left service (vide Form 10)			
Nett Total Number of Subscribers	6	6	6

**Signature of the Employer with Official (Seal)**

Figure 10.67 Printed Form 12A



### v. PF Monthly Statement

The PF Monthly Statement provides a summary of Employee wise monthly PF Employee Deductions and Employer Contribution amounts. To print the PF Monthly Statement, follow the steps given below:

Go to **Gateway of Tally > Display > Payroll Reports > Statutory Reports > Provident Fund > Monthly Statement**

In the **Payroll Statutory Print Configuration** screen,

- Specify **01-08-2009** and **31-08-2009** in the **From** and **To** fields respectively
- Select **All Items** in the **Employee Category** field
- Select **All Items** in the **Employee / Group** field
- Select **Account Number** as the **Sorting Method**

Payroll Statutory Print Configuration			
Printer	: Printer 1 (Ne02:)	Paper Type :	A4
No. of Copies	: 1		
Print Language	: English		<i>(Printing Dimensions)</i>
Method	: Neat Mode	Paper Size :	(8.27" x 11.69") or (210 mm x 297 mm)
Page Range	: All	Print Area :	(8.27" x 11.69") or (210 mm x 297 mm)
<u>Report Titles</u>			
PF Monthly Statement			
(with Print Preview)			
From (blank for beginning) : 1-8-2009 To (blank for end) : 31-8-2009 Employee Category : <b>↓ All Items</b> Employee/Group : <b>↓ All Items</b> Sorting Method : Account Number			
			<b>Print ?</b> Yes or No

Figure 10.68 Print Configuration screen

- Press **Enter** to Print.

The printed **PF Monthly Statement** for August 2009 is displayed as shown:

<b>EMPLOYEE PROVIDENT FUND SCHEME - Monthly Statement</b>										
Name & Address of the Factory or Establishment : <b>Spectrum Software Solutions</b> 14, Mysore Road, Bangalore										
Statement for the Period : 1-Aug-2009 to 31-Aug-2009										
Emp No	PF Number	Employee Name	Worked	Earned Wages	Employee's Contribution			Employer's Contribution		
					PF 12%	VPF	Total	EPS 8.33%	EPF 3.67%	Total
551	KAEN18184564	Ajay	26	6,500.00	780.00		780.00	541.00	239.00	780.00
550	KAEN18184293	Mahesh	25	6,500.00	780.00		780.00	541.00	239.00	780.00
552	KAEN1820203	Rahul	22	6,500.00	780.00		780.00	541.00	239.00	780.00
554	KAEN181723425	Rajesh	26	5,000.00	600.00		600.00	417.00	183.00	600.00
553	KAEN181812534	Suresh	26	4,500.00	540.00		540.00	375.00	165.00	540.00
549	KAEN18184563	Vijay Kumar	26	6,500.00	780.00		780.00	541.00	239.00	780.00
			<b>Total</b>	<b>35,500.00</b>	<b>4,260.00</b>		<b>4,260.00</b>	<b>2,956.00</b>	<b>1,304.00</b>	<b>4,260.00</b>

Figure 10.69 PF Monthly Statement

**vi. Form 3A**

As per the Employees' Provident Funds Scheme, 1952 [para 35 & 42] and the Employees' Pension Scheme 1995 (Para 19), a Form (Member's Annual Contribution Card) showing month wise recoveries towards EPF and Pension Fund in respect of a member for one financial year is required to be furnished by the employer before 30th April of the following year.

Form 3A is an annual contribution card to be furnished for each employee in separate sheets to EPFO. To print Form 3A, follow the steps given below:

Go to **Gateway of Tally > Display > Payroll Reports > Statutory Reports > Provident Fund > Form 3A**

In the **Payroll Statutory Print Configuration** screen

- Select **All Items** in the **Employee Category** field
- Select **All Items** in the **Employee/Group** field
- Specify **01-03-2009** and **28-02-2010** in the **From** and **To** fields respectively
- Specify **28-02-2010** in the **Date of Printing** field

The completed **Payroll Statutory Print Configuration** screen is displayed as shown:

Payroll Statutory Print Configuration			
Printer	: Printer 1 (Ne02:)	Paper Type :	A4
No. of Copies	: 1		
Print Language	: English		<i>(Printing Dimensions)</i>
Method	: Neat Mode	Paper Size :	(8.27" x 11.69") or (210 mm x 297 mm)
Page Range	: All	Print Area :	(8.27" x 11.69") or (210 mm x 297 mm)
<u>Report Titles</u>			
Form 3A			
(with Print Preview)			
Employee Category	: ↓ All Items		
Employee/Group	: ↓ All Items		
From (blank for beginning)	: 1-3-2009		
To (blank for end)	: 28-2-2010		
Include VPF Account	: Yes		
Sorting Method	: Account Number		
Date of Printing	: 28-2-2010		
			<div style="border: 1px solid black; padding: 5px; display: inline-block;"> <b>Print ?</b>  <span style="color: red;">Yes or No</span> </div>

Figure 10.70 Payroll Statutory Print Configuration

- Press **Enter** to Print.

The printed **Form 3A** for **Ajay** is displayed as shown:

<b>FORM 3 A [REVISED]</b> <b>EMPLOYEE'S PROVIDENT FUND ORGANISATION</b> <b>THE EMPLOYEE'S PROVIDENT FUND SCHEME, 1952 [Paras 35 &amp; 42]</b> <b>AND THE EMPLOYEES' PENSION SCHEME, 1995 [Para 19]</b> <b>Contribution Card for currency period from 1-Apr-2009 to 31-Mar-2010</b>								
1. Account No.	: KA/BN/18184/564							
2. Name/Surname (in block letters)	: AJAY							
3. Father's / Husband's Name	: Mr. Mohan							
4. Statutory Rate of Contribution	: 12 %							
5. Voluntary Higher Rate of Employee's contribution if any	:							
6. Name & Address of the Factory / Establishment	: <b>Spectrum Software Solutions</b> 14, Mysore Road, Bangalore							
7. Code Number	: KA/BN/12345/00129							
Month	WORKER'S SHARE			EMPLOYER'S SHARE		Refund of Advance	No. of days period of non contributing service (if any)	Remarks
	Amount of Wages	E.P.F.12%	Rate of higher voluntary contribution (if any)	E.P.F. Difference between 12% & 8.33% if any	Pension Fund Contribution 8.33%			
1	2	3a	3b	4a	4b	5	6	7
March 2009 Paid in April 2009								
May 2009	6,500.00	780.00		239.00	541.00			
June 2009	6,500.00	780.00		239.00	541.00			
July 2009	6,500.00	780.00		239.00	541.00			
August 2009	6,500.00	780.00		239.00	541.00			
September 2009	6,500.00	780.00		239.00	541.00			
October 2009								
November 2009								
December 2009								
January 2009								
February 2010								
February 2010 Paid in March 2010								
<b>Total</b>	<b>32,500.00</b>	<b>3,900.00</b>		<b>1,195.00</b>	<b>2,705.00</b>			
<p>Certified that the total amount of contribution (both shares) indicated in this Card i.e. Rs.5,095.00 has already been remitted full in E.P.S. A/c No.1 &amp; Pension Fund A/c No.10 Rs.2,705.00</p> <p>Certified that the difference between the total of the contribution shown under Cols. 3a, 3b, 4a &amp; 4b of the above table and that arrived at on the total wages shown in cloumn 2 at the prescribed rate is solely due to rounding off the contributions to the nearest rupee under the rules.</p>								
Date	: 30-Sep-2009				Signature of Employer (with Office seal)			

Figure 10.71 Printed PF Form 3A

The next page will contain the Contribution Card in Form 3A for the next employee.

**vii. Form 6A**

As per the Employees' Provident Funds Scheme, 1952 [para 43] and the Employees' Pension Scheme 1975 [para 20], a Form (Consolidated Annual Contribution Statement) providing annual contributions of each member of the establishment is required to be submitted by 30th April.

Form 6A is a vital form for compiling the annual Provident Fund statement of a subscriber. In Tally.ERP 9, you can generate Form 6A in the prescribed format. To print Form 6A, follow the steps given below:

Go to **Gateway of Tally > Display > Payroll Reports > Statutory Reports > Provident Fund > Form 6A**

In the **Payroll Statutory Print Configuration** screen

- Specify **01-03-2009** and **28-02-2010** in the **From** and **To** fields respectively
- Select **All Items** in the **Employee Category** field
- Select **All Items** in the **Employee/Group** field
- Select **Account Number** as the **Sorting Method**

The completed **Payroll Statutory Print Configuration** screen is displayed as shown:

Payroll Statutory Print Configuration			
Printer	: Printer 1 (Ne02:)	Paper Type :	A4
No. of Copies	: 1		
Print Language	: English		<i>(Printing Dimensions)</i>
Method	: Neat Mode	Paper Size :	(8.27" x 11.69") or (210 mm x 297 mm)
Page Range	: All	Print Area :	(8.27" x 11.69") or (210 mm x 297 mm)
<u>Report Titles</u>			
Form 6A			
(with Print Preview)			
From (blank for beginning)	: 1-3-2009		
To (blank for end)	: 28-2-2010		
Employee Category	: ↓ All Items		
Employee/Group	: ↓ All Items		
Sorting Method	: Account Number		
			<b>Print ?</b> Yes or No

Figure 10.72 Payroll Statutory Print Configuration for PF Form 6A

- Press **Enter** to Print.

The printed **Form 6A** is displayed as shown:

<b>FORM 6 A</b> <b>THE EMPLOYEE'S PROVIDENT FUND SCHEME, 1952. [Paragraph 43]</b> <b>AND THE EMPLOYEES' PENSION SCHEME, 1995 [Paragraph 20(4)]</b>									
<b>Annual Statement of contribution for the currency period from 1-Apr-2009 to 31-Mar-2010</b>									
Name & Address of the Establishment		: Spectrum Software Solutions 14, Mysore Road, Bangalore							
Statutory Rate of Contribution		: 12 %							
Code No. of the Establishment		: KAVBN/12345/00129							
No. of members voluntarily contributing at a higher rate		: 0							
S.No.	Account Number	Name of the Member (in block letters)	Wages, retaining allowance (if any) & DA including cash value of food concession paid during the currency period	Amount of Worker's Contributions deducted from the wages on 12 % E.P.F.	Employer's Contribution E.P.F. Difference between 12 % & 8.33 %	Pension Fund 8.33 %	Refund of Advance	Rate of higher voluntary Contribution (if any)	Remarks
1	2	3	4	5	6	7	8	9	10
1	KAVBN/18184/564	AJAY	32,500.00	3,900.00	1,195.00	2,705.00			
2	KAVBN/18184/293	MAHESH	32,500.00	3,900.00	1,195.00	2,705.00			
3	KAVBN/1920/203	RAHUL	32,500.00	3,900.00	1,195.00	2,705.00			
4	KAVBN/8181/23425	RAJESH	12,884.00	1,547.00	474.00	1,073.00			
5	KAVBN/8181/2534	SURESH	12,116.00	1,454.00	444.00	1,010.00			
6	KAVBN/18184/563	VIJAY KUMAR	32,500.00	3,900.00	1,195.00	2,705.00			
<b>Total</b>			<b>1,55,000.00</b>	<b>18,601.00</b>	<b>5,698.00</b>	<b>12,903.00</b>			

Figure 10.73 Printed Form 6A - Page 1

The Page 2 of **PF Form 6A** is displayed as shown:

Spectrum Software Solutions Form 6A: 1-Apr-2009 to 31-Mar-2010							
Sl. No.	Reconciliation of Remittances		Adm. Charges at Rs. 1.1 % of wages		Aggregate ( ) Contributions ( )		Cols 5,6,7 Rs.
	Month/Year	Amount remitted	Pension Fund Contributions	EDLI Contribution	Adm. Charges A/c No. 2	EDLI Adm. Charges 0.01%	
		EPF Contributions including refund of advances A/c. No. 1	A/c. No. 10 Rs.	A/c No.21		A/c. No. 22 Rs.	
1	March 2009 Paid in April 2009						
2	May 2009	4,076.00	2,164.00	130.00	286.00	8.00	30-Apr-2009
3	June 2009	4,076.00	2,164.00	130.00	286.00	8.00	31-May-2009
4	July 2009	5,334.00	2,832.00	170.10	374.21	12.00	30-Jun-2009
5	August 2009	5,249.00	2,787.00	167.41	368.30	12.00	31-Jul-2009
6	September 2009	5,564.00	2,956.00	177.50	390.50	12.00	31-Aug-2009
7	October 2009						
8	November 2009						
9	December 2009						
10	January 2009						
11	February 2010						
12	February 2010 Paid in March 2010						
	<b>Total</b>	<b>24,299.00</b>	<b>12,903.00</b>	<b>775.01</b>	<b>1,705.01</b>	<b>52.00</b>	

i) Total number of contribution cards enclosed ( Form 3A(Revised)): 6

ii) Certified that Form3A duly completed, of all the members listed in this statement are enclosed, except those already sent during the course of the currency period for the final settlement of the concerned members account vide 'Remarks' Furnished against the names of the respective members above.

Signature of the Employer  
(With Office Seal)

**Note:**

- The names of all members, including those who had left service during the currency period, should be included in this statement. Where the Form 3A in respect of such members had left service were already sent to the Regional Office for the purpose of final settlement of their accounts, the fact should be stated against the members in the 'Remarks' Column above thus Form 3A already sent in the month of \_\_\_\_\_ 200\_\_\_\_\_.
- In case of substantial variation in the wages/contributions of any members as compared to those shown in previous month statement, the reasons should be explained adequately in the 'Remarks' column.
- In respect of those members who have not opted for Pension Fund their entire employers contribution as the case may be should be under column No. 6.

Figure 10.74 Printed Form 6A - Page 2

**viii. E-Return for PF Form 3A**

Tally.ERP 9 also allows to generate the **PF Form 3A** in **dbf format**. The dbf format of this form can be copied to a CD and submitted to the PF department.

To generate the PF Form 3A in dbf format,

Go to **Gateway of Tally > Display > Payroll Reports > Statutory Reports > Provident Fund > E-Return**

- Press Backspace and specify the details as shown:

Exporting Form 3A	
Language	: Default (All Languages)
Format	: Excel (Spreadsheet)
Export Location	: C:\Tally.ERP9 Gold
Output File Name	: Form3A.dbf
Output Sheet Name	: Form3A
Update existing file	: Yes
Excel (Spreadsheet) Formatting with Colour	: Yes : No
From (blank for beginning) : 1-3-2009 To (blank for end) : 28-2-2010	
<b>Export ?</b> Yes or No	

Figure 10.75 Exporting Form 3A in dbf format

- Press **Enter** to Export the form in the required format.



*The Out File Name can be changed with the **.dbf** extension to by default export the form in the required format. Or the Form can be exported in the **Excel Format** and renamed by changing the extension as **.dxb**.*

**Employee’s State Insurance Reports**

As mentioned earlier, the following ESI Reports are available in Tally.ERP 9:

- ESI Computation Report
- Form 3
- ESI Monthly Statement
- Form 5
- Form 6

In this section, we will generate each of the above forms / report and understand the purpose and information to be furnished.



**i. ESI Computation Report**

The ESI Computation Report provides the summary of Amount Payable and amount paid in respect of ESI for given period comprising of Employer Contributions and Employee Deductions. To view ESI Computation Report, follow the steps given below:

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

- Press **F2** and specify the period as **01-07-2009 to 31-07-2009** and press **Enter**

Payroll Statutory Computation		Spectrum Software Solutions		Ctrl + M
Payroll Statutory Computation		1-Jul-2009 to 31-Jul-2009		
Particulars	Payable Amount	Paid Amount		
<b>Provident Fund</b>				
Employees' Statutory Deductions	4,018.00	4,018.00		
Employer's Statutory Contributions	4,018.00	4,018.00		
Employer's Other Charges	547.71	547.71		
<b>Employee State Insurance</b>				
Employees' Statutory Deductions	208.00	208.00		
Employer's Statutory Contributions	564.00	564.00		
<b>Professional Tax</b>				
Employees' Statutory Deductions	820.00	820.00		
<b>Grand Total</b>	<b>10,175.71</b>	<b>10,175.71</b>		

Figure 10.76 Payroll Computation report

The report, by default displays summary of Employee's Provident Fund, Employee's State Insurance and Professional Tax, you may however configure to display only details of Employee State Insurance.

- Press **F12: Configure** and enable/disable the following options as required

- Press **Enter**

Configuration	
Format	: Condensed
Show Provident Fund Details	? No
Show Employee State Insurance Details	? Yes
Show Professional Tax Details	? No

Figure 10.77 F12: Configuration screen

The **ESI Computation** report is displayed as shown:

Payroll Statutory Computation		Spectrum Software Solutions		Ctrl + M
Payroll Statutory Computation		1-Jul-2009 to 31-Jul-2009		
Particulars	Payable Amount	Paid Amount		
<u>Employee State Insurance</u>				
Employees' Statutory Deductions	208.00	208.00		
Employer's Statutory Contributions	564.00	564.00		
<b>Grand Total</b>	<b>772.00</b>	<b>772.00</b>		

Figure 10.78 ESI Computation report

To view the detailed ledger wise information under each contributions / deductions head, press **Alt+F1**.

The detailed **Employee State Insurance** Computation Report is displayed as shown:

Payroll Statutory Computation		Spectrum Software Solutions			Ctrl + M	
Payroll Statutory Computation		1-Jul-2009 to 31-Jul-2009				
Particulars	Gross Amount	Statutory Details			Payable Amount	Paid Amount
		Percentage	A/c No.	Amount		
<b>Employee State Insurance</b>						
<b>Employees' Statutory Deductions</b>						
Employee's ESI Contribution @ 1.75%	11,873.00	1.75%		208.00 Cr	208.00	208.00
<b>Employer's Statutory Contributions</b>						
Employer ESI @ 4.75%	11,873.00	4.75%		564.00 Dr	564.00	564.00
<b>Grand Total</b>					772.00	772.00

Figure 10.79 Detailed ESI Computation report

You can further drill down to Employee Breakup of Pay Head report and from there to Employee Vouchers and so on, by pressing **Enter** on the required ledger from the above screen.

**ii. ESI Form 3**

As per Regulation 14, a declaration form in Form 3 is required to be filed for every Half Yearly stating the list of Employees whose remuneration is not exceeding Rs. 10,000/- per month. To generate ESI Form 3, follow the steps given below:

Go to **Gateway of Tally > Display > Payroll Reports > Statutory Reports > Employee State Insurance > Form 3**

In the **Payroll Statutory Print Configuration** screen,

- ❑ Specify **1-08-2009** and **31-08-2009** in the **From** and **To** fields respectively
- ❑ Select **All Items** in the **Employee Category** field
- ❑ Select **All Items** in the **Employee/Group** field
- ❑ Select **Account Number** as the **Sorting Method**
- ❑ Select **All Items** in the field **Gender**
- ❑ Type **Bangalore** in the **Place** field
- ❑ Specify **31-08-2009** in the **Date of Printing** field

- Type the **Designation** details of the person submitting the declaration form
- The completed **Payroll Statutory Print Configuration** screen is displayed as shown:

Payroll Statutory Print Configuration			
Printer	: Printer 1 (Ne02:)	Paper Type :	A4
No. of Copies	: 1		
Print Language	: English		(Printing Dimensions)
Method	: Neat Mode	Paper Size :	(8.27" x 11.69") or (210 mm x 297 mm)
Page Range	: All	Print Area :	(8.27" x 11.69") or (210 mm x 297 mm)
Report Titles			
Form 3			
(with Print Preview)			
From (blank for beginning)	: 1-8-2009		
To (blank for end)	: 31-8-2009		
Employee Category	: <input checked="" type="checkbox"/> All Items		
Employee/Group	: <input checked="" type="checkbox"/> All Items		
Sorting Method	: Account Number		
Gender	: <input checked="" type="checkbox"/> All Items		
Place	: Bangalore		
Date of Printing	: 31-3-2010		
Designation	: CFO		
			Print ?
			Yes or No

Figure 10.80 Payroll Statutory Print Configuration for ESI Form 3

- Press **Enter** to Print.

The printed **Form 3** (Return of Declaration) is displayed as shown:

Original	FORM - 3			
<p><b>EMPLOYEES' STATE INSURANCE CORPORATION</b>  <b>RETURN OF DECLARATION FORM</b>          [Regulation - 14]</p>				
<p>Name &amp; Address of the Factory or Establishment : <b>Spectrum Software Solutions</b>          14, Mysore Road,          Bangalore</p>				
<p>Employer's Code No : <b>KA/BN/12345/234234</b></p>				
<p>I send herewith the Declaration Forms in respect of the employees mentioned below:</p>				
<p>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-Aug-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.</p>				
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	Rajesh	554	Mr. Srinivas	KA/ESI/234/3353
2	Suresh	553	Mr. Kannan	KA/ESI/345/2224
<p>Place : <b>Bangalore</b></p>		<p>Signature :</p>		
<p>Dated : <b>31-Mar-2010</b></p>		<p>Designation : <b>CFO</b></p>		

Figure 10.81 Printed Form 3

### iii. ESI Monthly Statement

The ESI Monthly Statement provides a summary of Employee wise monthly ESI Employee Deductions and Employer Contribution amount. To print ESI Monthly Statement, follow the steps given below:

Go to **Gateway of Tally > Display > Payroll Reports > Statutory Reports > Employee State Insurance > Monthly Statement**

In the **Payroll Statutory Print Configuration** screen,

- Specify **01-08-2009** and **31-08-2009** in the **From** and **To** fields respectively
- Select **All Items** in the **Employee Category** field
- Select **All Items** in the **Employee/Group** field
- Select **Account Number** as the **Sorting Method**

The completed **Payroll Configuration Print screen** is displayed as shown:

Payroll Statutory Print Configuration			
Printer	: Printer 1 (Ne02:)	Paper Type :	A4
No. of Copies	: 1		
Print Language	: English		<i>(Printing Dimensions)</i>
Method	: Neat Mode	Paper Size :	(8.27" x 11.69") or (210 mm x 297 mm)
Page Range	: All	Print Area :	(8.27" x 11.69") or (210 mm x 297 mm)
<u>Report Titles</u>			
ESI Monthly Statement			
(with Print Preview)			
From (blank for beginning)	: 1-8-2009		
To (blank for end)	: 31-8-2009		
Employee Category	: ↓ All Items		
Employee/Group	: ↓ All Items		
Sorting Method	: Account Number		
			<b>Print ?</b> Yes or No

Figure 10.82 Payroll Statutory Print Configuration screen

- Press **Enter** to Print.

The printed **ESI Monthly Statement** for August 2009 is displayed as shown:

EMPLOYEES' STATE INSURANCE - Monthly Statement									
Name & Address of the Factory or Establishment : <b>Spectrum Software Solutions</b> 14, Mysore Road, Bangalore									
Statement for the Period : 1-Aug-2009 to 31-Aug-2009									
Sl. No	Employee No	Employee Name	ESI No	Worked Days	Earned Wages	Fixed Wages	Employee's Contribution	Employer's Contribution	Total
1	554	Rajesh	KA/ESI/234/3353	26	7,800.00	7,800.00	137.00	371.00	508.00
2	553	Suresh	KA/ESI/345/2224	26	6,900.00	6,900.00	121.00	328.00	449.00
				<b>Total</b>	<b>14,700.00</b>	<b>14,700.00</b>	<b>258.00</b>	<b>699.00</b>	<b>957.00</b>

Figure 10.83 ESI Monthly Statement

**iv. Form 5**

As per Regulation 26, a Return of Contribution in Form 5 is required to be submitted to the appropriate Branch Office within 42 days of the expiry of the contribution period (i.e, 12th May or November 11th of each year). Such return of contribution should be prepared in quadruplicate and submitted separately for the main Code Number and each sub-codenumber.

The employer may make compliance from the parent unit and submit only one return in respect of all the branches or may make compliance through their Branch Offices/ Sales Offices separately in the Regions where such offices are located.

**Go to Gateway of Tally > Display > Payroll Reports > Statutory Reports > Employee State Insurance > Form 5**

In the **Payroll Statutory Print Configuration** screen

- Specify **01-04-2009** and **30-09-2009** in the **From** and **To** fields respectively
- Select **All Items** in the **Employee Category** field
- Select **All Items** in the **Employee/Group** field
- Select **Account Number** as the **Sorting Method**
- Specify **Bangalore** in the **Place** Field
- Specify **30-09-2009** in the **Date of Printing** field
- Type the name of the Signatory in the **Authorised Signatory Name** field
- Type the **Designation** details of the signing authority
- In the **Residential Address** field provide the Home Address of Authorised Signatory

The completed **Payroll Statutory Print Configuration** screen for ESI Monthly Statement is displayed as shown:

Payroll Statutory Print Configuration			
Printer	: Printer 1 (Ne02:)	Paper Type :	A4
No. of Copies	: 1		
Print Language	: English		<i>(Printing Dimensions)</i>
Method	: Neat Mode	Paper Size :	(8.27" x 11.69") or (210 mm x 297 mm)
Page Range	: All	Print Area :	(8.27" x 11.69") or (210 mm x 297 mm)
<u>Report Titles</u>			
Form 5			
(with Print Preview)			
From (blank for beginning)	:	1-4-2009	
To (blank for end)	:	30-9-2009	
Employee Category	:	↓ All Items	
Employee/Group	:	↓ All Items	
Sorting Method	:	Account Number	
Appearance of Employee Names	:	Name Only	
Place	:	Bangalore	
Date of Printing	:	31-3-2010	
Authorised Signatory Name	:	Mr. Ram	
Designation	:	CFO	
Residential Address	:	No-22, HSN Lay Out, Bangalore	
			<b>Print ?</b> Yes or No

Figure 10.84 Payroll Statutory Print Configuration screen



- Press **Enter** to Print

The printed **Form 5** is displayed as shown:

Original (Page1)  
FORM-5

Name of Branch Office **Koramangala** Employer's Code No. **KA/BN/12345/234234**

**RETURN OF CONTRIBUTIONS  
EMPLOYEES' STATE INSURANCE CORPORATION  
Regulation - 26**

Name & Address of the Factory or Establishment : **Spectrum Software Solutions  
14, Mysore Road,  
Bangalore**

PARTICULARS OF THE PRINCIPAL EMPLOYERS:

a)Name **Mr. Ram** b)Designation **CFO**  
c)Residential Address **No-22, HSN Lay Out,  
Bangalore**

Contribution Period From **1-Apr-2009** To **30-Sep-2009**

I furnish below the details of the employer's and employee's share of contribution in respect of the under mentioned Insured persons.I hereby declare that the return includes every employee,employed directly or through an immediate employer or in connection with the work of the factory / establishment or any work connected with the administration of the factory / establishment or purchase of raw materials,sale or distribution of finished products etc.,to whom the ESI Act, 1948 applies, in the contribution period to which this return relates and that the contributions in respect of Employer's and Employee's share have been correctly paid in accordance with the provisions of the Act and regulations.

Details of Total Contribution are as below:

Employer's Share	:	<b>1,863.00</b>
Employee's Share	:	<b>687.00</b>
Total Contribution	:	<b>2,550.00</b>

Details of Challans :

Sl No	Month	Date of Challan	Amount	Name of the Bank and Branch
1	June	30-Jun-2009	821.00	HDFC & 1002452
2	July	31-Jul-2009	772.00	HDFC & 232431
3	August	31-Aug-2009	957.00	HDFC & 100246
<b>Total amount paid</b>			<b>2,550.00</b>	

**I declare that**

a) All the Records and Registers have been maintained as per provisions contained in ESI Act, Rules & Regulations framed therein.

b) During the period of return \_\_\_\_\_ No. of Declaration forms have been submitted.

c) During the above period \_\_\_\_\_ No. of TICs have been received.

d) During the above period \_\_\_\_\_ No. of PICs have been received.

e) During the above period \_\_\_\_\_ No. of PICs have been distributed amongst the eligible IPs.

f) During the above period \_\_\_\_\_ accidents have been reported to the concerned Branch Office.

g) During the period 2 No. of employees directly employed by us have been covered and a total wages of Rs.39,199.00 have been paid to such employees.

h) During the period \_\_\_\_\_ No. of employees directly employed by us have not been covered and a total wages of Rs. \_\_\_\_\_ have been paid to such employees.

Figure 10.85 Printed Form 5 - Page 1

The Page 2 of **Form 5** (includes the CA Form also) is displayed as shown:

Page 2

i) During the period \_\_\_\_\_ No. of employees employed through immediate employer have been covered and a total wages of Rs. \_\_\_\_\_ have been paid to such employees.

j) During the period \_\_\_\_\_ No. of employees employed through immediate employer have not been covered and a total wages of Rs. \_\_\_\_\_ have been paid to such employees.

k) Following components of wages have been taken into consideration for the purpose of payment of contribution :-

- 1 Basic
- 2 House Rent Allowance
- 3 Conveyance
- 4 Overtime Pay

l) Following components of wages have not been taken into consideration for the purpose of payment of contribution :-

- 1 Wages
- 2 Variable Pay

The above mentioned information is based on records and any information if found incorrect will render me liable for prosecutions under provisions of ESI Act and action for recovery of contribution due along with interest and damages as per provisions of the ESI Act.

Place : **Bangalore** Signature of the Employer :  
 Date : **31-Mar-2010** Designation : **CFO**  
 (with Rubber stamp)

**CERTIFICATE BY CHARTERED ACCOUNTANT**  
 ( To be submitted in case of Employers employing 40 or more Employees )

Certified that I have verified the above return from the records & Registers of M/s Spectrum Software Solutions and found it to be correct.

Signature & Seal Of  
 the Chartered Accountant with Membership No.

Important Instructions: Information to be given in Remarks Column (No.9)

If any I.P. is appointed for the first time and / or leaves during the contribution period indicate 'A' \_\_\_\_\_ (date) and / or 'L' \_\_\_\_\_ (date)

Please indicate Insurance Nos. in ascending order

Figures in Column 4,5 & 6 of the Return

Invariably strike totals of column 4,5 & 6 of the Return

No overwriting shall be made. Any corrections, if made, should be signed by the Employer

Every page of this Return should bear full signature and rubber stamp of the Employer

Daily wages in Column 7 of the return shall be calculated by dividing figures in Column 5 by figures in Column 4 to two decimal places

For \*CP ending 31st March, due date is 12th May  
 For CP ending 30th September, due date is 11th November

Figure 10.86 Printed Form 5 - Page 2

The Page 3 of **Form 5** is displayed as shown:

Page 3

**EMPLOYEES' STATE INSURANCE CORPORATION**

Employer's Name & Address : Spectrum Software Solutions, 14, Mysore Road., Bangalore  
 Employer's Code No. : KA/BN/12345/234234 Branch Office : Koramangala  
 Period : 1-Apr-2009 to 30-Sep-2009

SI No.	Insurance No.	Name of Insured Person	No. of days for which wages paid	Total amount of wages paid	Employee-'s contribution deducted	Average Daily wages 5/4	Whether still continues working and drawing wages within the insurable wages ceiling	Name of the Dispensary of the I.P.	Remarks
1	2	3	4	5	6	7	7(A)	8	9
1	KAESI2343353	Rajesh	67	20,437.00	358.00	305.03	No	Koramangala	A: 10-Jun-2009 L: 10-Sep-2009
2	KAESI3452224	Suresh	70	18,762.00	329.00	268.03	Yes	Koramangala	A: 1-Jun-2009
<b>Total</b>				<b>39,199.00</b>	<b>687.00</b>				

Date of appointment and leaving the job may be given in remarks column

Signature of the Employer

---

(FOR OFFICIAL USE)

1. Entitlement position marked.
2. Total of col.5 of return checked and found correct/correct amount is indicated
3. Checked the amount of Employer's/Employees contribution paid which is in order/observation memo. enclosed

Counter Signature

U D C
Head Clerk
Branch Officer

Figure 10.87 ESI Form 5 - Page 3

**v. ESI Form 6**

As per Regulation 32, a register of Employees covered under Employees State Insurance Scheme, containing information regarding the Insurance No., dispensary, other occupational details, Employer's Share and month wise (under that particular Half Year) ESI details (i.e., Gross wages, Number of working days and ESI Contribution for each employee) should be furnished. To generate Form 6, follow the steps given below:

Go to **Gateway of Tally > Display > Payroll Reports > Statutory Reports > Employee State Insurance > Form 6**

In the **Payroll Statutory Print Configuration** screen

- Type **01-04-2009** in the **From** field
- Type **30-09-2009** in the **To** field
- Select **All Items** in the **Employee Category** field
- Select **All Items** in the **Employee/Group** field
- Select **Account Number** as the **Sorting Method**

The completed **Payroll Statutory Print Configuration** screen is displayed as shown:

<b>Printer</b> : Printer 1 (Ne02:) <b>No. of Copies</b> : 1 <b>Print Language</b> : English <b>Method</b> : Neat Mode <b>Page Range</b> : All	<b>Paper Type</b> : A4 <i>(Printing Dimensions)</i> <b>Paper Size</b> : (8.27" x 11.69") or (210 mm x 297 mm) <b>Print Area</b> : (8.27" x 11.69") or (210 mm x 297 mm)	
<u>Report Titles</u>  <b>Form 6</b>  (with Print Preview)		
<b>From (blank for beginning)</b> : 1-4-2009 <b>To (blank for end)</b> : 30-9-2009 <b>Employee Category</b> : ↓ All Items <b>Employee/Group</b> : ↓ All Items <b>Sorting Method</b> : Account Number	<table border="1" style="margin-left: auto; margin-right: auto;"> <tr> <td style="padding: 5px;"> <b>Print ?</b>            Yes or No         </td> </tr> </table>	<b>Print ?</b> Yes or No
<b>Print ?</b> Yes or No		

Figure 10.88 Payroll Statutory Print Configuration for ESI Form 6

- Press **Enter** to Print.

The printed **Form 6** is displayed as shown:

Page 1

**Spectrum Software Solutions**  
14, Mysore Road,  
Bangalore

**FORM 6**  
REGISTER OF EMPLOYEES  
EMPLOYEES' STATE INSURANCE CORPORATION  
(Regulation 32)

Contribution Period : From **1-Apr-2009** to **30-Sep-2009**

Sl. No	Insurance No.	Name of the insured person	* Name of dispensary to which attached	Occupation	Rate of wages etc., in the first wage period	Deptt. and shift, if any	If appointed or left service during the contribution period, date of appointment /	No. of days for which wages paid	Month: April	Employees' share of contribution
1	2	3	3(A)	4	5	6	7	8	9	10
1	KA/ESI/234/3353	Rajesh	Koramangala	Junior Executive	307.29	Sales	10-Sep-2009	0		
2	KA/ESI/345/2224	Suresh	Koramangala	Executive	205.77	Administration	1-Jun-2009	0		
<b>Total</b>										
Employer's Share										
Grand Total										
Paid On										

Note: The Figure in Columns 7 to 24 shall be in respect of wage periods ending in a particular calendar month.

Figure 10.89 Printed Form 6 - Page 1

The Page 2 of **Form 6** is displayed as shown:

Page 2

**Spectrum Software Solutions**  
14, Mysore Road,  
Bangalore

**FORM 6**  
REGISTER OF EMPLOYEES  
EMPLOYEES' STATE INSURANCE CORPORATION  
(Regulation 32)

Contribution Period : From **1-Apr-2009** to **30-Sep-2009**

Sl. No	Month: May		Month: June		Month: July		Employees' share of contribution
	No. of days for which wages paid/payable	Total amount of wages paid /payable	No. of days for which wages paid/payable	Total amount of wages paid /payable	No. of days for which wages paid/payable	Total amount of wages paid /payable	
1	11	0	14	6,453.00	17	6,184.00	108.00
2	0	0	21	6,173.00	20	5,689.00	100.00
			23	108.00	21	11,873.00	208.00
	<b>Total</b>		<b>Total</b>	<b>12,626.00</b>	<b>Total</b>	<b>11,873.00</b>	<b>564.00</b>
		Employer's Share		Employer's Share		Employer's Share	
		Grand Total		Grand Total		Grand Total	772.00
		Paid On		Paid On		Paid On	31-Jul-2009
				30-Jun-2009			

Note: The Figure in Columns 7 to 24 shall be in respect of wage periods ending in a particular calendar month.

Figure 10.90 Printed Form 6 - Page 2

The Page 3 of **Form 6** is displayed as shown:

Page 3

**Spectrum Software Solutions**  
14, Mysore Road,  
Bangalore

**FORM 6**  
REGISTER OF EMPLOYEES  
EMPLOYEES' STATE INSURANCE CORPORATION  
(Regulation 32)

Contribution Period : From **1-Apr-2009** to **30-Sep-2009**

Sl. No	Month: August		Month: September		Summary			Remarks	
	No. of days for which wages paid/payable	Total amount of wages paid /payable	No. of days for which wages paid/payable	Total amount of wages paid /payable	Total No. of days for which wages paid /payable in Contribution	Total amount of wages paid /payable in Contribution Period (Rs)	Total Employee's share of Contribution		
1	20	21	22	24	26	27	28	29	30
2	26	7,800.00	137.00	10	67	20,437.00	358.00	305.03	
	26	6,900.00	121.00	30	70	18,762.00	329.00	268.03	
	Total	14,700.00	258.00	Total		39,199.00	687.00	573.06	
		Employer's Share	699.00	Employer's Share					
		Grand Total	957.00	Grand Total					
		Paid On	31-Aug-2009	Paid On					

Note: The Figure in Columns 7 to 24 shall be in respect of wage periods ending in a particular calendar month.

Figure 10.91 Printed Form 6 - Page 3

## Professional Tax Reports

As discussed earlier, Professional Tax is applicable to those individuals or professionals in India who are involved in any profession or trade. The state government of each state governs and administers the levy and collection of Professional Tax in the respective State. The state is empowered with the responsibility of structuring as well as formulating the professional tax criteria for the respective state. Professional tax is charged on the incomes of Individuals, profits of business or gains in vocations as per the list II of the Indian Constitution.

In India, the professional tax slabs vary from state to state and some of the states have formulated different professional tax slabs for men, women and the senior citizens of the respective states. The rates depend upon the profession, years in the profession and the amount of income or turnover and so on.

In Tally.ERP 9, the Professional Tax Report is generated based on the Slab Rates defined in the Professional Tax Ledger and it captures the amount of Professional Tax deducted under each slab rate.

### i. Professional Tax Computation Report

The Professional Tax Computation Report provides the summary of Amount deducted as Professional Tax from the Earnings of the Employees exceeding the prescribed threshold limits, in accordance with the Slab rates applicable for the particular state.

Go to **Gateway of Tally > Display > Payroll Reports > Statutory Reports > Professional Tax > Computation Report**

- From the **List of Ledgers** drop down, select **Professional Tax** and press **Enter**, the Payroll Statutory Print Configuration screen appears
- In the **Payroll Statutory Print Configuration** screen,
  - Specify **01-08-2009** and **31-08-2009** in the **From** and **To** fields respectively
  - Select **All Items** in the **Employee Category** field
  - Select **All Items** in the **Employee/Group** field
  - Type **Bangalore** in the **Place** field
  - Specify **31-08-2009** in the **Date of Printing** field



The completed **Payroll Statutory Print Configuration** screen is displayed as shown:

Payroll Statutory Print Configuration	
Printer	: Printer 1 (Ne02:)
No. of Copies	: 1
Print Language	: English
Method	: Neat Mode
Page Range	: All
Paper Type	: A4
Paper Size	: (8.27" x 11.69") or (210 mm x 297 mm)
Print Area	: (8.27" x 11.69") or (210 mm x 297 mm)
<u>Report Titles</u>	
PROFESSIONAL TAX PAYABLE BY EMPLOYER	
(with Print Preview)	
From (blank for beginning)	: 1-8-2009
To (blank for end)	: 31-8-2009
Employee Category	: <input checked="" type="checkbox"/> All Items
Employee/Group	: <input checked="" type="checkbox"/> All Items
Place	: Bangalore
Date of Printing	: 31-3-2010
Authorised Signatory Name	: Mr. Ram
<div style="border: 1px solid black; padding: 5px; display: inline-block;"> <b>Print ?</b>                      Yes or No                 </div>	

Figure 10.92 Payroll Statutory Print Configuration screen

- Press **Enter** to Print.

The printed **Professional Tax Computation** report for the month of August 2009 will appear as shown:

<b>PROFESSIONAL TAX PAYABLE BY EMPLOYER</b>						
Return of Tax payable for the period : <b>August, 2009</b>						
Name of the Employer		: <b>Spectrum Software Solutions</b>				
Address		: 14, Mysore Road, Bangalore				
Registration Certificate No.		: <b>KAPT/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	5,000.00	0.00	
2	Rs	5,000.00	to	8,000.00	60.00	120.00
3	Rs	8,000.00	to	10,000.00	100.00	
4	Rs	10,000.00	to	15,000.00	150.00	150.00
5	Rs	15,000.00	and above		200.00	600.00
<b>TOTAL</b>				<b>6.00</b>		<b>870.00</b>
Amount Paid : <b>870.00</b>						
Amount in Words : <b>Rs. Eight Hundred Seventy 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 Mr. Ram solemnly declare that above statements are true to the best of my knowledge and belief.						
Place		: Bangalore				
Date		: 31-Aug-2009				
						Signature of Employer

Figure 10.93 Printed PT Computation Report

**ii. Professional Tax Statement**

The Professional Tax Statement provides the summary of Employee wise Gross Wages paid, No. of Working Days and the amount of Professional Tax deducted during the selected period. To generate the Professional Tax Statement for a month,

Go to **Gateway of Tally > Display > Payroll Reports > Statutory Reports > Professional Tax > Statement**

- From the **List of Ledgers** drop down, select **Professional Tax** and press **Enter**, the Payroll Statutory Print Configuration screen appears
- In the **Payroll Statutory Print Configuration** screen,
  - Specify **01-08-2009** and **31-08-2009** in the **From** and **To** fields respectively
  - Select **All Items** in the **Employee Category** field
  - Select **All Items** in the **Employee/Group** field
  - Select **Employee Name** as the **Sorting Method**

The completed **Payroll Statutory Print Configuration** screen will appear as shown:

Payroll Statutory Print Configuration	
Printer : Printer 1 (Ne02:)	Paper Type : A4
No. of Copies : 1	
Print Language : English	<i>(Printing Dimensions)</i>
Method : Neat Mode	Paper Size : (8.27" x 11.69") or (210 mm x 297 mm)
Page Range : All	Print Area : (8.27" x 11.69") or (210 mm x 297 mm)
<u>Report Titles</u>	
Professional Tax Professional Tax Monthly Statement (with Print Preview)	
From (blank for beginning) : 1-8-2009	
To (blank for end) : 31-8-2009	
Employee Category : ↓ All Items	
Employee/Group : ↓ All Items	
Sorting Method : Employee Name	
<div style="border: 1px solid black; padding: 5px; display: inline-block;"> <b>Print ?</b>  <span style="color: red;">Yes or No</span> </div>	

Figure 10.94 Payroll Statutory Print Configuration screen

- Press **Enter** to Print.

The printed **Professional Tax Statement** for August 2009 is displayed as shown:

<b>PROFESSIONAL TAX - Monthly Statement (Professional Tax)</b>					
Name & Address of the Factory or Establishment : <b>Spectrum Software Solutions</b> 14, Mysore Road, Bangalore					
Statement for the Period : 1-Aug-2009 to 31-Aug-2009					
Sl.No	Employee No.	Employee Name	Worked Days	Gross Wages	Value
1	551	Ajay	26	16,300.00	200.00
2	550	Mahesh	25	69,308.00	200.00
3	552	Rahul	22	23,692.00	200.00
4	554	Rajesh	26	7,800.00	60.00
5	553	Suresh	26	6,900.00	60.00
6	549	Vijay Kumar	26	14,800.00	150.00
<b>Total</b>				<b>1,38,800.00</b>	<b>870.00</b>

Figure 10.95 Printed Professional Tax Statement



You can view **PT Computation Report** from **Gateway of Tally > Display > Payroll Reports > Statutory Reports > Computation** menu, detailing Professional Tax collected and paid during a given period in the manner as discussed in **Provident Fund Computation Report** section.

## Gratuity Report

The Gratuity Report displays the provisional liability of an employer towards his employee in respect of gratuity payable at the time of cessation of employment either by resignation, death, retirement or termination.

The Gratuity Summary Report displays the gratuity amount payable in accordance with the pay components and formulae defined in the ledger master, as discussed earlier. In Tally.ERP 9, the Gratuity amount is calculated proportionately for eligible days in a year to the extent of completed months of service.

You can view the Gratuity Report either from Statutory Reports menu or Payroll Reports menu i.e., **Gateway of Tally > Display > Payroll Reports > Statutory Reports** or **Gateway of Tally > Display > Statutory Reports > Payroll Reports**.

Go to **Gateway of Tally > Display > Payroll Reports > Statutory Reports > Gratuity Report**

The **Gratuity Report** for the Employees eligible for Gratuity is displayed as shown:

Gratuity Summary		Spectrum Software Solutions		Ctrl + M	
For All Employees		1-Aug-2009 to 31-Aug-2009			
Particulars	Date of Joining	Date of Leaving	Gratuity Eligible Salary	Gratuity Amount	
<b>Primary Cost Category</b>			<b>1,00,500.00</b>	<b>7,764.00</b>	
<b>Administration</b>			<b>14,500.00</b>	<b>697.00</b>	
Suresh	1-6-2009		4,500.00	216.00	
Vijay Kumar	1-4-2009		10,000.00	481.00	
<b>Contract Employees</b>					
<b>R&amp;D</b>			<b>20,000.00</b>	<b>962.00</b>	
Rahul	1-4-2009		20,000.00	962.00	
<b>Sales</b>			<b>66,000.00</b>	<b>6,106.00</b>	
Ajay	1-4-2009		11,000.00	1,058.00	
Mahesh	1-4-2009		50,000.00	4,808.00	
Rajesh	10-6-2009	10-9-2009	5,000.00	240.00	
<b>Grand Total</b>				<b>7,764.00</b>	

Figure 10.96 Gratuity Summary Report

The above report displays the Gratuity Amount computed for each month for each Employee.



*In order to ascertain the **Gratuity** payable amount, set **Use for Gratuity** to **Yes** in the Pay Head master (i.e. Basic Pay, Dearness Allowance etc.)*

**Button Options in the Gratuity Report:**



- **F5: Employee Wise** – Allows you to display the Employee-wise Gratuity report.
- **F6: Till Date** – Allows to actual gratuity payable for each employee. The Gratuity Amount will be displayed only for those Employees who have completed the eligibility duration in the organisation.
- **F7: Employee Filters** – This option (**Ctrl+F7**) allows you to display the Gratuity report for a particular Employee Category with the required Group or Employee.

The above report displays the details of all employees along with the Date of Birth, Date of Joining and the Gratuity Eligible Salary, besides commenting on the total Gratuity liability as on date.

Press **F12: Configure** to configure for additional options

<u>Configuration</u>	
Show Employee Number	? Yes
Show Date of Birth	? Yes
Show Zero Valued Employees also	? <b>No_</b>

Figure 10.97 F12: Configuration screen

Tally.ERP 9 allows you to drill down to the **Gratuity Details report** from the above display.

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

The **Gratuity Details** screen is displayed as shown:

Months From		Months To	Eligibility days for Gratuity per year	Gratuity Amount
1	60		0	216.00
<b>Total</b>				<b>216.00</b>

Figure 10.98 Gratuity Details Report



*Once the employee is deactivated (i.e., when the date of leaving is filled in the Employee master), Tally.ERP 9 stops computing Gratuity for the deactivated employee. If the tenure of service of such an employee falls below the eligible slab for gratuity calculation, he/she will not be entitled for any gratuity amount. However, in cases where the tenure of service is spread over more than one eligible slab(s), he/she will be entitled to the sum total of all the slabs.*

The above report displays the detailed Gratuity computation for all the slabs entered during the Gratuity Pay Head Creation.





**POWER OF SIMPLICITY**

**Implementation of  
Payroll in Tally.ERP 9**

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Version: Implementation of Payroll in Tally.ERP 9/1.8/June 2010

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## Introduction

The term **Payroll** refers to a series of accounting transactions involved in the process of paying employees for the services rendered after taking all the statutory and non-statutory deductions into account, in conformance with the terms of employment, company policy and the law of the land i.e., payment of payroll taxes, insurance premiums, employee benefits and other deductions.

An efficient payroll system facilitates an error-free, accurate and timely employee payment while ensuring that the employment is well within the valid work permit.

---

# Lesson 1: Configuring Payroll in Tally.ERP 9

## Lesson Objectives

On completion of this lesson, you will have learnt:

- The features of Payroll in Tally.ERP 9
- How to enable Payroll in Tally.ERP 9

Payroll in Tally.ERP 9 is easy to use and can handle all the functional, accounting and statutory requirements of the payroll department.

## Salient Features of Payroll in Tally.ERP 9

The key features of the Payroll functionality in Tally.ERP 9 are as follows:

- It is fully integrated with accounts to give you the benefits of simplified Payroll processing and accounting.
- It has user defined classifications and sub-classifications for comprehensive reporting. This may be related to the employees, employee groups, pay components, departments etc.
- It provides the facility to create user-defined earnings and deductions Pay Heads.
- It allows flexible and User-definable criteria for simple or complex calculations.
- It allows unlimited grouping of Payroll Masters.
- It supports user-defined production units i.e., attendance/ production/ time based remuneration units.
- It provides a flexible payroll processing period.
- It provides comprehensive Cost Centre as well as employee-wise costing reports
- It ensures an accurate & timely Salary Processing, Employee Statutory Deductions & Employer Statutory Contributions with the help of predefined processes.
- It provides auto-fill facility to expedite the Attendance, Payroll & Employer Contributions processes.

- It facilitates an accurate computation and deduction of ESI, EPF, Professional Tax, Gratuity etc.
- It helps in the generation of Statutory Forms & Challans for EPF & ESI, as prescribed.
- It allows to drill-down to voucher level for any kind of alteration.
- It facilitates computation of arrears pertaining to prior period(s).
- It helps in tracking employee loan details.

## **Enabling Payroll in Tally.ERP 9**

In Tally.ERP 9 activation of Payroll requires a one time simple setup. Create a new company in Tally.ERP 9 and follow the steps given below to enable Payroll.

### **Case Study Company**

M/s. Spectrum Software Solutions is engaged in the Software services Business. It is a Bangalore-based company with the following three major departments:

- Sales
- Administration
- R & D

### **Step 1: Company Setup**

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

In the Company Creation screen,

- Select **India** in the field **Statutory compliance for** from the List of Countries provided
- Type **1-4-2009** as the **Financial Year from** date and press **Enter**

The completed **Company Creation** screen is displayed as shown:

Company Creation		Ctrl + M	
Directory	: AData		
Name	: Spectrum Software Solutions		
<b>Mailing &amp; Contact Details</b>		<b>Company Details</b>	
Mailing Name	: Spectrum Software Solutions	Currency Symbol	: Rs.
Address	: 14, Mysore Road, Bangalore	Maintain	: Accounts with Inventory
		Financial Year from	: 1-4-2009
		Books beginning from	: 1-4-2009
		<b>Security Control</b>	
Statutory compliance for	: India	Disallow opening in Educational mode ?	No
State	: Karnataka	TallyVault Password (if any)	:
PIN Code	: 560022	Repeat Password	:
Telephone No.	: 080-22587457	<i>(WARNING: forgetting your TallyVault password will render your data unusable!)</i>	
E-Mail	: sales@spectrum.com	Use Security Control	? No
		<i>(Enable Security to avail Tally.NET Features)</i>	
<b>Base Currency Information</b>			
Base Currency Symbol	: Rs.	Show Amounts in Millions	? No
Formal Name	: Indian Rupees	Put a SPACE between Amount and Symbol	? Yes
Number of Decimal Places	: 2	Decimal Places for Printing Amounts in V	
Is Symbol SUFFIXED to Amounts ?	No		
Symbol for Decimal Portion	: paise		
			<b>Accept ?</b>
			Yes or No

Figure 1.1 Company Creation screen

- Press **Enter** to **Accept** the completed Company Creation screen

## Step 2: Enable Payroll

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

In the **F11: Accounting Features** screen:

- Set **Maintain Payroll** to **Yes**
- Set **More than ONE Payroll / Cost Category** to **Yes**



The completed **F11: Accounting Features** screen is displayed as shown:

Company: <u>Spectrum Software Solutions</u>			
<u>Accounting Features</u>			
<b><u>General</u></b>		<b><u>Invoicing</u></b>	
Integrate Accounts and Inventory	? <b>Yes</b>	Allow Invoicing	? <b>Yes</b>
Income/Expense Statement instead of P & L	? <b>No</b>	Enter Purchases in Invoice Format	? <b>Yes</b>
Allow Multi-Currency	? <b>No</b>	Use Debit/Credit Notes	? <b>No</b>
<b><u>Outstandings Management</u></b>		Use Invoice mode for Credit Notes	? <b>No</b>
Maintain Bill-wise Details (for Non-Trading A/cs also)	? <b>Yes</b>	Use Invoice mode for Debit Notes	? <b>No</b>
Activate Interest Calculation (use advanced parameters)	? <b>No</b>	<b><u>Budgets &amp; Scenario Management</u></b>	
<b><u>Cost/Profit Centres Management</u></b>		Maintain Budgets and Controls	? <b>No</b>
Maintain Payroll	? <b>Yes</b>	Use Reversing Journals & Optional Vouchers	? <b>No</b>
Maintain Cost Centres	? <b>No</b>	<b><u>Other Features</u></b>	
Use Cost Centre for Job Costing	? <b>No</b>	Enable Cheque Printing	? <b>No</b>
More than ONE Payroll / Cost Category	? <b>Yes</b>	Set/Alter Cheque Printing Configuration	? <b>No</b>
Use Pre-defined Cost Centre Allocations during Entry	? <b>No</b>	Allow Zero valued entries	? <b>No</b>
F1: Accounts    F2: Inventory    F3: Statutory    F5: Audit			

Figure 1.2 F11: Accounting Features screen

- Press **Enter** to **Accept** the **F11: Accounting Features** screen



*The option **More than ONE Payroll / Cost Category** is set to **Yes**, when separate cost categories are created to allocate Employee cost. In cases, where only one cost category i.e., primary cost category is used to allocate multiple cost centres, this option may be set to **No**.*

Once the **Payroll** feature is activated in Tally.ERP 9, the following two new options get activated in the **F11: Statutory & Taxation Master**

### Step 3: Enable Payroll Statutory Features

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

In **F11: Statutory & Taxation Features** screen:

- Set **Enable Payroll Statutory** to **Yes**

□ **Set Set/Alter Payroll Statutory Details to Yes**

Company: Spectrum Software Solutions

**Statutory & Taxation**

Enable Excise	? <b>No</b>	Enable Tax Deducted at Source (TDS)	? <b>No</b>
Set/Alter Excise Details <i>(Note : 'Enable Maintain Multiple Godowns' for Multiple Excise Units)</i>	? <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)	? <b>No</b>	Set/Alter TCS Details	? <b>No</b>
Set/Alter VAT Details	? <b>No</b>	Enable Fringe Benefit Tax (FBT)	? <b>No</b>
Enable Service Tax	? <b>No</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>Yes</b>

**Tax Information**

Local Sales Tax Number :  
Inter-state Sales Tax Number :  
PAN / Income - Tax No. :

F1: Accounts    F2: Inventory    F3: Statutory    F5: Audit

Figure 1.3 F11: Statutory & Taxation Features screen

□ **Press Enter**

In the **Payroll Statutory Details** screen:

- Enter the **Provident Fund & Employee State Insurance** details of the company as shown:

**Payroll Statutory Details**

**Provident Fund**

Company Code : KA/BN/12345/00129  
Company Account Group Code : KA/BN/12345/00009  
Company Security Code : KA/BN/12345/54321

**Employee State Insurance**

Company Code : KA/BN/12345/234234  
ESI Branch Office : Koramangala  
Standard Working Days (per month) : **26 Days**

Figure 1.4 Payroll Statutory Details screen

### **Provident Fund**

**Company Code:** This field denotes the Provident Fund Code of the Company allotted by the Department.

**Company Account Group Code:** This field denotes the Provident Fund Group Code of the Company allotted by the Department.

**Company Security Code:** This field denotes the Security Code of the Company allotted by the Department.



### **Employee State Insurance**

**Company Code:** This field denotes the ESI Code of the Company allotted by the Department.

**ESI Branch Office:** This field denotes the nearest ESI office under whose jurisdiction, the company is situated.

**Standard Working days (per month):** This field denotes the consistent Pay Period to be considered for ESI Calculation. If this field is left blank, the calculation is done based on the Calendar days in each month.

- Press **Enter** to **Accept** the screen and go back to **F11: Statutory & Taxation Features** screen
- Press **Ctrl+A** to **Accept** the screen.

## Lesson 2: Creation of Payroll Masters

### Lesson Objectives

On completion of this lesson, you will have learnt how to:

- Create Payroll Masters in Tally.ERP 9

The Payroll feature in Tally.ERP 9 requires minimal effort for accurate payroll processing. It takes five easy steps to process payroll & generate Pay Slip in Tally.ERP 9.

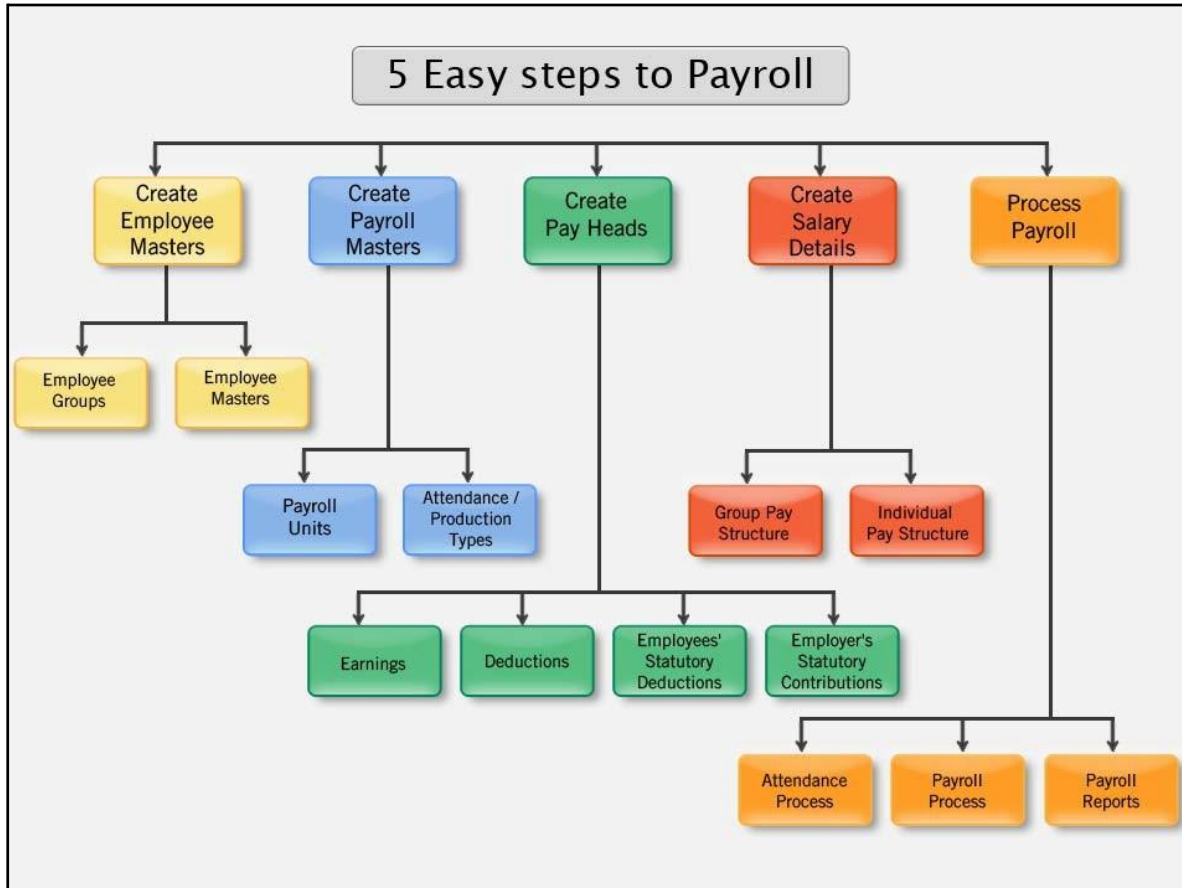


Figure 2.1 Payroll Cycle

Essentially, Payroll involves the calculation of amounts due for an employee on the following basis:

- Pay on Hourly wages
- Pay on a fixed basis such as certain amount per week, per month and so on
- Pay to sales persons on commission
- Reimbursement of expenses such as travel expenses, either as paid by the employee or based on per item rate
- Pay on the basis of number of pieces produced/ manufactured/ sold

It is therefore essential to quantify the following payroll information for the purpose of computation of payments to employees. For this purpose, the following Payroll masters have to be created in Tally.ERP 9 in the manner as discussed:

- Employee Masters
- Payroll Masters
- Pay Heads

- Salary Details

## Employee Setup

The Employee Master records employee information – department, date of joining, date of leaving, ID number, designation, location, function, employee bank details, statutory details, Passport and Visa details, and so on.

Tally.ERP 9 provides the flexibility to create the Employees and Group them under specific Employee Group which in turn can be created under specific Employee Categories.

The following masters can be created in Tally.ERP 9 to successfully record the Employee Details:

- Employee Category
- Employee Groups
- Employees



*The **Employee Category** will provide an additional level to classify the Employees in a logical manner. In the case study, in this book all the Employee Groups are created under Primary Cost Category, hence creation of an additional Category is not shown.*

## Employee Groups

Businesses with multiple departments, divisions, functions or activities may create the required employee groups and classify individual employees under a specified group i.e., Production, Sales, Marketing, Stores, Support or a particular group of employees such as managers, supervisors, sub-staff and so on.

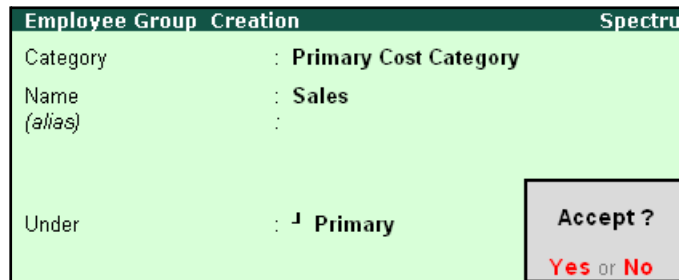
To create **Sales** as an **Employee Group**:

Go to **Gateway of Tally > Payroll Info. > Employee Groups > Create**

In the **Employee Group Creation** screen,

1. Select **Primary Cost Category** as the **Category** (You can also create a separate cost category to segregate Employee Cost based on respective categories)
2. Type **Sales** as the **Name** of the Employee Group
3. Select the group as **Primary** (Tally.ERP 9 allows an unlimited grouping of Employee Groups)

The **Employee Group Creation** screen is displayed as shown:



Employee Group Creation		Spectrum
Category	: Primary Cost Category	
Name	: Sales	
(alias)	:	
Under	: Primary	
		Accept ?
		Yes or No

Figure 2.2 Employee Group Creation screen

4. Press **Enter** to **Accept** the **Employee Group Creation** screen

Similarly, create the other Employee Groups such as **Administration** and **R&D**.

### Employee Master

After creating the Employee Groups, create individual Employee Masters, with or without grouping them, under the Employee Group Master.

In Tally.ERP 9, you can record all the necessary information of the employees in the Employee Masters. Tally.ERP 9 also allows you to enter the Statutory, Expat and Contract details of the employees.

To display the options for entering the Statutory, Expat and Contract details enable these options from the Company Configuration screen as explained below:

Go to **Gateway of Tally > F12:Configure > Payroll Configuration**

Set the following options:

- Show Statutory Details to Yes**
- Show Passport & Visa Details to Yes**
- Show Contact Details to Yes**

The **F12: Payroll Configuration** screen is displayed as shown:

Payroll Configuration	
Show Statutory Details	? Yes
Show Passport & Visa Details	? Yes
Show Contract Details	? Yes
Show Deactivated Employees	? No
Information in Payment Advice	: Please make the payroll transfer from above account number to the below mentioned account numbers towards employee salaries:
Pay Slip Note	: This is a Computer Generated Pay Slip
Pay Slip Message	: Happy New Year!!!!

Figure 2.3 F12: Payroll Configuration screen

- Press **Enter** to **Accept**



*Tally.ERP 9 allows you to configure the above settings from the **Employee Creation** screen by pressing **F12: Configure**.*

- *The information to be printed in the Payment Advice is automatically pre-filled in Tally.ERP 9. However, you can also modify the same as per your requirements.*
- ***Pay Slip Note** will be printed if you does not want the Authorised details to be printed while emailing or printing the Pay Slips if set to **Yes** in the **F12: Configuration**.*
- *A customised message for specific occasion can be entered as Pay Slip Message and will be printed if set to yes ion **F12** screen while emailing or printing.*

Create the following Employee Masters:

Employee Name	Department	Date of Joining
Vijay Kumar	Administration	1-4-2009
Rahul	R&D	1-4-2009
Mahesh	Sales	1-4-2009
Ajay	Sales	1-4-2009

Go to **Gateway of Tally > Payroll Info. > Employees > Create**

In the **Employee Creation** screen,

1. Select the **Primary Cost Category** as the **Category**
2. Type the **Name** of the Employee as **Vijay Kumar**
3. Specify the Name of the Employee Group as **Administration** in the field '**Under**'



4. Specify the **Date of Joining** as **01-04-2009**
5. Type the other details of the employee as shown:

Employee Creation		Spectrum Software Solutions		Ctrl + M	
Category	: Primary Cost Category				
Name	: Vijay Kumar				
(alias)	:				
Under	: Administration				
	( <sup>J</sup> Primary)				
Date of Joining	: 1-Apr-2009				
<b>General Info</b>		<b>Payment Details</b>		<b>Passport &amp; Visa Details</b>	
Employee Number	: 549	Bank Name	: HDFC Bank	Passport Number	: IND/BN/PASS130/005
Designation	: Manager	Branch	: Koramangala	Country of Issue	: India
Function	: Administration	Bank A/c Number	: 001254624565	Passport Expiry Date	: 31-Dec-2010
Location	: Bangalore	<b>Statutory Details</b>		Visa Number	:
Gender	: Male	Income Tax Number (PAN)	: APD192D4D	Visa Expiry Date	:
Date of Birth	: 24-May-1968	EPS Account Number	: KA/BN/18184/563	<b>Contract Details</b>	
Blood Group	: O Positive	PF Account Number	: KA/BN/18184/563	Work Permit Number	:
Father / Mother Name	: Mr. Suresh Kumar	PF Date of Joining	: 1-Apr-2009	Contract Start Date	:
Spouse Name	: Anjali	ESI Number	:	Contract Expiry Date	:
Address	: 15, Woods Street, Bangalore	ESI Dispensary Name	:		
Contact Numbers	: 080-55669878				<b>Accept ?</b> Yes or No
E-Mail ID	: vijay@spectrum.com				

Figure 2.4 Employee Creation screen

6. Press **Enter** to **Accept** the screen



The option **Date of Leaving** and **Reason for Leaving** will be available only in the Alteration mode.

Similarly, create the Employee Masters for other employees with their respective departments.

## Payroll Masters

As discussed in the above section Pay components are computed based on the Payroll Units. Therefore, create the following Payroll masters in Tally.ERP 9:

- Payroll Units
- Attendance / Production Types

### Payroll Units

A payroll unit refers to a unit of measurement based on which pay heads are calculated. Payroll units can be classified into two types viz., Simple Payroll Units and Compound Payroll Units. Simple Payroll Units refer to individual units such as Day, Week, Month, Hours, Pcs, Box, Nos etc., Whereas, Compound Payroll Units refer to Units which are combination of two simple units, i.e., an Hour of 60 Minutes, Month of 26 days, Day of 8 Hrs.

Usually, the Pay components are computed based on a single or compound payroll units. Sometimes an employee may be paid on the basis of a combination of two or more units. For

example, an employee is paid a regular salary and an hourly rate for the overtime hours. In this case, the two likely units are **Calendar Month** and **Hours**. In Tally.ERP, you can create simple as well as compound units.

By default, Tally.ERP 9 contains four preset **Calculation Periods – Days, Fortnights, Months & Weeks**. However, you can also create new Payroll Units based on your business requirements.

Name	Type	Symbol
Hours	Simple	Hrs
Minutes	Simple	Mins
Hrs of 60 Mins	Compound	Hrs of 60 Mins

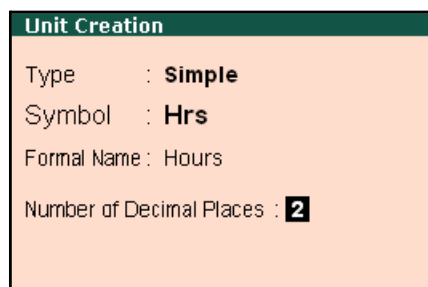
### i. Simple Payroll Units

Go to **Gateway of Tally > Payroll Info. > Units (Work) > Create**

In the **Unit Creation** screen,

1. **Simple** is defaulted as the **Type of Unit**
2. Specify **Hrs** as the **Symbol**
3. Type **Hours** as the **Formal Name**
4. Specify **2** as the **Number of Decimal Places**

The completed **Unit Creation** screen is displayed as shown:



**Unit Creation**

Type : **Simple**

Symbol : **Hrs**

Formal Name : Hours

Number of Decimal Places : **2**

Figure 2.5 Simple Unit Creation screen

5. Press **Enter** to **Accept** the **Unit Creation** screen. Similarly, create **Minutes** as another Simple Unit.

### ii. Compound Payroll Units

Create **Hrs of 60 Mins** as a Compound Unit.

In the **Unit Creation** screen:

1. Press **Backspace** and select **Compound** as the **Type** of Unit
2. Specify **Hrs** as the **First Unit**
3. Enter **60** as the **Conversion**

4. Specify **Mins** as the **Second Unit**

Unit Creation		Spectrum Software Solution	
Type	: <b>Compound</b>	Current Date	Wednesday, 1 Apr, 2009
<b>Units with Multiplier Factors</b> (example: Kgs of 1000 gms)		Companies	
First Unit Conversion	Second Unit	Units	
Hrs of 60	<b>Mins</b>	Mins	(Minutes)

Figure 2.6 Compound Unit Creation screen

5. Press **Enter** to Accept the Unit Creation screen.

**Types of Units:**



- **Simple Units** are individual units with no relationship with other units i.e., Hrs, Nos, Pieces and so on.
- **Compound Units** are a combination of two simple units, where the two units have an arithmetical relationship with each other. For example, an Hour of 60 Minutes.

**Attendance/ Production Types**

Attendance/Production Type masters are used to record the nature of attendance/ production i.e., time and work rate. In Tally.ERP 9, you can create Attendance types based on time such as **Present** and **Absent** or based on work based production units such as **Piece productions**, **Sales performance** and so on.

Create the following Attendance Types for M/s. Spectrum Software Solutions.

Name	Under	Attendance/Production Type	Period Type
Present	Primary	Attendance/ Leave with Pay	Days
Absent	Primary	Leave without Pay	Days
Overtime	Primary	Production	Hrs of 60 Mins

**i. Present Attendance Type**

Go to **Gateway of Tally > Payroll Info. > Attendance / Production Types > Create**

In the **Attendance Type Creation** screen,

1. Type **Present** as the **Name** of the **Attendance type**
2. Specify the group as **Primary** in the field '**Under**'. By default primary is selected.

3. Select **Attendance/ Leave with Pay** as the **Attendance Type** and the **Period Type** appears as **Days**, by default.

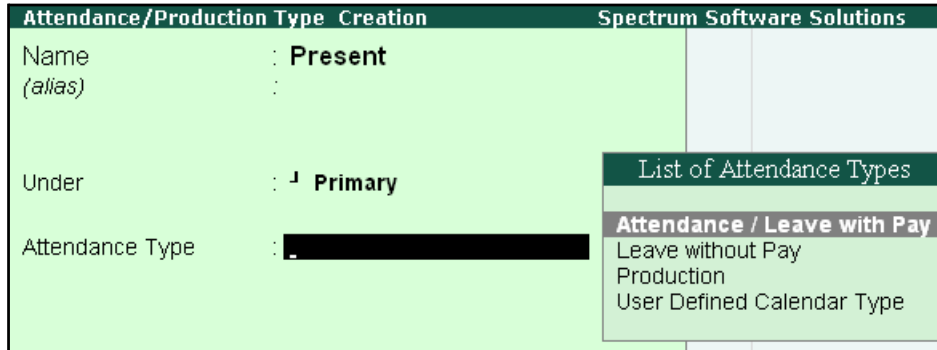


Figure 2.7 Attendance/ Production Type Creation screen

The completed **Attendance Type Creation** screen is displayed as shown:

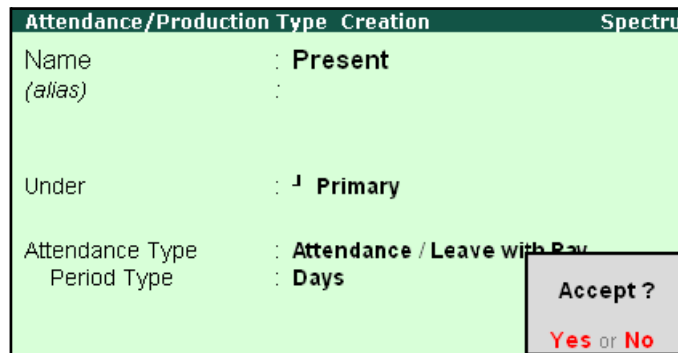


Figure 2.8 Attendance/Production Type Creation Screen

4. Press **Enter** to Accept the **Attendance Type** Creation screen. Similarly, create another Attendance Type as **Absent**. Enter **Leave without Pay** in the field **Attendance Type**.

**ii. Absent Attendance Type**

The completed **Attendance Type Creation** screen is displayed as shown:

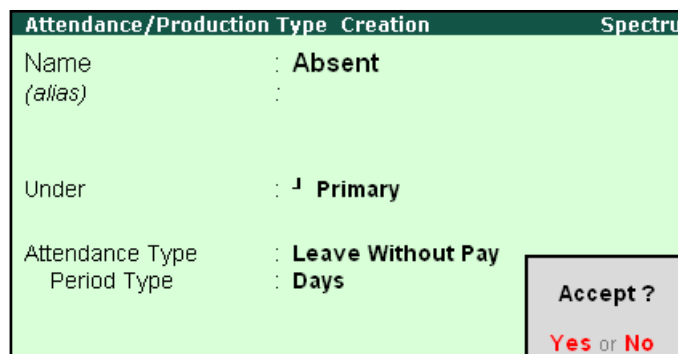


Figure 2.9 Attendance/ Production Type Creation screen

- Press **Enter** to **Accept** the **Attendance Type** Creation screen.

In the same way, create **Overtime** as the **Production Type** with **Production** as the **Attendance Type**.

### iii. Overtime Production Type

The completed **Overtime - Production Type Creation** screen is displayed as shown below:

Attendance/Production Type Creation		Spectrum
Name	: Overtime	
(alias)	:	
Under	: Primary	
Attendance Type	: Production	
Unit	: Hrs of 60 Mins	
		Accept ? Yes or No

Figure 2.10 Overtime - Production Type Creation screen

- Press **Enter** to **Accept** the **Production Type** Creation screen.

#### *Attendance/Production Types details:*



- **Present Attendance Type** may be used when the pay value is measured on the basis of positive attendance units, i.e. number of days present.
- **Absent Attendance Type** may be used when the pay value is measured on the basis of negative attendance units, i.e. number of days absent.
- **Production Attendance Type** may be used when the pay value is measured on the basis of units produced, for e.g., number of boxes produced.
- **User Defined Calendar Type** may be used to allow the per day pay value calculation when the user want to have different number of working days in each month by considering the Holidays and Sundays etc.. in January 23 days, in Febraury 24 days, in March 25 days etc.

## Pay Heads

Pay Heads may be broadly considered as Earnings and Deductions from an employee's point of view. However, these pay heads would still be Expense and Liability from the employer's view point.

Some examples of Earnings Pay Heads are Basic Salary, Dearness Allowance, City Compensatory Allowance, House Rent Allowance, Night Shift Allowance, Uniform Allowance, Sales Commission and so on. Some examples of Deductions pay heads are Employees' Provident Fund (EPF), Employees' State Insurance (ESI), Professional Tax, Income Tax, TDS, Advance (if any).

In Tally.ERP 9, each pay head is to be created as an individual ledger account and grouped under its respective group i.e., all Earnings pay heads under Indirect Expenses group or Direct

Expenses group and all Deductions pay heads under Current Liabilities, Current Assets and Duties & Taxes group.

The preset Pay Head types in Tally.ERP 9 are:

1. Earnings for Employees
2. Deductions from Employees
3. Employees' Statutory Deductions
4. Employer's Statutory Contributions
5. Employer's Other Charges
6. Bonus
7. Gratuity
8. Loans and Advances
9. Reimbursements to Employees

The pay heads marked with the above pay head types will be available during payroll processing, and if the Pay Head Type is marked as **Not Applicable**, it will not be available. The Salary Payable, PF Payable, ESI Payable ledgers should be created by selecting Not Applicable as the Pay Head Type.

Create the following pay heads in the books of M/s. Spectrum Software Solutions.

### Earning Pay Heads

Create the following Earnings Pay Heads:

Pay Head Name	Pay Head Type	Under	Affect Net Salary	Name to Appear in Pay Slip	Use for Gratuity	Calculation Type	Calculation Period/ Production Type
Basic Pay	Earnings for Employees	Indirect Expenses	Yes	Basic	Yes	On Attendance	Months
House Rent Allowance	Earnings for Employees	Indirect Expenses	Yes	HRA	No	As Computed Value	—
Conveyance	Earnings for Employees	Indirect Expenses	Yes	Conveyance	No	Flat Rate	Months
Overtime Pay	Earnings for Employees	Indirect Expenses	Yes	Overtime	No	On Production	Overtime
Variable Pay	Earnings for Employees	Indirect Expenses	Yes	Variable Pay	No	As User Defined Value	—

#### i. Basic Pay Head Creation

Go to **Gateway of Tally > Payroll Info. > Pay Heads > Create**

In the **Pay Heads** Creation screen,

1. Type **Basic Pay** as the **Name** of the Pay Head
2. Select **Earnings for Employees** in the field **Pay Head Type**.

The Pay Head Creation screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions																																					
Name	: Basic Pay	Total Op. Bal.																																					
(alias)	:																																						
<table border="1"> <thead> <tr> <th colspan="2">Pay Head Info</th> </tr> </thead> <tbody> <tr> <td>Pay Head Type</td> <td>: <b>Earnings for Employees</b></td> </tr> <tr> <td>Under</td> <td>: Direct Expenses</td> </tr> <tr> <td>Affect Net Salary</td> <td>? Yes</td> </tr> <tr> <td>    Name to appear in Payslip</td> <td>: Basic Pay</td> </tr> <tr> <td>Use for Gratuity</td> <td>? No</td> </tr> <tr> <td>Calculation Type</td> <td>: As User Defined Value</td> </tr> </tbody> </table>		Pay Head Info		Pay Head Type	: <b>Earnings for Employees</b>	Under	: Direct Expenses	Affect Net Salary	? Yes	Name to appear in Payslip	: Basic Pay	Use for Gratuity	? No	Calculation Type	: As User Defined Value	<table border="1"> <thead> <tr> <th colspan="2">List of Pay Head Types</th> </tr> </thead> <tbody> <tr> <td>↓</td> <td>Not Applicable</td> </tr> <tr> <td></td> <td>Bonus</td> </tr> <tr> <td></td> <td>Deductions from Employees</td> </tr> <tr> <td></td> <td><b>Earnings for Employees</b></td> </tr> <tr> <td></td> <td>Employees' Statutory Deductions</td> </tr> <tr> <td></td> <td>Employer's Other Charges</td> </tr> <tr> <td></td> <td>Employer's Statutory Contributions</td> </tr> <tr> <td></td> <td>Gratuity</td> </tr> <tr> <td></td> <td>Loans and Advances</td> </tr> <tr> <td></td> <td>Reimbursements to Employees</td> </tr> </tbody> </table>		List of Pay Head Types		↓	Not Applicable		Bonus		Deductions from Employees		<b>Earnings for Employees</b>		Employees' Statutory Deductions		Employer's Other Charges		Employer's Statutory Contributions		Gratuity		Loans and Advances		Reimbursements to Employees
Pay Head Info																																							
Pay Head Type	: <b>Earnings for Employees</b>																																						
Under	: Direct Expenses																																						
Affect Net Salary	? Yes																																						
Name to appear in Payslip	: Basic Pay																																						
Use for Gratuity	? No																																						
Calculation Type	: As User Defined Value																																						
List of Pay Head Types																																							
↓	Not Applicable																																						
	Bonus																																						
	Deductions from Employees																																						
	<b>Earnings for Employees</b>																																						
	Employees' Statutory Deductions																																						
	Employer's Other Charges																																						
	Employer's Statutory Contributions																																						
	Gratuity																																						
	Loans and Advances																																						
	Reimbursements to Employees																																						
Opening Balance ( on 1-Apr-2009) :																																							

Figure 2.11 Basic Pay Head Creation – Pay Head Type Selection

3. Specify the group as **Indirect Expenses** in the field **Under** and press **Enter**
4. Set **Affect Net Salary** to **Yes**
5. Specify **Basic** in the field **Name to appear in Pay Slip**
6. Set **Use for Gratuity** to **Yes**
7. Select **On Attendance** in the field **Calculation Type** and press **Enter**

*Description of general parameters in Pay Head creation:*



**Affect Net Salary** – If this option is set to **Yes**, then the Pay Head will appear in the Salary Slip for calculation of Net salary.

**Name to appear in the Pay Slip** – If **Affect Net Salary** is set to **Yes**, then the required name for the Pay Head that appears in the Pay Slip should be specified against this field.

**Use for Gratuity** – This parameter should be set to **Yes**, for the Pay Head components that will be used for the Gratuity calculation (e.g. Basic and DA

The **Pay Head Creation** screen with the **List of Calculation** is displayed as shown:

Pay Head Creation		Spectrum Software Solutions													
Name	: Basic Pay	<u>Total Op. Bal.</u>													
(alias)	:														
<b>Pay Head Info</b>															
Pay Head Type	: Earnings for Employees	<table border="1"> <thead> <tr> <th colspan="2">List of Calculation</th> </tr> </thead> <tbody> <tr> <td>As Computed Value</td> <td></td> </tr> <tr> <td>As User Defined Value</td> <td></td> </tr> <tr> <td>Flat Rate</td> <td></td> </tr> <tr> <td><b>On Attendance</b></td> <td></td> </tr> <tr> <td>On Production</td> <td></td> </tr> </tbody> </table>		List of Calculation		As Computed Value		As User Defined Value		Flat Rate		<b>On Attendance</b>		On Production	
List of Calculation															
As Computed Value															
As User Defined Value															
Flat Rate															
<b>On Attendance</b>															
On Production															
Under	: Indirect Expenses														
Affect Net Salary	? Yes														
Name to appear in Payslip	: Basic														
Use for Gratuity	? Yes														
Calculation Type	: <b>On Attendance</b>														
Opening Balance ( on 1-Apr-2009) :															

Figure 2.12 Basic Pay Head Creation - Calculation Type

**Calculation Type** refers to the method of computation of pay components. In Tally.ERP 9, there are basically 5 calculation types.

**As Computed Value** – This method is used when the pay value is computed based on certain predefined factors i.e., slab rates, pay heads and so on.

**As User-Defined Value** – This method is used when the value of pay is not fixed and does not depend upon any pay components.

**Flat Rate** – This method is used when the value of the pay heads is fixed for the given month. This calculation type is not dependant upon attendance/production. For example, conveyance of Rs. 800 per month.

**On Attendance** — This calculation type depends upon Attendance records and is used along with rate per unit of attendance. For example, Overtime of Rs. 25 per hour.

**On Production** — This method is used when the pay value is measured based on work done i.e., pieces or numbers produced/manufactured.



8. Select **Present** in the field **Attendance/ Leave with Pay**.



The **Pay Head Creation** screen with the **List of Attendance Types** is displayed as shown below:

Pay Head Creation		Spectrum Software Solutions							
Name	: Basic Pay	Total Op. Bal.							
(alias)	:								
<b>Pay Head Info</b>		<table border="1"> <thead> <tr> <th colspan="2">List of Attendance Types</th> </tr> </thead> <tbody> <tr> <td>Not Applicable</td> <td></td> </tr> <tr> <td>Present</td> <td>Primary</td> </tr> </tbody> </table>		List of Attendance Types		Not Applicable		Present	Primary
List of Attendance Types									
Not Applicable									
Present	Primary								
Pay Head Type	: Earnings for Employees								
Under	: Indirect Expenses								
Affect Net Salary	? Yes								
Name to appear in Payslip	: Basic								
Use for Gratuity	? Yes								
Calculation Type	: On Attendance								
Attendance / Leave with Pay	: Present								
<b>Rounding Info</b>									
Rounding Method	: Not Applicable								
Opening Balance ( on 1-Apr-2009 ) :									

Figure 2.13 Pay Head Creation screen with List of Attendance Types



*If the user intends to record **Negative Attendance** viz., **Absent** (i.e if the pay value is measured on the basis of negative attendance units), select **Not Applicable** in the **Attendance/ Leave with Pay** field and press Enter & then select **Absent** in the **Leave without Pay** field. In the above example we are selecting **Positive Attendance** unit i.e **Present**.*

**9. Select Months in Calculation period field and press Enter**

The **Pay Head Creation** screen with the **List of Calculation Periods** is displayed as shown:

Pay Head Creation		Spectrum Software Solutions			
Name	: Basic Pay	Total Op. Bal.			
(alias)	:				
<b>Pay Head Info</b>					
Pay Head Type	: Earnings for Employees				
Under	: Indirect Expenses				
Affect Net Salary	? Yes				
Name to appear in Payslip	: Basic				
Use for Gratuity	? Yes				
Calculation Type	: On Attendance				
Attendance / Leave with Pay	: Present				
Calculation Period	: <b>Months</b>				
<b>List of Calculation Periods</b>					
Days					
Fortnights					
<b>Months</b>					
Weeks					
<b>Rounding Info</b>					
Rounding Method	: Not Applicable				
Opening Balance ( on 1-Apr-2009 ) :					

Figure 2.14 Pay Head Creation - Calculation Period selection



*Tally.ERP 9 contains four predefined Calculation periods – **Days, Fortnights, Months and Weeks.***

10. Select **User defined** in the **Per Day Calculation Basis** field

Pay Head Creation		Spectrum Software Solutions		Total Op. Bal.
Name	: Basic Pay			
(alias)	:			
<p><b>Pay Head Info</b></p> <p>Pay Head Type : Earnings for Employees Under : Indirect Expenses</p> <p>Affect Net Salary ? Yes Name to appear in Payslip : Basic Use for Gratuity ? Yes Calculation Type : On Attendance Attendance / Leave with Pay : Present</p> <p>Calculation Period : Months Per Day Calculation Basis : <b>User defined</b></p>		<p><b>Calculation Basis</b></p> <p>As per Calendar Period <b>User defined</b> User Defined Calendar Type</p>		
<p>Rounding Info</p>				

Figure 2.15 Pay Head Creation screen - Calculation Basis Selection

11. Press **Enter** to **Accept**

**Calculation Basis** refers to the periodicity of the given calculation period.

- **As per Calendar Period** refers to the perpetual calendar month, i.e. if the payroll process is carried out for the month of March, then the attendance records will be entered for 31 days.
- **User Defined** Value refers to the consistent payroll period irrespective of calendar month, i.e. If an employee's salary is based on a standard month of 30 days irrespective of the calendar month, then you can select **User Defined** as the **Calculation Basis** and define the periodicity of the specified period or month.



For example, an employee's monthly salary is Rs. 3,000 and the calculation basis is defined as a month of 30 days. If he takes 3 days leave in January (which consists of 31 days), then the salary per day is computed as (Rs. 3000/30 days, i.e. 100). The net salary after deducting the leave salary [i.e. Rs. 300 (3 days x Rs. 100)] amounts to Rs. 2,700.

- **User Defined Calendar Type** will provide flexibility to change the per day salary for the Employee based on the User Defined Calendar days.

For example, for Basic salary of 3000 if the number of days in a month are defined as 30 then per days salary will be Rs. 100. In the next month if the number of days is 25 then per day salary will be Rs. 120.

12. Specify the **Months of 26 Days** and press **Enter**

Pay Head Creation		Spectrum Software Solutions	Total Op. Bal.
Name : Basic Pay (alias) :			
<p><b>Pay Head Info</b></p> Pay Head Type : Earnings for Employees Under : Indirect Expenses  Affect Net Salary ? Yes Name to appear in Payslip : Basic Use for Gratuity ? Yes Calculation Type : On Attendance Attendance / Leave with Pay : Present  Calculation Period : Months Per Day Calculation Basis : User Defined Months of <b>26 Days</b>			
<p><b>Rounding Info</b></p> Rounding Method : <input type="checkbox"/> Not Applicable			
Opening Balance ( on 1-Apr-2009) :			

Figure 2.16 Pay Head Creation screen - Calculation period

13. Select **Normal Rounding** as the **Rounding Method** and press **Enter**.

Pay Head Creation		Spectrum Software Solutions	Total Op. Bal.
Name : Basic Pay (alias) :			
<p><b>Pay Head Info</b></p> Pay Head Type : Earnings for Employees Under : Indirect Expenses  Affect Net Salary ? Yes Name to appear in Payslip : Basic Use for Gratuity ? Yes Calculation Type : On Attendance Attendance / Leave with Pay : Present  Calculation Period : Months Per Day Calculation Basis : User Defined Months of 26 Days			
<p><b>Rounding Info</b></p> Rounding Method : <b>Normal Rounding</b>		<p><b>Rounding Methods</b></p> <input type="checkbox"/> Not Applicable <input type="checkbox"/> Downward Rounding <input checked="" type="checkbox"/> <b>Normal Rounding</b> <input type="checkbox"/> Upward Rounding	
Opening Balance ( on 1-Apr-2009) :			

Figure 2.17 Pay Head Creation screen – Rounding Method selection

14. Specify **1** as the rounding **Limit** (The Rounding limit allows the value to be in multiples of the limit specified and is based on the Rounding Method selected)

There are 4 methods of **Rounding Off** in Tally.ERP 9 which are as follows:



- **Not Applicable** – The decimal points will be taken into consideration, and the amount will not be rounded off.
- **Downward Rounding** – The decimal points will not be taken in to consideration and the amount will be rounded off to the lower value.
- **Normal Rounding** – The amount will be rounded off to the nearest currency value.
- **Upward Rounding** – The amount will be rounded off to the higher value.

The completed **Basic Pay Head Creation** screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions	
Name	: Basic Pay	<u>Total Op. Bal.</u>	
(alias)	:		
<b>Pay Head Info</b>			
Pay Head Type	: Earnings for Employees		
Under	: Indirect Expenses		
Affect Net Salary	? Yes		
Name to appear in Payslip	: Basic		
Use for Gratuity	? Yes		
Calculation Type	: On Attendance		
Attendance / Leave with Pay	: Present		
Calculation Period	: Months		
Per Day Calculation Basis	: User Defined		
	Months of 26 Days		
<b>Rounding Info</b>			
Rounding Method	: Normal Rounding	Limit	: 1
Opening Balance ( on 1-Apr-2009 ) :			<b>Accept ?</b> Yes or No

Figure 2.18 Completed Basic Pay Head Creation screen

15. Press **Enter** to **Accept** the screen.

**ii. House Rent Allowance Pay Head Creation**

In the **Pay Head Creation** screen,

1. Type **House Rent Allowance** as the **Name** of the Pay Head
2. Select **Earnings for Employees** in the field **Pay Head Type**
3. Specify the group as **Indirect Expenses** in the field **Under** and then press **Enter**
4. Set **Affect Net Salary** to **Yes**
5. Specify **HRA** as the **Name to appear in Pay Slip**
6. Set **Use for Gratuity** to **No**
7. Select **As Computed Value** in the **Calculation Type** field and press **Enter**

Pay Head Creation		Spectrum Software Solutions							
Name	: House Rent Allowance	Total Op. Bal.							
(alias)	:								
<b>Pay Head Info</b>									
Pay Head Type	: Earnings for Employees	<table border="1"> <thead> <tr> <th>List of Calculation</th> </tr> </thead> <tbody> <tr> <td><b>As Computed Value</b></td> </tr> <tr> <td>As User Defined Value</td> </tr> <tr> <td>Flat Rate</td> </tr> <tr> <td>On Attendance</td> </tr> <tr> <td>On Production</td> </tr> </tbody> </table>		List of Calculation	<b>As Computed Value</b>	As User Defined Value	Flat Rate	On Attendance	On Production
List of Calculation									
<b>As Computed Value</b>									
As User Defined Value									
Flat Rate									
On Attendance									
On Production									
Under	: Indirect Expenses								
Affect Net Salary	? Yes								
Name to appear in Payslip	: House Rent Allowance								
Use for Gratuity	? No								
Calculation Type	: <b>As Computed Value</b>								
Opening Balance ( on 1-Apr-2009 ) :									

Figure 2.19 HRA Pay Head Creation screen - Calculation Type selection

8. Select **Normal Rounding** as the **Rounding Method** and **1** as the rounding **Limit** and press **Enter**

9. In the **Computation Info** screen, select **On Specified Formula** in the **Compute** field

Pay Head Creation		Spectrum Software Solutions		Total Op. Bal.																				
Name : House Rent Allowance (alias) :																								
<b>Pay Head Info</b> Pay Head Type : Earnings for Employees Under : Indirect Expenses  Affect Net Salary ? Yes Name to appear in Payslip : House Rent Allowance Use for Gratuity ? No Calculation Type : As Computed Value Calculation Period : Months		<b>Computation Info</b> Compute : <b>On Specified Formula</b> <table border="1"> <thead> <tr> <th>Effective From</th> <th>Fi Am</th> <th>Computation On</th> <th>Value Basis</th> </tr> </thead> <tbody> <tr> <td>1-Apr-2009</td> <td></td> <td>On Current Deductions Total</td> <td></td> </tr> <tr> <td></td> <td></td> <td>On Current Earnings Total</td> <td></td> </tr> <tr> <td></td> <td></td> <td>On Current SubTotal</td> <td></td> </tr> <tr> <td></td> <td></td> <td><b>On Specified Formula</b></td> <td></td> </tr> </tbody> </table>			Effective From	Fi Am	Computation On	Value Basis	1-Apr-2009		On Current Deductions Total				On Current Earnings Total				On Current SubTotal				<b>On Specified Formula</b>	
Effective From	Fi Am	Computation On	Value Basis																					
1-Apr-2009		On Current Deductions Total																						
		On Current Earnings Total																						
		On Current SubTotal																						
		<b>On Specified Formula</b>																						
<b>Rounding Info</b> Rounding Method : Normal Rounding Limit : 1																								
Opening Balance ( on 1-Apr-2009 ) :																								

Figure 2.20 Pay Head Creation screen with Compute method

**Computation on details:**

**On Current Deductions Total** – This calculation type is used when the value of a pay head depends upon the total of the deductions pay heads previously defined.

**On Current Earnings Total** – This calculation type is used when the value of a pay head depends upon the total earnings pay heads previously defined.

**On Current Sub Total** – This calculation type is used when the value of a pay head depends upon the net totals of earnings and deductions previously defined.

**On Specified Formula** – This calculation type is used when the pay head value is computed on the value of one or more pay heads already defined in the pay structure. (Tally.ERP 9 allows the addition and subtraction of pay heads already defined in the pay structure and multiplication and divisions using attendance types. For example, HRA is computed as 40% of the basic salary.)



10. Press **Enter** and the **Compute** sub-screen is displayed
11. In the Sub-screen **Compute**:
  - Select **Basic Pay** as the **Add Pay Head** function and press **Enter**

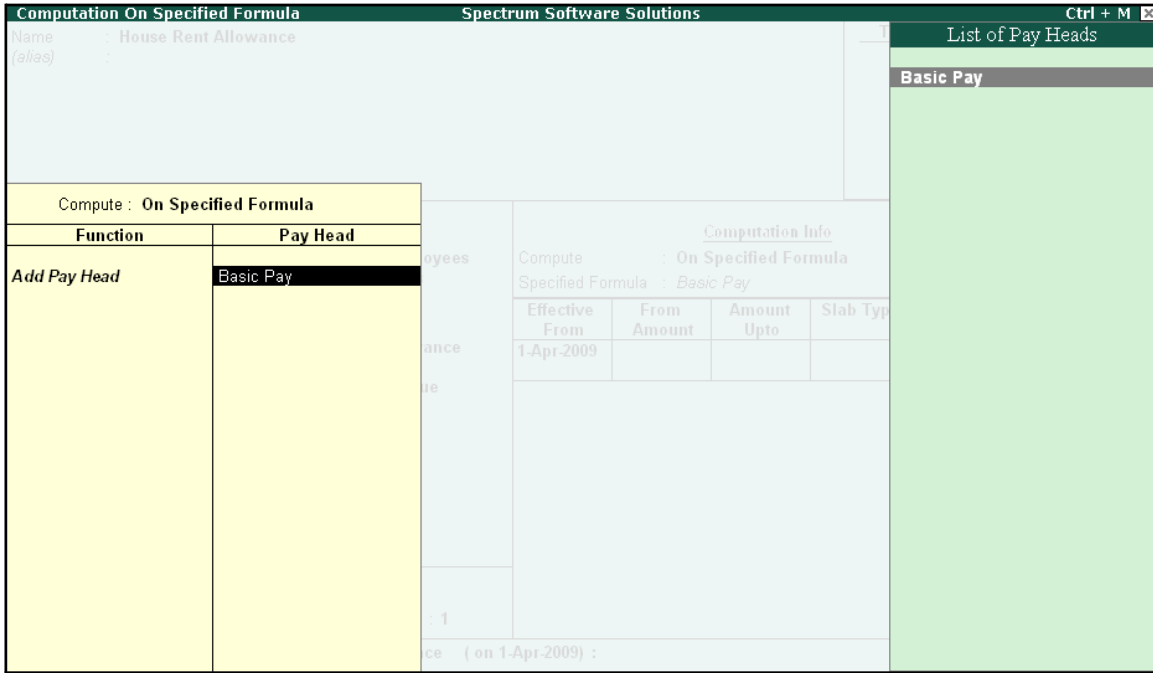


Figure 2.21 Compute sub-screen

The pay head drop-down box contains pay heads already created. If any pay head(s) is a component for the given Pay Head, you may create the required Pay Head by pressing **Alt+C** from the above Pay Head field and make the necessary alterations in the required pay head.



- **Select End of List**

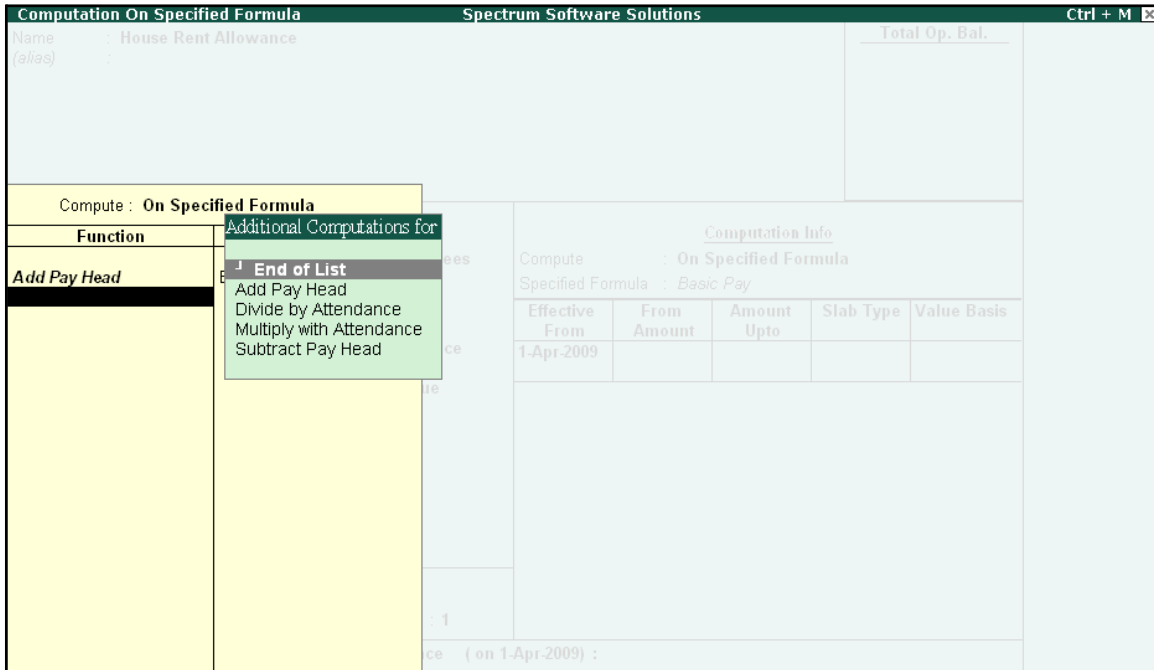


Figure 2.22 Compute: On Specified Formula sub-screen

- Press **Enter** to **Accept** the screen
12. Specify **1-4-2008** as the **Effective From** date (In case of a revision in pay structure, you can define the revised computation information for the given pay head, by giving the effective from date)
  13. The **From Amount** column is automatically skipped, assuming it to be zero. Press **Enter** to skip the **Amount Upto** column

**14. Select Percentage as the Slab Type from the List of Slabs**

Pay Head Creation		Spectrum Software Solutions				Total Op. Bal.	Ctrl + M
Name : House Rent Allowance (alias) :							
<p><b>Pay Head Info</b></p> Pay Head Type : Earnings for Employees Under : Indirect Expenses  Affect Net Salary ? Yes Name to appear in Payslip : House Rent Allowance Use for Gratuity ? No Calculation Type : As Computed Value Calculation Period : Months		<p><b>Computation Info</b></p> Compute : On Specified Formula Specified Formula : Basic Pay					
		Effective From	From Amount	Amount Upto	Slab Type	Value Basis	
		1-Apr-2009			Percentage	Percentage Value	
						List of Slabs	
<p><b>Rounding Info</b></p> Rounding Method : Normal Rounding      Limit : 1							
Opening Balance ( on 1-Apr-2009 ) :							

Figure 2.23 Pay Head Creation screen - Slab Type selection

**Slab Type Details:**



**Percentage** – This Slab rate is used when the amount is stated as a proportion of a whole.

**Value** – This Slab rate is used when the amount is stated as absolute value.

15. Specify **40%** in the **Value Basis** field and press **Enter**

Pay Head Creation		Spectrum Software Solutions					Total Op. Bal.
Name : House Rent Allowance (alias) :							
<b>Pay Head Info</b> Pay Head Type : Earnings for Employees Under : Indirect Expenses  Affect Net Salary ? Yes Name to appear in Payslip : House Rent Allowance Use for Gratuity ? No Calculation Type : As Computed Value Calculation Period : Months			<b>Computation Info</b> Compute : On Specified Formula Specified Formula : Basic Pay				
			Effective From	From Amount	Amount Upto	Slab Type	Value Basis
			1-Apr-2009			Percentage	40%
<b>Rounding Info</b> Rounding Method : Normal Rounding      Limit : 1							
Opening Balance ( on 1-Apr-2009 ) :							

Figure 2.24 Pay Head Creation - Value Basis screen

The completed **House Rent Allowance (HRA) Pay Head Creation** screen is displayed as shown.

Pay Head Creation		Spectrum Software Solutions					Total Op. Bal.
Name : House Rent Allowance (alias) :							
<b>Pay Head Info</b> Pay Head Type : Earnings for Employees Under : Indirect Expenses  Affect Net Salary ? Yes Name to appear in Payslip : House Rent Allowance Use for Gratuity ? No Calculation Type : As Computed Value Calculation Period : Months			<b>Computation Info</b> Compute : On Specified Formula Specified Formula : Basic Pay				
			Effective From	From Amount	Amount Upto	Slab Type	Value Basis
			1-Apr-2009			Percentage	40 %
<b>Rounding Info</b> Rounding Method : Normal Rounding      Limit : 1							
Opening Balance ( on 1-Apr-2009 ) :						Accept ? Yes or No	

Figure 2.25 Completed HRA Pay Head Creation screen

16. Press **Enter** to **Accept** the screen

### iii. Conveyance Pay Head Creation

Create the **Conveyance** Pay Head with **Calculation Type** as **Flat Rate**.

The completed **Conveyance Pay Head Creation** screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions	
Name	: Conveyance	<u>Total Op. Bal.</u>	
(alias)	:		
<p><b>Pay Head Info</b></p> Pay Head Type : Earnings for Employees Under : Indirect Expenses  Affect Net Salary ? Yes Name to appear in Payslip : Conveyance Use for Gratuity ? No Calculation Type : Flat Rate Calculation Period : Months		<div style="border: 1px solid black; padding: 5px; text-align: center;"> <b>Accept ?</b>            Yes or No         </div>	
<p><b>Rounding Info</b></p> Rounding Method : Normal Rounding    Limit : 1			
Opening Balance ( on 1-Apr-2009 ) :			

Figure 2.26 Conveyance Pay Head Creation

- Press **Enter** to **Accept** the screen

**iv. Overtime Pay Head Creation**

Create the **Overtime** Pay Head with **Calculation Type** as **Production**.

The completed **Overtime Pay Head Creation** screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions		Total Op. Bal.
Name	: Overtime Pay			
(alias)	:			
<b>Pay Head Info</b>				
Pay Head Type	: Earnings for Employees			
Under	: Indirect Expenses			
Affect Net Salary	? Yes			
Name to appear in Payslip	: Overtime Pay			
Use for Gratuity	? No			
Calculation Type	: On Production			
Production Type	? Overtime			
<b>Rounding Info</b>				
Rounding Method	: Normal Rounding	Limit	: 1	
Opening Balance ( on 1-Apr-2009) :				<b>Accept ?</b> Yes or No

Figure 2.27 Overtime Pay Head Creation screen

- Press **Enter** to **Accept** the screen

### v. Variable Pay Head Creation

Similarly, create the **Variable Pay Head** with **Calculation Type** as **User Defined Value**.

Pay Head Creation		Spectrum Software Solutions	
Name	: Variable Pay	Total Op. Bal.	
(alias)	:		
<b>Pay Head Info</b>			
Pay Head Type	: Earnings for Employees		
Under	: Indirect Expenses		
Affect Net Salary	? Yes		
Name to appear in Payslip	: Variable Pay		
Use for Gratuity	? No		
Calculation Type	: As User Defined Value		
Opening Balance ( on 1-Apr-2009 ) :			Accept ? Yes or No

Figure 2.28 Variable Pay Head Creation

### Deduction Pay Heads

Create the following Deduction Pay Heads.

Pay Head Name	Pay Head Type	Statutory Pay Type	Under	Affect Net Salary	Name to Appear in Pay Slip	Calculation Type	Computation Method
<b>Employees' PF Contribution @ 12%</b>	Employees' Statutory Deductions	PF Account (A/c No.1)	Current Liabilities	Yes	EPF @ 12%	As Computed Value	On Specified Formula
<b>Employees' ESI Contribution @ 1.75%</b>	Employees' Statutory Deductions	Employee State Insurance	Current Liabilities	Yes	ESI @ 1.75%	On Specified Formula	Basic Pay + House Rent Allowance + Conveyance + Overtime Pay (or Current Earnings - Variable Pay)
<b>Professional Tax</b>	Employees' Statutory Deductions	Professional Tax	Current Liabilities	Yes	Profession Tax	As Computed Value	On Current Earnings Total

**i. Employee's PF Contribution @ 12% Pay Head Creation**

Go to **Gateway of Tally > Payroll Info. > Pay Heads > Create**

In the **Pay Head Creation** screen,

1. Type **Employee's PF Contribution @ 12%** as the **Name** of the Pay Head
2. Select **Employees' Statutory Deductions** in the field **Pay Head Type** and press **Enter**

Pay Head Creation		Spectrum Software Solutions													
Name	: Employee's PF Contribution @ 12%	Total Op. Bal.													
(alias)	:														
		<table border="1"> <thead> <tr> <th colspan="2">List of Pay Head Types</th> </tr> </thead> <tbody> <tr><td>↓ Not Applicable</td></tr> <tr><td>Bonus</td></tr> <tr><td>Deductions from Employees</td></tr> <tr><td>Earnings for Employees</td></tr> <tr><td><b>Employees' Statutory Deductions</b></td></tr> <tr><td>Employer's Other Charges</td></tr> <tr><td>Employer's Statutory Contributions</td></tr> <tr><td>Gratuity</td></tr> <tr><td>Loans and Advances</td></tr> <tr><td>Reimbursements to Employees</td></tr> </tbody> </table>		List of Pay Head Types		↓ Not Applicable	Bonus	Deductions from Employees	Earnings for Employees	<b>Employees' Statutory Deductions</b>	Employer's Other Charges	Employer's Statutory Contributions	Gratuity	Loans and Advances	Reimbursements to Employees
List of Pay Head Types															
↓ Not Applicable															
Bonus															
Deductions from Employees															
Earnings for Employees															
<b>Employees' Statutory Deductions</b>															
Employer's Other Charges															
Employer's Statutory Contributions															
Gratuity															
Loans and Advances															
Reimbursements to Employees															
<b>Pay Head Info</b>															
Pay Head Type	: <b>Earnings for Employees</b>														
Under	: <b>Direct Expenses</b>														
Affect Net Salary	? <b>Yes</b>														
Name to appear in Payslip	: <b>Employee's PF Contribution @ 12%</b>														
Use for Gratuity	? <b>No</b>														
Calculation Type	: <b>As User Defined Value</b>														
Opening Balance ( on 1-Apr-2009) :															

Figure 2.29 Employees' PF Contribution @ 12% Pay Head Creation

3. Select **PF Account (A/c No. 1)** in the **Statutory Pay Type** field as shown:

Pay Head Creation		Spectrum Software Solutions		Total Op. Bal.
Name	: Employee's PF Contribution @ 12%			
(alias)	:			
<b>Pay Head Info</b>		<b>Employees' Statutory Deductions</b>		
Pay Head Type	: Employees' Statutory Deductions	Employee State Insurance		gs Total
Statutory Pay Type	: <b>PF Account (A/c No. 1)</b>	<b>PF Account (A/c No. 1)</b>		Slab Type
Under	: Direct Expenses	Professional Tax		Value Basis
		Voluntary PF (A/c No. 1)		
Affect Net Salary	? Yes			
Name to appear in Payslip	: Employee's PF Contribution @ 12%			
Calculation Type	: <b>As Computed Value</b>			
Calculation Period	: <b>Months</b>			
<b>Rounding Info</b>				
Rounding Method	: <b>Not Applicable</b>			
Opening Balance ( on 1-Apr-2009 ) :				

Figure 2.30 Employees' PF Contribution @ 12% Statutory Pay Type selection

4. Specify the group as **Current Liabilities** in the field '**Under**' and press **Enter** (In Tally.ERP 9, only relevant groups appear during selection, to reduce erroneous data inputs)
5. Set **Affect Net Salary** to **Yes**
6. Specify **EPF @ 12%** in the field **Name to appear in Pay Slip**
7. **As Computed Value** appears in the field **Calculation Type** by default
8. Select **Normal Rounding** as the **Rounding Method**. Specify **1** as the rounding **Limit** and press **Enter**
9. Select **On Specified Formula** as the **Compute** method and press **Enter**



- In the **Compute** sub-screen, select **Basic Pay** as the **Add Pay Head** function and press **Enter**

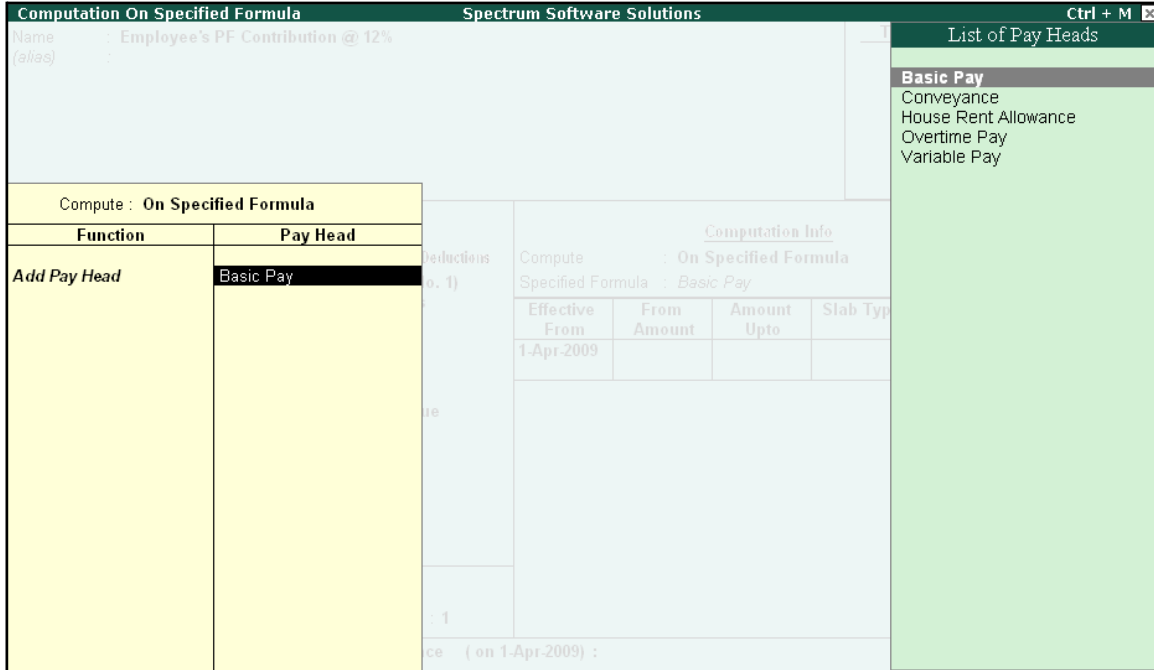


Figure 2.31 Deduction Pay Head Creation screen – Compute On selection

- Press **Enter** to **Accept** the screen
- Specify **1-4-2008** as the **Effective From** date
- The column **From Amount** is automatically skipped, with the assumption that the amount is zero

14. Specify **6500** in the **Amount Upto** column and press **Enter**

Pay Head Creation		Spectrum Software Solutions				Total Op. Bal.
Name : <b>Employee's PF Contribution @ 12%</b> (alias) :						
<p><b>Pay Head Info</b></p> Pay Head Type : <b>Employees' Statutory Deductions</b> Statutory Pay Type : <b>PF Account (A/c No. 1)</b> Under : <b>Current Liabilities</b>			<p><b>Computation Info</b></p> Compute : <b>On Specified Formula</b> Specified Formula : <i>Basic Pay</i>			
Affect Net Salary ? Yes Name to appear in Payslip : <b>EPF @ 12%</b>			Effective From	From Amount	Amount Upto	Slab Type
Calculation Type : <b>As Computed Value</b> Calculation Period : <b>Months</b>			1-Apr-2009		<b>6,500.00</b>	
<p><b>Rounding Info</b></p> Rounding Method : <b>Normal Rounding</b> Limit : <b>1</b>						
Opening Balance ( on 1-Apr-2009) :						

Figure 2.32 Deduction Pay Head Creation – Computation Info.

15. Select **Percentage** as the **Slab Type** from the **List of Slabs**

16. Specify **12%** as the **Value Basis Percentage** and press **Enter** (the **From Amount** is defaulted as **6500**)

17. Press **Enter** to accept the upper level as **0** and select **Value** as the **Slab Type** from the **List of Slabs**

18. Specify Rs. 780 in the Value Basis field and then press Enter

Pay Head Creation		Spectrum Software Solutions				Total Op. Bal.
Name : Employee's PF Contribution @ 12%						
(alias) :						
<b>Pay Head Info</b>			<b>Computation Info</b>			
Pay Head Type : Employees' Statutory Deductions			Compute : On Specified Formula			
Statutory Pay Type : PF Account (A/c No. 1)			Specified Formula : Basic Pay			
Under : Current Liabilities						
Affect Net Salary ? Yes						
Name to appear in Payslip : EPF @ 12%						
Calculation Type : As Computed Value						
Calculation Period : Months						
<b>Rounding Info</b>						
Rounding Method : Normal Rounding			Limit : 1			
Opening Balance ( on 1-Apr-2009) :						
			Effective From	From Amount	Amount Upto	Slab Type
			1-Apr-2009	6,500.00	6,500.00	Percentage Value
						12 %
						780

Figure 2.33 Deduction Pay Head Creation screen with Value Basis

19. Press Enter twice

The completed **Employee's PF Contribution @ 12%** Pay Head Creation screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions					Total Op. Bal.
Name : <b>Employee's PF Contribution @ 12%</b> (alias) :							
<p><b>Pay Head Info</b></p> Pay Head Type : <b>Employees' Statutory Deductions</b> Statutory Pay Type : <b>PF Account (A/c No. 1)</b> Under : <b>Current Liabilities</b>  Affect Net Salary ? <b>Yes</b> Name to appear in Payslip : <b>EPF @ 12%</b>  Calculation Type : <b>As Computed Value</b> Calculation Period : <b>Months</b>		<p><b>Computation Info</b></p> Compute : <b>On Specified Formula</b> Specified Formula : <i>Basic Pay</i>					
		<b>Effective From</b>	<b>From Amount</b>	<b>Amount Upto</b>	<b>Slab Type</b>	<b>Value Basis</b>	
		1-Apr-2009		6,500.00	Percentage Value	12 %	
			6,500.00			780	
<p><b>Rounding Info</b></p> Rounding Method : <b>Normal Rounding</b> Limit : <b>1</b>							
		Opening Balance ( on 1-Apr-2009) :					
						Accept ? Yes or No	

Figure 2.34 Completed Employee's PF @ 12% Pay Head Creation screen

20. Press **Enter** to **Accept** the screen.

## ii. Employee's ESI Contribution @ 1.75% Pay Head Creation

Create **Employee's State Insurance (ESI) Pay Head** as discussed.

In the **Pay Head Creation** screen,

1. Type **Employee's ESI Contribution @ 1.75%** as the **Name** of the Pay Head
2. Select **Employees' Statutory Deductions** in the field **Pay Head Type**
3. Select **ESI** in the field **Statutory Pay Type**
4. Specify the group as **Current Liabilities** in the field **Under** and press **Enter**
5. Set **Affect Net Salary** to **Yes**
6. Specify **ESI @ 1.75%** in the field **Name to appear in Pay Slip**
7. **As Computed Value** appears by default in the field **Calculation Type**
8. Select the option **Normal Rounding** as the **Rounding Method**. Specify **1** as the rounding **Limit** and press **Enter**

**9. Select On Specified Formula in the field Compute and press Enter**

Pay Head Creation		Spectrum Software Solutions		Total Op. Bal.
Name : Employee's ESI Contribution @ 1.75%				
(alias) :				
<b>Pay Head Info</b>		<b>Computation Info</b>		
Pay Head Type	: Employees' Statutory Deductions	Compute	: <b>On Specified Formula</b>	
Statutory Pay Type	: Employee State Insurance	Specified Formula	: <b>On Specified Formula</b>	
Under	: Current Liabilities	Computation On		
Affect Net Salary	? Yes	Effective From	From Ann	Value Basis
Name to appear in Payslip	: ESI @ 1.75%	1-Apr-2009		On Current Deductions Total
Calculation Type	: As Computed Value			On Current Earnings Total
Calculation Period	: Months			On Current SubTotal
				<b>0 %</b>
				<b>On Specified Formula</b>
<b>Rounding Info</b>				
Rounding Method	: Normal Rounding	Limit	: 1	
Opening Balance ( on 1-Apr-2009) :				

Figure 2.35 Employee's ESI Pay Head creation screen - Compute On Selection

In the **Compute On** Sub-screen, subscreen,

- Select **Basic Pay** as the **Add Pay Head** function and press **Enter**
- Select **House Rent Allowance** as the second Pay Head in the **Add Pay Head Function**

- Similarly, select **Conveyance** and **Overtime Pay** as the **Add Pay Head** function

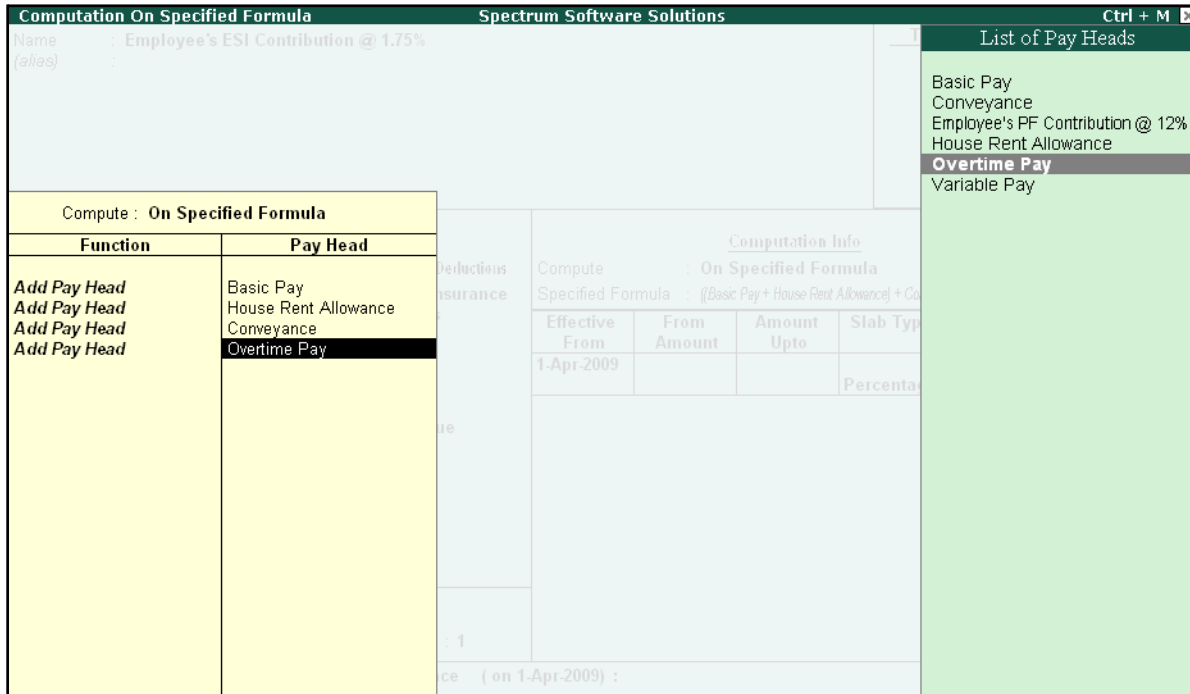


Figure 2.36 Employee's ESI Pay Head creation screen - Add Pay Head selection

- Select **End of List** and press **Enter**



*Any income of a regular nature will be subject to ESI calculation viz., Basic Pay, Dearness Allowance, House Rent Allowance, Conveyance, Overtime etc.,)*

- Specify **1-4-2008** as the **Effective From** date
- The **From Amount** and **Amount Upto** fields are skipped as the amount is already entered in the **Statutory & Taxation** screen
- Select **Percentage** as the **Slab Type** from the **List of Slabs**
- Specify **1.75%** as the **Value Basis Percentage** and press **Enter**

The Pay Head Creation screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions			Total Op. Bal.
Name : <b>Employee's ESI Contribution @ 1.75%</b>					
(alias) :					
<b>Pay Head Info</b>			<b>Computation Info</b>		
Pay Head Type : <b>Employees' Statutory Deductions</b>			Compute : <b>On Specified Formula</b>		
Statutory Pay Type : <b>Employee State Insurance</b>			Specified Formula : <i>((Basic Pay + House Rent Allowance) + Conveyance) + Overtime Pay</i>		
Under : <b>Current Liabilities</b>			<b>Effective From</b>	<b>From Amount</b>	<b>Amount Upto</b>
Affect Net Salary ? <b>Yes</b>			1-Apr-2009		
Name to appear in Payslip : <b>ESI @ 1.75%</b>					<b>Slab Type</b>
Calculation Type : <b>As Computed Value</b>					<b>Value Basis</b>
Calculation Period : <b>Months</b>					<b>Percentage</b> <b>1.75%</b>
<b>Rounding Info</b>					
Rounding Method : <b>Normal Rounding</b> Limit : <b>1</b>					
<b>Opening Balance ( on 1-Apr-2009) :</b>					

Figure 2.37 Employee's ESI Pay Head creation screen – Slab Rate

The completed **ESI – Employee’s Contribution Pay Head Creation** screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions				Total Op. Bal.
Name : Employee’s ESI Contribution @ 1.75%						
(alias) :						
<b>Pay Head Info</b>			<b>Computation Info</b>			
Pay Head Type : Employees’ Statutory Deductions			Compute : On Specified Formula			
Statutory Pay Type : Employee State Insurance			Specified Formula : ((Basic Pay + House Rent Allowance) + Conveyance) + Overtime Pay			
Under : Current Liabilities						
Affect Net Salary ? Yes			<b>Effective From</b>	<b>From Amount</b>	<b>Amount Upto</b>	<b>Slab Type</b>
Name to appear in Payslip : ESI @ 1.75%			1-Apr-2009			<b>Value Basis</b>
Calculation Type : As Computed Value			Percentage			
Calculation Period : Months			1.75 %			
<b>Rounding Info</b>						
Rounding Method : Normal Rounding			Limit : 1			
Opening Balance ( on 1-Apr-2009) :						<b>Accept ?</b>
						<b>Yes or No</b>

Figure 2.38 Completed ESI – Employee’s Contribution Pay Head Creation screen

14. Press **Enter** to **Accept** the screen.

**iii. Professional Tax Pay Head Creation**

Create **Professional Tax Pay Head** with the following Slab rates.

From Amount	To Amount	Professional Tax Amount
0	5000	0
5000	8000	60
8000	10000	100
10000	15000	150
15000	-	200



The completed **Professional Tax Pay Head Creation** screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions				Total Op. Bal.	
Name : Professional Tax (alias) :							
<b>Pay Head Info</b> Pay Head Type : Employees' Statutory Deductions Statutory Pay Type : Professional Tax Registration Number : KA/PT/12445308 Under : Current Liabilities  Affect Net Salary ? Yes Name to appear in Payslip : Professional Tax  Calculation Type : As Computed Value Calculation Period : Months			<b>Computation Info</b> Compute : On Current Earnings Total				
			Effective From	From Amount	Amount Upto	Slab Type	Value Basis
			1-Apr-2009		5,000.00	Value	0
				5,000.00	8,000.00	Value	60
				8,000.00	10,000.00	Value	100
				10,000.00	15,000.00	Value	150
				15,000.00		Value	200
<b>Rounding Info</b> Rounding Method : Normal Rounding    Limit : 1							Accept ?
Opening Balance ( on 1-Apr-2009 ) :						Yes or No	

Figure 2.39 Profession Tax Pay Head Creation

- Press **Enter** to **Accept**

### Gratuity Pay Head

Apart from the above Pay Heads, create Gratuity Expenses (Provisional) Account in order to get provisional Gratuity liability report for the employer at any given period.

**Gratuity** refers to the monetary benefit given by the employer to the employee at the end of the employment for the services rendered over a period of employment either by law or otherwise. It is calculated provisionally at the end of each financial period to assess the possible liability of the company towards its employees. A Gratuity Provisional Account is created to capture the details required for the calculation of gratuity. Gratuity is calculated based on select salary components.

The formula used for Gratuity calculation is as follows:

$$\frac{\text{Latest eligible salary* for Gratuity}}{\text{Number of days in a month to be considered}} \times \text{Number of days pay eligible for the total months covered in the respective slab period} \times \text{Served period \# (in proportionate years) in the respective slabs}$$



\* **Eligible salary** refers to the sum of pay heads covered in the employee's latest pay structure, for the relevant period. The pay heads must be set to **Yes** for **Use for gratuity** and the Gratuity ledger should be part of the pay structure.

# **Served period** is computed from the date of joining to the end date of calculation period. Served period may be proportionate such as 11 years 10 months and 5 days.

When Served period covers more than one slab, the total of the calculations of all the slabs will constitute the gratuity provisional amount of the employee.

Ledger	Pay Head Type	Under
Gratuity Expenses (Provisional)	Gratuity	Provisions (Current Liabilities)

In the Pay Head Creation screen,

1. Type **Gratuity Expenses (Provisional)** as the **Name** of the Pay Head
2. Select **Gratuity** in the field **Pay Head Type**. The **Slab Rate details for Gratuity Calculation** screen are displayed.
3. In the **Gratuity Calculation** subscreen, specify the following details:
  - Specify **Gratuity Days of a Month** as **26**
  - Enter **1** and **60** (months) in the **From** and **To** fields under the **Number of Months** column
  - Specify **0** in the field **Eligibility days for Gratuity Calculation per year**
  - Similarly, select **61** and **120** in the **From** and **To** fields
  - Specify **15** in the **Eligibility days for Gratuity Calculation per year** field
  - Press **Enter** to accept **121** in the field **From**
  - Specify **15** in the field **Eligibility days for Gratuity Calculation per year**

The **Slab Rate Details for Gratuity calculation** screen is displayed as shown:

<b>Slab Rate details for Gratuity Calculation</b>		
Gratuity Days of a Month		: 26
<b>Number of Months</b>		<b>Eligibility days for Gratuity Calculation per year</b>
<b>From:</b>	<b>To:</b>	
1	60	0
61	120	15
121		15

Figure 2.40 Slab Rate Details for Gratuity Calculation screen

4. Press **Enter** to **Accept** the screen

*Gratuity parameter details:*



**Gratuity days of a Month** – The number of days per calendar month varies from 28 to 31. In this case, you can apply a consistent period of 26 days (excluding 4 Sundays) for all employees irrespective of their month of leaving. It can also be fixed by law.

**Number of months From and To** – This represents the months until which the eligible days are applicable in the Slab system, beginning from the date of joining.

**Eligibility days for Gratuity Calculation per year** – This refers to the Number of days’ pay given as gratuity for the entire slab. If the slab period has not ended, then the slab is applied based on the number of months covered in the previous slab. If the number of days eligible is zero (0), then the eligible days mentioned in the next slab are considered.

5. Specify the group as **Provisions (Current Liabilities)** in the field **Under** and press **Enter**

The completed **Gratuity Expenses (Provisional) Pay Head Creation** screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions	
Name : Gratuity Expenses (Provisional)			Total Op. Bal.
(alias) :			
<b>Pay Head Info</b>			
Pay Head Type	: Gratuity		
Under	: Provisions (Current Liabilities)		
<b>Rounding Info</b>			
Rounding Method	: Normal Rounding	Limit	: 1
Opening Balance ( on 1-Apr-2009) :			Accept ? Yes or No

Figure 2.41 Gratuity Expenses Ledger Creation screen

6. Press **Enter** to **Accept** the screen.

## Salary Details Setup

The Salary Details masters contain information on the Employee Group/ individual employee pay structure, comprising of both earnings and deductions pay components for the applicable period.

Businesses having a common pay structure for a particular department or division or set of employees can define salary details for an employee group and classify individual employees under the specified group to inherit the parent pay values. The Employee Group master prefills the parent group values to the individual employee masters created under them. It reduces the possibility of erroneous data entry and expedites data entry. This categorisation also helps in generation of Group-wise reporting.

Pay structure constituting the Pay Heads and basis of calculation should be similar for the employees falling under the same group, but pay values need not be the same.

Tally.ERP 9 also allows you to set up individual employee salary details with all parameters applicable for Employee groups. The individual employee masters with separate pay structures are usually created on a case-to-case basis.

To define **Salary Details** for employees,

Go to **Gateway of Tally > Payroll Info. > Salary Details > Create**

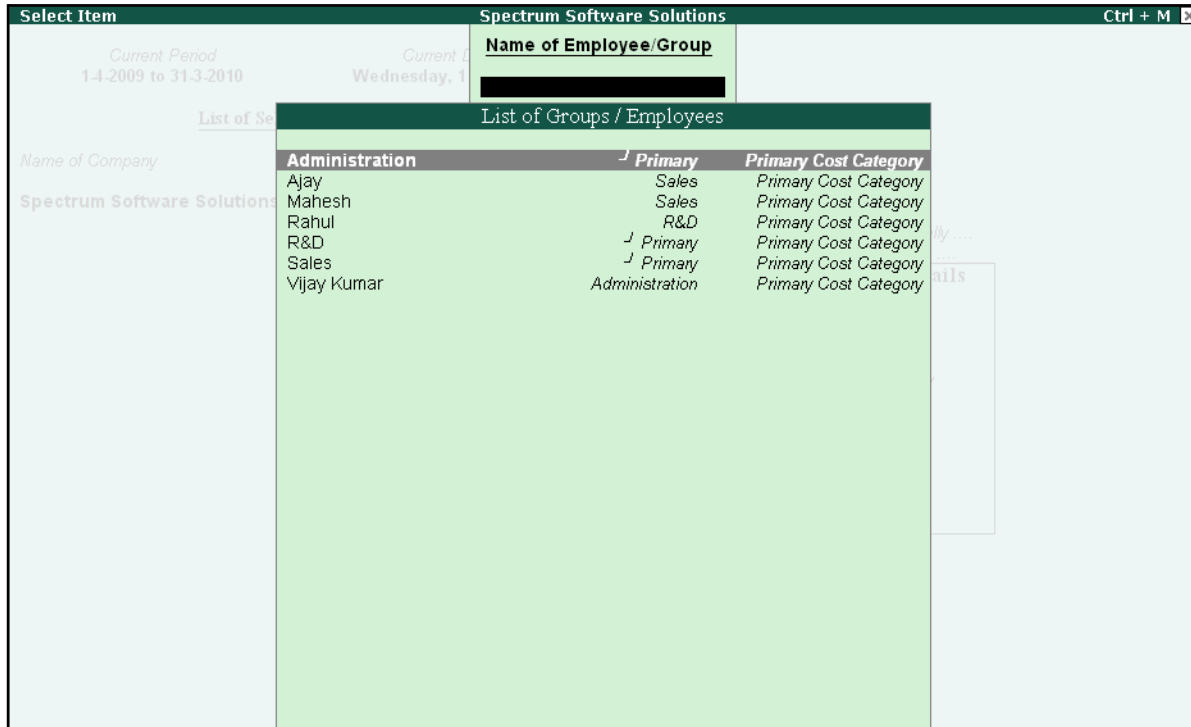


Figure 2.42 List of Employee Groups/ Employees screen

**1. Select Vijay Kumar from the List of Employees and press Enter**

In the **Salary Details** screen,

- The **Effective date** is entered as **01-04-2009** by default based on the **Date of Joining** entered in the Employee Master
- Select **Basic Pay** as the **Pay Head** from the **List of Pay Heads**
- Specify **10,000** as **Rate**
- The **Attendance units**, **Pay Head Type** and **Calculation Type** appear by default, based on the pay head definitions.

The **Salary Details Creation** screen is displayed as shown:

Salary Details Creation						
Spectrum Software Solutions						
Name : Vijay Kumar (549)						
Under : Administration ( <sup>1</sup> Primary)						
Salary Details						
Effective From	Pay Head	Rate	Per	Pay Head Type	Calculation Type	Computed On
1-Apr-2009	Basic Pay	10,000.00	Months	Earnings for Employees	On Attendance	

Figure 2.43 Salary Details Creation screen

2. Select **House Rent Allowance** as the second **Pay Head** and press **Enter**
3. Select **Conveyance** as the next **Pay Head**
4. Specify **800** as **Rate** and press **Enter**
5. Select **Overtime Pay** as the **Pay Head**
6. Specify **55** as the **Rate** and press **Enter**
7. Select **Variable Pay** as the **Pay Head** and press **Enter**
8. Select **Professional Tax** against the **Pay Head** and press **Enter**
9. Select **Employee's PF Contribution @ 12%, Employee's ESI Contribution @ 1.75%** as **Pay Head** and press **Enter**
10. Select the **Gratuity Expenses (Provisional)** ledger and press **Enter** (In case of Employees eligible for Gratuity, the Gratuity Expenses ledger should be included in the Salary details of the respective Employee for provisional assessment of Gratuity)

The completed **Salary Details Creation** screen for **Mr. Vijay Kumar** is displayed as shown:

Salary Details Creation						
Spectrum Software Solutions						
Name : Vijay Kumar (549)						
Under : Administration ( <sup>1</sup> Primary)						
Salary Details						
Effective From	Pay Head	Rate	Per	Pay Head Type	Calculation Type	Computed On
1-Apr-2009	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	
	Professional Tax			Employees' Statutory Deductions	As Computed Value	On Current Earnings Total
	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
	Gratuity Expenses (Provisional)			Gratuity		

Accept ?  
 Yes or No

Figure 2.44 Completed Salary Details screen



Tally.ERP 9 allows you to modify the pre-defined Slab rates by pressing **F12: Configure** and setting the option **Allow to Override Slab Percentage** to **Yes**.



In case a revision in pay structure is required for any subsequent period, define the latest pay structure by specifying the relevant **Effective from** date.

Similarly, create the pay structure for the other employees as per the details given in the following table:

<b>Pay Head</b>	<b>Rahul</b>	<b>Mahesh</b>	<b>Ajay</b>
Basic Pay	20,000	45,000	10,000
House Rent Allowance	40%	40%	20%
Conveyance	—	1,000	2,000
Overtime Pay	—	—	100
Variable Pay	User — defined		
Gratuity Expenses (Provisional)	Only for reporting purpose		
Employee's PF Contribution @ 12%	Applicable as Slab Rates		
Employee's ESI Contribution @ 1.75%	Applicable as Slab Rates		
Professional Tax	Applicable as Slab Rates		

Salary Details for Ajay can be created similar to the Salary Details creation for Vijay Kumar.

Since Ajay and Mahesh are in Sales Group, we can create the Salary Details for the Group and inherit the same for the Employees (Ajay and Mahesh) in that Group.

### **Salary Details creation for the Sales Group**

Go to **Gateway of Tally > Payroll Info. > Salary Details > Create**

1. From the **List of Group / Employees** select **Sales**
2. Select the **Pay Heads** from the **List of Pay Heads** which are applicable to this group.
3. Leave the **Rate** field empty if there is no standard rate.



The completed Salary structure for the **Sales** Group is as shown:

Salary Details Creation						
Spectrum Software Solutions						
Name : Sales						
Under : Primary						
Salary Details						
Effective From	Pay Head	Rate	Per	Pay Head Type	Calculation Type	Computed On
1-Apr-2009	Basic Pay			Earnings for Employees	On Attendance	Basic Pay
	House Rent Allowance			Earnings for Employees	As Computed Value	
	Conveyance			Earnings for Employees	Flat Rate	
	Overtime Pay			Earnings for Employees	On Production	
	Variable Pay			Earnings for Employees	As User Defined Value	
	Professional Tax			Employees' Statutory Deductions	As Computed Value	On Current Earnings Total
	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
	Gratuity Expenses (Provisional)			Gratuity		

Figure 2.45 Completed Salary Details for Sales Group

The Pay structure created above can be inherited for all the employees belonging to Sales Group. This feature helps in eliminating the repetitions while creating the Salary Details.

To define the **Salary Details** for **Mr. Ajay** belonging to **Sales Group**, follow the steps given below:

Go to **Gateway of Tally > Payroll Info. > Salary Details > Create**

1. From the **List of Group / Employees** select **Ajay** and press **Enter**
2. Select **Copy From parent Value** from the **Start Type** options under **Pay Head**

The **Salary Details Creation** screen is displayed as shown:

Salary Details Creation						
Spectrum Software Solutions						
Name : Ajay (551)						
Under : Sales ( <sup>1</sup> Primary)						
Salary Details						
Effective From	Pay Head	Rate	Per	Pay Head Type	Calculation Type	Computed On
1-Apr-2009	Copy From Parent Value			Start Type		
				Copy From Parent Value		
				Start Afresh		

Figure 2.46 Salary details Creation – Copy From Parent Value

**Start Type Details:**



**Copy From Parent Value** will copy the pay structure from the **Group** to which the Employee belongs. This will help you to save time in creating the Salary Details for large number of Employees.

**Start Afresh** will allow the user to start selecting the Pay Head from the List of pay Heads already created.

3. The Pay Structure (comprising of Earning & Deductions pay heads) defined for the Group is prefilled automatically.
4. Enter the values for each Pay Head for **Ajay** as per the details mentioned earlier.
5. Press **F12: Configure**
  - Set the option **Allow to Override Slab Percentage** to **Yes**, since the HRA calculation percentage is 20%.

The **Salary Details Configuration** screen is displayed as shown:

Effective From	Pay Head	Rate	Per	Pay Head Type	Calculation Type	Computed On
1-Apr-2009	Copy From Parent Value					
	Basic Pay	10,000.00	Months	Earnings for Employees	On Attendance	Basic Pay
	House Rent Allowance			Earnings for Employees	As Computed Value	Basic Pay
	Conveyance				As Computed Value	Basic Pay
	Overtime Pay				As Computed Value	Basic Pay
	Variable Pay				As Computed Value	Basic Pay
	Professional Tax				As Computed Value	Basic Pay
	Employee's PF Contribution @ 12%				As Computed Value	Basic Pay
	Employee's ESI Contribution @ 1.75%				As Computed Value	Basic Pay
	Gratuity Expenses (Provisional)				As Computed Value	Basic Pay

**Salary Details Configuration**

Allow to Override Slab Percentage ? **Yes**

Show Pay Head Type ? **Yes**

Show Calculation Type ? **Yes**

Show Computed On ? **Yes**

Figure 2.47 Salary Details Configuration

- Press **Enter** to **Accept**

6. Now, you will be able to enter the user-defined pay rates to compute the HRA, specify **20%** and press **Enter**



*In the **Salary Details Configuration** screen, when the option **Allow to Override Slab Percentage** is set to **Yes**, the predefined slab rates for the Pay Heads can be modified as per user requirements.*

The completed **Salary Details** screen of Mr. Ajay is displayed as shown:

Salary Details Creation						
Spectrum Software Solutions						
Name : Ajay (551)						
Under : Sales ( <sup>1</sup> Primary)						
Salary Details						
Effective From	Pay Head	Rate	Per	Pay Head Type	Calculation Type	Computed On
1-Apr-2009	Copy From Parent Value					
	Basic Pay	10,000.00	Months	Earnings for Employees	On Attendance	Basic Pay
	House Rent Allowance	20.00	%	Earnings for Employees	As Computed Value	
	Conveyance	2,000.00	Months	Earnings for Employees	Flat Rate	
	Overtime Pay	100.00	Hrs	Earnings for Employees	On Production	
	Variable Pay			Earnings for Employees	As User Defined Value	
	Professional Tax			Employees' Statutory Deductions	As Computed Value	On Current Earnings Total
	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
	Gratuity Expenses (Provisional)			Gratuity		

Accept ?  
 Yes or No

Figure 2.48 Completed Salary Details screen

7. Press **Enter** to **Accept** the screen.

Similarly, you can create the Salary Details for **Mahesh** and others employees.

## Lesson 3: Processing Payroll in Tally.ERP 9

On completion of this lesson, you will have learnt

- To process Payroll in Tally.ERP 9

Typically, Payroll Processing comprises of the following activities:

- Recording of Attendance and Production details (on time / work)
- Processing Payroll Vouchers
- Payment of Salaries

There are three types of Payroll Vouchers namely **Attendance Voucher**, **Payroll Voucher** and **Payment Voucher**, which are by default preset in Tally.ERP 9 to record above Payroll transactions.

Payroll Vouchers are used for the purposes of operating your payroll and also records the attendance of the employees for a given period. These vouchers are basically used to input information pertaining to Payroll processing.

### **Attendance Vouchers**

An Attendance Voucher is used to record employees' attendance data, based on Attendance/ Production types (i.e., present or absent days, overtime hours and so on).

An Attendance Voucher allows you to record the attendance/ production units for employees. Tally.ERP 9 gives you the flexibility to enter the attendance records through a single attendance voucher for a payroll period, or through multiple attendance vouchers as and when required within a payroll period. You also have the option of recording one attendance/ production voucher per employee per day or collectively for a month or any other variation thereof for all the employees.

In Tally.ERP 9, the auto-fill facility (**Alt+A**) is used to prefill the required Attendance/Production types data for the selected employee group/ employee for the specified period.

**Example 1:**

*On 30th April, 2009 the attendance records of M/s. Spectrum Solutions displayed the following details:*

Attendance/ Production Types	Vijay Kumar	Rahul	Mahesh	Ajay
Present Days	26	22	15	17
Overtime hours	900 Min (15hr x 60min)			720 Min (12hr x 60min)

In the above scenario, separate attendance vouchers are required to be entered for recording Present days and Overtime hours.

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

1. Press **Ctrl+F5** for **Attendance Voucher**

The **Attendance Voucher Creation** screen is displayed as shown:

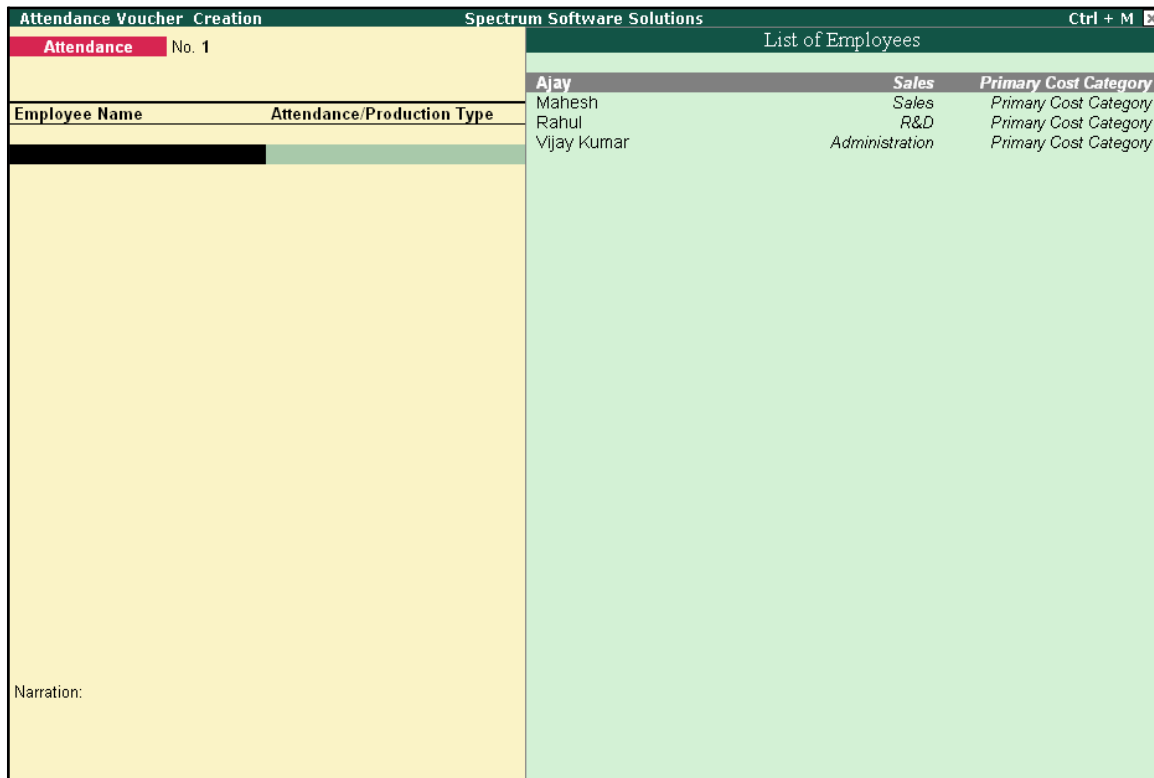


Figure 3.1 Attendance Voucher Creation screen

2. Press **F2** and specify the date as **30-4-2009**

3. Press **Enter**

4. Press **Alt+A** (Attendance Auto Fill) to prefill employee payroll details

The **Attendance Auto Fill** screen is displayed as shown:

Attendance Auto Fill

Voucher Date : **30-4-2009**

Employee Category : Primary Cost Category

Employee/Group : All Items

Auto Fill Values

Attendance/Production Type :

Default Value to Fill : 0

*(Value entered above will be prefilled for all the Employees)*

Figure 3.2 Attendance Auto Fill screen

In the **Attendance Auto Fill** screen,

- Specify the **Voucher Date** as **30-04-2009** if not specified earlier
- Select **Primary Cost Category** as **Employee Category** (If separate cost categories are used to capture employee cost, then select the respective Employee category)

The screenshot shows the 'Attendance Auto Fill' window with a 'List of Categories' pane on the right. The 'List of Categories' pane has a dropdown menu showing 'All Items' and 'Primary Cost Category', with 'Primary Cost Category' selected. The main window displays the 'Attendance Auto Fill' form with the following values:

Voucher Date : 30-4-2009

Employee Category : Primary Cost Category

Employee/Group : All Items

Auto Fill Values

Attendance/Production Type :

Default Value to Fill : 0

*(Value entered above will be prefilled for all the Employees)*

Figure 3.3 Attendance Auto Fill - Employee Category selection

- Select **All Items** as **Employee/ Group** (if you want to generate payroll voucher for individual employee/ group, select the respective employee or group)

The **Attendance Auto Fill with Employee Filters** screen is displayed as shown:

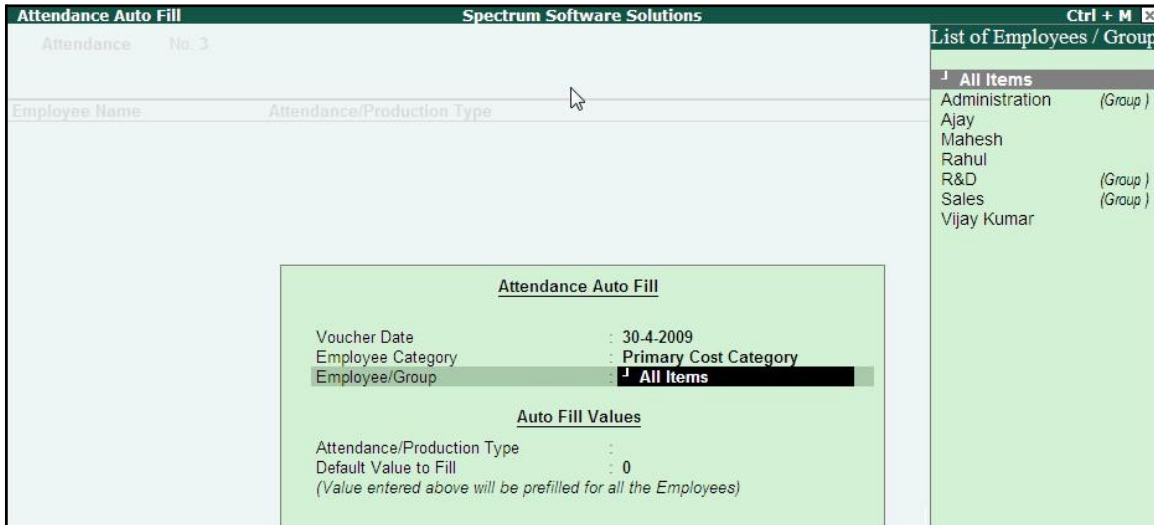


Figure 3.4 Attendance Auto Fill with Employee List

- Select **Present** as **Attendance Type** in the **Attendance/ Production Type** field

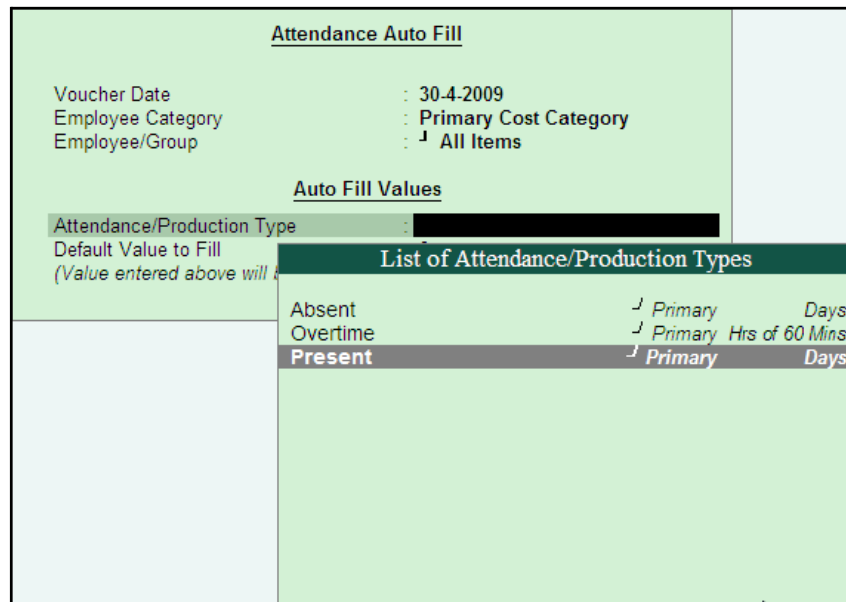


Figure 3.5 Attendance Auto Fill with List of Attendance Type

- Specify the require value that should be prefilled for all Employees e.g. **26**
- Press **Enter** to accept the screen





Separate Attendance vouchers are required for recording attendance on **Work and Production**.

If you opt for **Absent** as **Attendance Type**, then you need to record the negative attendance of the employees. This minimises data entry time and manages the data entry by exception.

5. Employees pertaining to the respective Employee Groups are displayed automatically

Attendance Voucher Creation		Spectrum Software Solutions		Ctrl + M
Attendance No. 2				30-Apr-2009 Thursday
Employee Name	Attendance/Production Type	Value	Unit	
Ajay	Present	Cur Bal: 120 Days	26	Days
Mahesh	Present	Cur Bal: 119 Days	26	Days
Rahul	Present	Cur Bal: 113 Days	26	Days
Vijay Kumar	Present	Cur Bal: 129 Days	26	Days
Narration:				

Figure 3.6 Attendance Voucher

6. Alter the attendance details as given in the table above

The **Attendance Voucher Creation** screen with the attendance details screen is displayed as shown:

Attendance Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Attendance</b> No. 1			30-Apr-2009 Thursday	
Employee Name	Attendance/Production Type	Value	Unit	
Ajay	Present	Cur Bal: 17 Days	17 Days	
Mahesh	Present	Cur Bal: 15 Days	15 Days	
Rahul	Present	Cur Bal: 22 Days	22 Days	
Vijay Kumar	Present	Cur Bal: 0 Days	26 Days	
Narration:				

Figure 3.7 Attendance Voucher

7. Press **Enter**
8. Enter the details of the transaction in the **Narration** field

The completed **Attendance Voucher Creation** for **Present Attendance** is displayed as shown:

Attendance Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Attendance</b> No. 1				30-Apr-2009 Thursday
Employee Name	Attendance/Production Type	Value	Unit	
Ajay	Present	Cur Bal: 17 Days	17 Days	
Mahesh	Present	Cur Bal: 15 Days	15 Days	
Rahul	Present	Cur Bal: 22 Days	22 Days	
Vijay Kumar	Present	Cur Bal: 26 Days	26 Days	
Narration: Attendance for April 2009				Accept? Yes or No

Figure 3.8 Completed Attendance Voucher Screen

9. Press **Enter** to accept the completed Attendance Voucher screen.



*Days with **Loss of Pay (LOP)** are treated as a Deductible with respect to the **Earnings Pay Head type** and as a Payable with respect to the **Deductions Pay Head type**. For example, LOP is deducted from the Basic salary (Earnings Pay Head) and Canteen expenses (Deductions Pay Head) are treated as a payable.*

In the same way, create an Attendance Voucher for **Overtime Hours**.

The completed **Attendance Voucher** for **Overtime Hours** is displayed as shown:

Attendance Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Attendance</b> No. 2				30-Apr-2009 Thursday
Employee Name	Attendance/Production Type		Value	Unit
Ajay	Overtime	Cur Bal: 12- 0.00 Hrs	720	mins
Mahesh	Overtime	Cur Bal: 0- 0.00 Hrs		
Rahul	Overtime	Cur Bal: 0- 0.00 Hrs		
Vijay Kumar	Overtime	Cur Bal: 15- 0.00 Hrs	900	mins
Narration:				
				Accept ? Yes or No

Figure 3.9 Attendance Voucher Screen - Overtime

- Press **Enter** to accept.



*You can also record Overtime in hours, provided the Unit of Measurement for the Payroll unit is defined as Hrs.*

After creating the Attendance Voucher, you can change any attendance value for a particular employee, if required, in the Voucher Alteration mode.

## Payroll Vouchers

A payroll voucher is used to record all employee-related transactions. It enables you to compute all the values for the respective Pay Heads (Earnings and Deductions).

The calculations are made on the basis of the definitions specified in the pay head masters, pay structure and attendance entries. In Tally.ERP 9, you can pass payroll vouchers manually for individual employee as well as for the entire group/ organisation by using the Auto Fill facility (**Alt+A**).

In Tally.ERP 9, the disbursement of salaries can be effected in any of the following modes.

- **Direct Remittance** – in cash or by cheque
- **Bank Transfer** – a direct transfer is made to an employee’s bank account and the list of disbursement is printed separately

### Cash Remittance

#### Example 2:

*On 30th April, 2009, M/s. Spectrum Solutions processes Payroll for all the employees and entitled the following employees for Variable Pay.*

Particulars	Vijay Kumar	Rahul	Mahesh	Ajay
Variable Pay	1500	-	1000	-

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

1. Press **Ctrl+F4** for **Payroll Voucher**
2. Press **F2**, specify the date as **30-4-2009** and press **Enter**
3. Press **Alt+A** (Payroll Auto Fill) to prefill employee payroll details  
In the **Payroll Auto Fill** screen,

- Select **Salary** in the **Process for** field

Payroll Auto Fill		Process List
Process for	: <b>Salary</b>	ESI Contribution
From (blank for beginning)	: 1-4-2009	PF Contribution
To (blank for end)	: 30-4-2009	<b>Salary</b>
Employee Category	: Primary Cost Category	
Employee/Group	: All Items	
Payroll Ledger	:	

Figure 3.10 Payroll Autofill with Process List

In Tally.ERP 9, the following processes are preset for faster processing of Payroll:



- **Salary:** This process is used for processing salaries for a specified period, wherein Salaries are disbursed through Cash or a bank transfer.
- **ESI Contribution:** This process is used for processing Employer's contributions towards ESI for a specified period.
- **PF Contribution:** This process is used for processing Employer's Provident Fund (PF) contributions for a specified period.

- Specify **1-4-2009** in the **From** field
- Specify **30-4-2009** in the **To** field
- Select **All Items** as **Employee/Group**

Figure 3.11 Payroll Autofill with List of Employees

- Select **Cash** in the **Payroll Ledger** field

The completed **Payroll Auto Fill** screen is displayed as shown:

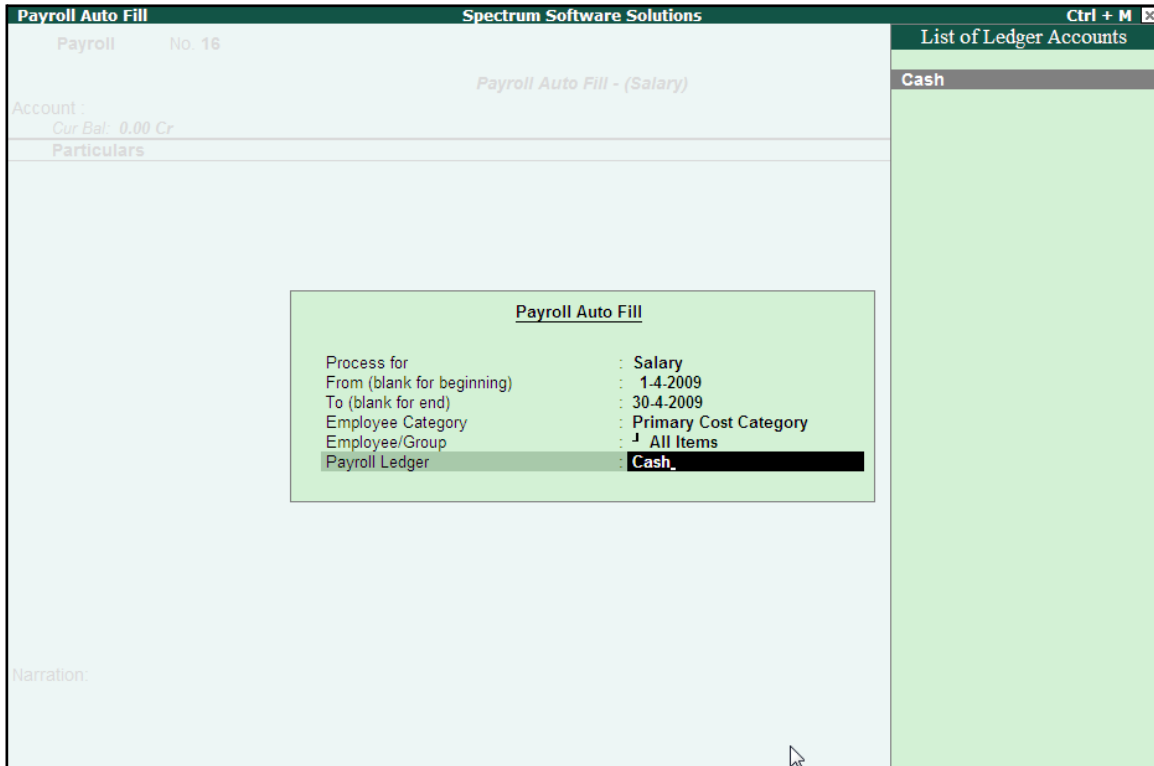


Figure 3.12 Payroll Autofill with payment Ledger list

- Press **Enter** to accept the screen (the **Cash** ledger is prefilled in the **Account** field)

All the pay values are calculated for the applicable pay heads for each employee grouped under the selected group.

The **Payroll Voucher Creation** screen is displayed as shown:

Payroll Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Payroll</b> No. 1				30-Apr-2009 Thursday
<i>Payroll Auto Fill - (Salary)</i>				
Account : <b>Cash</b> Cur Bal: 2,00,000.00 Dr				
Particulars				Amount
<b>Primary Cost Category</b>				<b>83,840.00 Dr</b>
<b>Ajay</b>				<b>10,116.00 Dr</b>
Basic Pay	6,538.00	Dr	Cur Bal: 6,538.00 Dr	
House Rent Allowance	1,308.00	Dr	Cur Bal: 1,308.00 Dr	
Conveyance	2,000.00	Dr	Cur Bal: 2,000.00 Dr	
Overtime Pay	1,200.00	Dr	Cur Bal: 1,200.00 Dr	
Variable Pay		Dr	Cur Bal:	
Professional Tax	150.00	Cr	Cur Bal: 150.00 Cr	
Employee's PF Contribution @ 12%	780.00	Cr	Cur Bal: 780.00 Cr	
Employee's ESI Contribution @ 1.75%		Cr	Cur Bal:	
				<b>36,367.00 Dr</b>
<b>Mahesh</b>				
Basic Pay	25,962.00	Dr	Cur Bal: 25,962.00 Dr	
House Rent Allowance	10,385.00	Dr	Cur Bal: 10,385.00 Dr	
Conveyance	1,000.00	Dr	Cur Bal: 1,000.00 Dr	
Overtime Pay		Dr	Cur Bal:	
Variable Pay		Dr	Cur Bal:	
Professional Tax	200.00	Cr	Cur Bal: 200.00 Cr	
Employee's PF Contribution @ 12%	780.00	Cr	Cur Bal: 780.00 Cr	
Employee's ESI Contribution @ 1.75%		Cr	Cur Bal:	
				<b>22,712.00 Dr</b>
<b>Rahul</b>				
Basic Pay	16,923.00	Dr	Cur Bal: 16,923.00 Dr	
House Rent Allowance	6,769.00	Dr	Cur Bal: 6,769.00 Dr	
				<b>15 more ... ↓</b>
Narration:				<b>83,840.00 Dr</b>
Pay Period : 1-Apr-2009 to 30-Apr-2009				

Figure 3.13 Payroll Voucher Creation

4. Press **Enter** and specify the pay values for the pay heads defined as user-definable values against each employee (in this case, define the **Variable Pay**)



- Specify 1000 as Variable Pay for Mahesh

Payroll Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Payroll</b> No. 1				30-Apr-2009 Thursday
<i>Payroll Auto Fill - (Salary)</i>				
Account : <b>Cash</b> Cur Bal: 2,00,000.00 Dr				
Particulars				Amount
<b>Primary Cost Category</b>				<b>83,840.00 Dr</b>
<b>Ajay</b>				<b>10,116.00 Dr</b>
Basic Pay	6,538.00	Dr	Cur Bal: 6,538.00 Dr	
House Rent Allowance	1,308.00	Dr	Cur Bal: 1,308.00 Dr	
Conveyance	2,000.00	Dr	Cur Bal: 2,000.00 Dr	
Overtime Pay	1,200.00	Dr	Cur Bal: 1,200.00 Dr	
Variable Pay		Dr	Cur Bal:	
Professional Tax	150.00	Cr	Cur Bal: 150.00 Cr	
Employee's PF Contribution @ 12%	780.00	Cr	Cur Bal: 780.00 Cr	
Employee's ESI Contribution @ 1.75%		Cr	Cur Bal: 0.00 Cr	
				<b>36,367.00 Dr</b>
<b>Mahesh</b>				
Basic Pay	25,962.00	Dr	Cur Bal: 25,962.00 Dr	
House Rent Allowance	10,385.00	Dr	Cur Bal: 10,385.00 Dr	
Conveyance	1,000.00	Dr	Cur Bal: 1,000.00 Dr	
Overtime Pay		Dr	Cur Bal:	
<b>Variable Pay</b>	<b>1000</b>	<b>Dr</b>	<b>Cur Bal:</b>	
Professional Tax	200.00	Cr	Cur Bal: 200.00 Cr	
Employee's PF Contribution @ 12%	780.00	Cr	Cur Bal: 780.00 Cr	
Employee's ESI Contribution @ 1.75%		Cr	Cur Bal:	
				<b>22,712.00 Dr</b>
<b>Rahul</b>				
Basic Pay	16,923.00	Dr	Cur Bal: 16,923.00 Dr	
House Rent Allowance	6,769.00	Dr	Cur Bal: 6,769.00 Dr	
				<b>16 more ... ↓</b>
Narration:				<b>83,840.00 Dr</b>
Pay Period : 1-Apr-2009 to 30-Apr-2009				

Figure 3.14 Payroll Voucher - adding Variable pay

- Similarly, specify 1500 as Variable Pay for Vijay Kumar and press Enter

The completed **Payroll Voucher Creation** screen is displayed as shown:

Payroll Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Payroll</b> No. 1				30-Apr-2009 Thursday
Account : <b>Cash</b>				<b>Payroll Auto Fill - (Salary)</b>
Cur Bal: 2,00,000.00 Dr				
Particulars			Amount	
↑ ... 16 more				
Professional Tax	200.00	Cr	Cur Bal: 200.00	Cr
Employee's PF Contribution @ 12%	780.00	Cr	Cur Bal: 780.00	Cr
Employee's ESI Contribution @ 1.25%		Cr	Cur Bal: 0.00	Cr
<b>Rahul</b>				<u>22,712.00 Dr</u>
Basic Pay	16,923.00	Dr	Cur Bal: 16,923.00	Dr
House Rent Allowance	6,769.00	Dr	Cur Bal: 6,769.00	Dr
Conveyance		Dr	Cur Bal: 0.00	Dr
Overtime Pay		Dr	Cur Bal: 0.00	Dr
Variable Pay		Dr	Cur Bal:	
Professional Tax	200.00	Cr	Cur Bal: 200.00	Cr
Employee's PF Contribution @ 12%	780.00	Cr	Cur Bal: 780.00	Cr
Employee's ESI Contribution @ 1.25%		Cr	Cur Bal: 0.00	Cr
<b>Vijay Kumar</b>				<u>16,145.00 Dr</u>
Basic Pay	10,000.00	Dr	Cur Bal: 10,000.00	Dr
House Rent Allowance	4,000.00	Dr	Cur Bal: 4,000.00	Dr
Conveyance	800.00	Dr	Cur Bal: 800.00	Dr
Overtime Pay	825.00	Dr	Cur Bal: 825.00	Dr
Variable Pay	1,500.00	Dr	Cur Bal: 1,500.00	Dr
Professional Tax	200.00	Cr	Cur Bal: 200.00	Cr
Employee's PF Contribution @ 12%	780.00	Cr	Cur Bal: 780.00	Cr
Employee's ESI Contribution @ 1.25%		Cr	Cur Bal: 0.00	Cr
Narration:				
Pay Period : 1-Apr-2009 to 30-Apr-2009				
			96,249.00 Dr	
			<b>Accept ?</b>	
			Yes or No	

Figure 3.15 Completed Payroll Voucher

5. Press **Enter** to accept.



Press **Alt+S** to pass the above voucher in the Voucher mode. This can be used to keep track of **Bill References**. e.g. if there are more than one Salary Advances, then the to track the recovered Amount from Employee's salary against the respective Advance given, this feature should be used.

### Bank Transfer

Bank transfer refers to disbursement of Salaries directly into the Employee Bank Accounts by intimating the Bank through a Payment advice. Tally.ERP 9 facilitates processing salaries through Bank transfer with the help of predefined Salary process.

#### Example 3:

**On 31st May, 2009 M/s. Spectrum Solutions disbursed Salaries payable for the month of May 2009 through Bank Transfer. The attendance records displayed the following details:**

Attendance/Production Types	Vijay Kumar	Rahul	Mahesh	Ajay
Present Days	25	20	26	21
Overtime Hours	-			120 Min (2hr x 60min)

**On 31st May 2009, M/s. Spectrum Solutions processes Payroll for all the employees and entitled the following employees for Variable Pay.**

Particulars	Vijay Kumar	Rahul	Mahesh	Ajay
Variable Pay	500		-	1200

**Step 1: Create Attendance Voucher**

Create Attendance Vouchers for **Present days** and **Overtime hours** for May 2009 as per the details given in the above table.

The completed **Attendance Voucher for Present days** is displayed as shown:

Employee Name	Attendance/Production Type	Value	Unit
Ajay	Present	Cur Bal: 38 Days	21 Days
Mahesh	Present	Cur Bal: 41 Days	26 Days
Rahul	Present	Cur Bal: 42 Days	20 Days
Vijay Kumar	Present	Cur Bal: 51 Days	25 Days

Narration:  
Attendance for May 2009.

Accept ?  
Yes or No

Figure 3.16 Attendance Voucher for Present days

- Press **Enter** to accept

In the same way, create an Attendance Voucher for **Overtime Hours**.

The completed **Attendance Voucher for Overtime Hours** is displayed as shown:

Employee Name	Attendance/Production Type	Value	Unit
Ajay	Overtime	Cur Bal: 14- 0.00 Hrs	120 mins
Mahesh	Overtime	Cur Bal: 0- 0.00 Hrs	
Rahul	Overtime	Cur Bal: 0- 0.00 Hrs	
Vijay Kumar	Overtime	Cur Bal: 15- 0.00 Hrs	

Narration:  
Being Overtime details for May 2009.

Accept?  
Yes or No

Figure 3.17 Attendance Voucher for Overtime Hours

- Press **Enter** to accept.

### Step 2: Create Salary Payable Ledger

Before passing the Salary payment voucher, create the following ledger:

Ledger	Pay Head Type	Under
Salary Payable	Not Applicable	Current Liabilities

Go to **Gateway of Tally > Payroll Info. > Pay Heads > Create**

The completed Salary Payable Ledger creation screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions	
Name	: Salary Payable	Total Op. Bal.	
(alias)	:		
<b>Pay Head Info</b> Pay Head Type : <input type="checkbox"/> Not Applicable Under : Current Liabilities		Accept ? Yes or No	
Opening Balance ( on 1-Apr-2009 ) :			

Figure 3.18 Salary Payable Ledger Creation

- Press **Enter** to accept

### Step 3: Create Payroll Voucher

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

1. Press **Ctrl+F4** for **Payroll Voucher**
2. Press **F2**, specify the date as **31-05-2009** and press **Enter**
3. Press **Alt+A** (Payroll Auto Fill) to prefill employee payroll details
4. In the **Payroll Auto Fill** screen,
  - Select **Salary** in the **Process for** field as shown

Payroll Auto Fill		Process List
Process for	: <b>Salary</b>	ESI Contribution
From (blank for beginning)	: 1-5-2009	PF Contribution
To (blank for end)	: 31-5-2009	<b>Salary</b>
Employee Category	: Primary Cost Category	
Employee/Group	: <input type="checkbox"/> All Items	
Payroll Ledger	:	

Figure 3.19 Payroll Autofill with List of Processes

5. Specify **01-05-2009** in the **From** field
6. Specify **31-05-2009** in the **To** field

7. Select **All Items** as **Employee/Group**
8. Select **Salary Payable** in the **Payroll Ledger** field as shown

Payroll Auto Fill

Process for : Salary  
 From (blank for beginning) : 1-5-2009  
 To (blank for end) : 31-5-2009  
 Employee Category : Primary Cost Category  
 Employee/Group : All Items  
 Payroll Ledger : **Salary Payable**

Figure 3.20 Payroll Autofill - Payroll Ledger selection

9. Press **Enter** (All the pay values are calculated for the applicable pay heads for each employee grouped under the selected group).
10. Press **Enter** and specify the pay values for the pay heads defined as user-definable values against each employee
  - Specify **1200** as **Variable Pay** for **Ajay**
  - Specify **500** as **Variable Pay** for **Vijay Kumar**

The completed **Payroll Voucher** for the month of May 2009 is displayed as shown:

Payroll Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Payroll</b> No. 2				31-May-2009 Sunday
<i>Payroll Auto Fill - (Salary)</i>				
Account : <b>Salary Payable</b> <i>Cur Bal: 0.00 Cr</i>				
Particulars				Amount
↑ ... 16 more				
Professional Tax	200.00	Cr	<i>Cur Bal: 400.00 Cr</i>	
Employee's PF Contribution @ 12%	780.00	Cr	<i>Cur Bal: 1,560.00 Cr</i>	
Employee's ESI Contribution @ 1.75%		Cr	<i>Cur Bal: 0.00 Cr</i>	
				<b>20,559.00 Dr</b>
<b>Rahul</b>				
Basic Pay	15,385.00	Dr	<i>Cur Bal: 32,308.00 Dr</i>	
House Rent Allowance	6,154.00	Dr	<i>Cur Bal: 12,923.00 Dr</i>	
Conveyance		Dr	<i>Cur Bal: 0.00 Dr</i>	
Overtime Pay		Dr	<i>Cur Bal: 0.00 Dr</i>	
Variable Pay		Dr	<i>Cur Bal:</i>	
Professional Tax	200.00	Cr	<i>Cur Bal: 400.00 Cr</i>	
Employee's PF Contribution @ 12%	780.00	Cr	<i>Cur Bal: 1,560.00 Cr</i>	
Employee's ESI Contribution @ 1.75%		Cr	<i>Cur Bal: 0.00 Cr</i>	
				<b>13,831.00 Dr</b>
<b>Vijay Kumar</b>				
Basic Pay	9,615.00	Dr	<i>Cur Bal: 19,615.00 Dr</i>	
House Rent Allowance	3,846.00	Dr	<i>Cur Bal: 7,846.00 Dr</i>	
Conveyance	800.00	Dr	<i>Cur Bal: 1,600.00 Dr</i>	
Overtime Pay		Dr	<i>Cur Bal: 825.00 Dr</i>	
Variable Pay	500.00	Dr	<i>Cur Bal: 2,000.00 Dr</i>	
Professional Tax	150.00	Cr	<i>Cur Bal: 350.00 Cr</i>	
Employee's PF Contribution @ 12%	780.00	Cr	<i>Cur Bal: 1,560.00 Cr</i>	
Employee's ESI Contribution @ 1.75%		Cr	<i>Cur Bal: 0.00 Cr</i>	
				<b>1,00,570.00 Dr</b>
Narration: Pay Period : 1-May-2009 to 31-May-2009				
				<div style="border: 1px solid black; padding: 5px; display: inline-block;"> <b>Accept ?</b>                      Yes or No                 </div>

Figure 3.21 Completed Payroll Voucher

11. Press **Enter** to accept

After passing the above entry, the salaries payable for the month of May 2009 are transferred to the Salary Payable Ledger, at the time of payment of salaries, the amount is reversed.

### Payment of Salaries (Salary Disbursement)

In Tally.ERP 9, a Payment voucher can be used to effect salary disbursement to employees. The payment voucher for the salaries payable may be passed through regular payment voucher or automated using the preset Salary Payment process available in Tally.ERP 9 for error free data input during Payroll Payment entry with the help of Auto Fill facility.

#### Example 4:

*On 31st May 2009, M/s. Spectrum Solutions paid the salaries due for the month of May 2009.*

Before passing the payment voucher, necessary Bank Accounts should be created. To make the Salary payment, follow the steps given below:

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

1. Press **F5** for **Payment Voucher**
2. Press **F2**, specify the date as **31-05-2009** and press **Enter**
3. Press **Alt+A** (Payroll Auto Fill) to prefill employee payroll details

In the **Payment Auto Fill** screen,

- Select **Salary Payment** in the **Process for** field as shown.

Payment Auto Fill		Process List
Process for	: <b>Salary Payment</b>	ESI Challan
From (blank for beginning)	: 1-5-2009	PF Challan
To (blank for end)	: 31-5-2009	Professional Tax Payment
Voucher Date	:	<b>Salary Payment</b>
Employee Category	: Primary Cost Category	
Employee/Group	: All Items	
Bank / Cash Ledger	:	
Payroll Ledger	:	

Figure 3.22 Payment Auto Fill - Payment Process Selection

- Specify **01-05-2009** as **From** period
- Specify **31-05-2009** as **To** period
- Specify **Voucher Date** as **31-05-2009**
- Select **Primary Cost Category** in the **Employee Category** field
- Select **All Items** in the **Employee/Group** field
- Select **HDFC Bank** in the **Bank / Cash Ledger** field as shown.
- Select **Salary Payable** in the **Payroll Ledger** field

The completed **Payment Auto Fill** screen is displayed as shown:

Payment Auto Fill	
Process for	: Salary Payment
From (blank for beginning)	: 1-5-2009
To (blank for end)	: 31-5-2009
Voucher Date	: 31-5-2009
Employee Category	: Primary Cost Category
Employee/Group	: All Items
Bank / Cash Ledger	: HDFC Bank
Payroll Ledger	: <b>Salary Payable</b>

Figure 3.23 Payment Auto Fill screen

4. Press **Enter** and the employee payroll details will appear by default.
5. Enter the details of the transactions in the **Narration** field

The completed **Payroll Payment Entry** screen is displayed as shown:

Accounting Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Payment</b>	No. 6			31-May-2009 Sunday
<i>Payroll Auto Fill - (Salary Payment)</i>				
Account : <b>HDFC Bank</b> Cur Bal: 5,69,571.98 Dr				
Particulars				Amount
<b>Salary Payable</b>				1,09,572.00
Cur Bal: 1,09,572.00 Dr				
Primary Cost Category				
Ajay	12,162.00	Dr		
Mahesh	63,020.00	Dr		
Rahul	20,559.00	Dr		
Vijay Kumar	13,831.00	Dr		
Narration:				
Ch. No. :245356, Salary Payment for the month of May 2009				
				1,09,572.00
				<b>Accept ?</b> Yes or No

Figure 3.24 Payment Voucher

6. Press **Enter** to accept.

If a partial payment of salaries is made to a particular group of employees, then generate a separate payroll voucher for their payables and pass a separate payment entry based on the settlement. However, Tally.ERP 9 also allows you to modify the payment amount to the Employees.



The unpaid salary will remain as outstanding in the Salary payable account and can be auto-filled in the payment voucher as and when the actual payments are made.



- *If any cash disbursements are made prior to the payment voucher entry, after using the Auto-Fill facility, select the unpaid salaries and enter zero (0) in the amount payable.*
- *If salaries are disbursed by cheque, select individual employee in the Auto Fill Employee Filter and print the cheque for the payment voucher. You have to create separate payroll payment entries for each employee.*

## Lesson 4: Accounting for Employer PF Contributions

On completion of this lesson, you will be able to

- Process Employer's Contributions to Provident Fund (PF)
- Payment of Provident Fund Contributions
- Generate the PF Combined Challan

The Employees' Provident Funds and Miscellaneous Provisions Act is a social security legislation which administers provident fund, family pension and insurance to employees. The Act covers three schemes, namely; **PF** (Provident Fund scheme), **EPS** (Employees' Pension Fund Scheme), **EDLI** (Employees Deposit Linked Insurance scheme).

Under the Employees' Provident Fund scheme, both the employees and employer contribute to the fund at the rate of 12% of the basic wages, dearness allowance, cash value of food concession and retaining allowance (if any), payable to employees per month. The contribution rate is 10% in the case of the following establishments:

- Any covered establishment with less than 20 employees
- Any sick industrial company as specified in the relevant section of Sick Industrial Companies (Special Provisions) Act, 1985 and which has been declared as such by the Board for Industrial and Financial Reconstruction
- Any establishment which has at the end of any financial year accumulated losses equal to or exceeding its entire net worth and
- Any establishment engaged in manufacturing of (a) jute (b) Breed (d) coir and (e) Guar gum Industries/ Factories.

The Contribution payable by the Employer is not to be deducted from the wages of the employee. However, the employer has to deduct employee's share from their Salaries and pay the same in EPF scheme. The deduction can be made only from the wages pertaining to a period for which contribution is paid. However, if there is an accidental omission, the amount can be recovered later.

Out of the employer's contribution of 12% or 10%, the Employer's contribution of 8.33% is diverted to Employees' Pension Scheme and the balance is retained in the EPF scheme. On retirement, the employee gets his full share plus the balance of Employer's share retained to his credit in the EPF account.

Once an establishment is covered under PF, all its departments and branches are covered, irrespective of where they are located.

#### **i. Employees' Pension Scheme:**

As discussed above, the employer's contribution of 8.33% is diverted to the fund of the Pension Scheme and the balance 3.67% (1.67%, if the contribution is 10%) is credited in employee's name in Provident Fund account. The contribution of 8.33% is on maximum salary of Rs. 6,500. However, if some employers are paying contribution on salary in excess of Rs. 6,500, the excess contribution will be credited to Provident Fund account and not to Pension scheme.

#### **Benefits under the Scheme**

Members will get pension on superannuation or retirement from service and upon disablement during employment. Family pension will be available to the widow/widower for life or till he/she remarries. In addition, children will be entitled to pension, upto 25 years of their age. In case of orphans, pension at enhanced rate is available upon death of widow/widower or ceasing payment of widow pension. Benefit of pension to children or orphan is restricted to two children/orphans. If the person is unmarried or has no family, pension is available to the nominee for a specified period.

#### **ii. Employees Deposit Linked Insurance Scheme:**

The purpose of the scheme is to provide life insurance benefits to employees who are already covered under PF/EPF. The employer has to pay a contribution equal to 0.50% of the total wages of the employee. Additionally, administrative charges of 0.01% of total wages have also to be paid by the employer. The employee does not have to contribute any amount to this scheme. The salary limit for coverage of employees is the same as that of the Provident Fund.

#### **Benefit to nominee of employee**

In case of death of an employee during employment, his nominee or family member gets an amount equal to average balance in the Provident Fund Account of the deceased employee during the last 12 months.

As discussed earlier, the statutory features viz., EPF & ESI etc., are required to be configured in **F11: Statutory & Taxation** Features. In this section, we will discuss, recording of transactions related to computation and contribution of Provident Fund.

**Illustration 1:**

*On 30th April, 2009 M/s. Spectrum Software Solutions processed Provident Fund contributions for the month of April 2009 and paid the amount in full to EPFO.*

**The same is accounted as shown:**

In Tally.ERP 9, follow the steps given below to process Employer contribution towards Provident Fund:

- Create Employer PF Contribution Masters
- Alter/Modify Salary Details
- Processing Employer PF Contribution
- Processing PF Admin Expenses
- Payment of Provident Fund

**Creation of Employer PF Contribution Masters**

In Tally.ERP 9, Employer contribution towards Employees’ Pension Fund (Employees’ Pension Scheme), Provident Fund, Admin Charges and other PF related ledgers are required to be created separately for appropriate Accounting and reporting. Create the following ledgers in Tally.ERP 9,

1. Employer Contributions Pay Head
2. Employer PF Admin Charges
3. PF Payable Ledger
4. Creation of PF Admin Expenses Ledger

**I. Employer Contributions Pay Head**

Pay Head Name	Pay Head Type	Statutory Pay Type	Under	Affect Net Salary	Calculation Type
Employer EPS @ 8.33%	Employer’s Statutory Contributions	EPS Account (A/c No.10)	Indirect Expenses	No	As computed value
Employer EPF @ 3.67%	Employer’s Statutory Contributions	PF Account (A/c No.1)	Indirect Expenses	No	As computed value

**i. Employer Contribution EPS @ 8.33% Pay Head Creation**

Go to **Gateway of Tally > Payroll Info. > PayHeads > Create**

In the **Pay Heads** Creation screen,

1. Type **Employer EPS @ 8.33%** as the **Name** of the Pay Head
2. Select **Employer’s Statutory Contributions** in the field **Pay Head Type**

3. In the field **Statutory Pay Type**, select **EPS Account (A/c No. 10)** as shown

Pay Head Creation		Spectrum Software Solutions		Total Op. Bal.
Name	: Employer EPS @ 8.33%			
(alias)	:			
<b>Pay Head Info</b>		Employer's Statutory Contributions		
Pay Head Type	: Employer's Statutory Contributions	Employee State Insurance		gs Total
Statutory Pay Type	: <b>EPS Account (A/c No. 10)</b>	<b>EPS Account (A/c No. 10)</b>		Slab Type
Under	: Direct Expenses	PF Account (A/c No. 1)		Value Basis
Affect Net Salary	? No			
Calculation Type	: As Computed Value			
Calculation Period	: Months			
<b>Rounding Info</b>				
Rounding Method	: Not Applicable			
Opening Balance (on 1-Apr-2009) :				

Figure 4.1 Employer EPS @ 8.33% Pay Head Creation

4. Specify the **Group** as **Indirect Expenses** in the **Under** field and press **Enter**
5. Set **Affect Net Salary** to **No**
6. By default the **Calculation Type** is set to **As Computed Value** and **Calculation Period** as **Months**
7. Select **Normal Rounding** as the **Rounding Method** and **1** as the rounding **Limit** and press **Enter**
  - In the **Computation Info** section,
    - Select **On Specified Formula** in the **Compute** field
    - Press **Enter**, the **Compute** subscreen appears
    - In the **Compute** Sub screen,

- Select **Basic Pay** as the **Add Pay Head** function from the **list of Pay Heads** as shown.

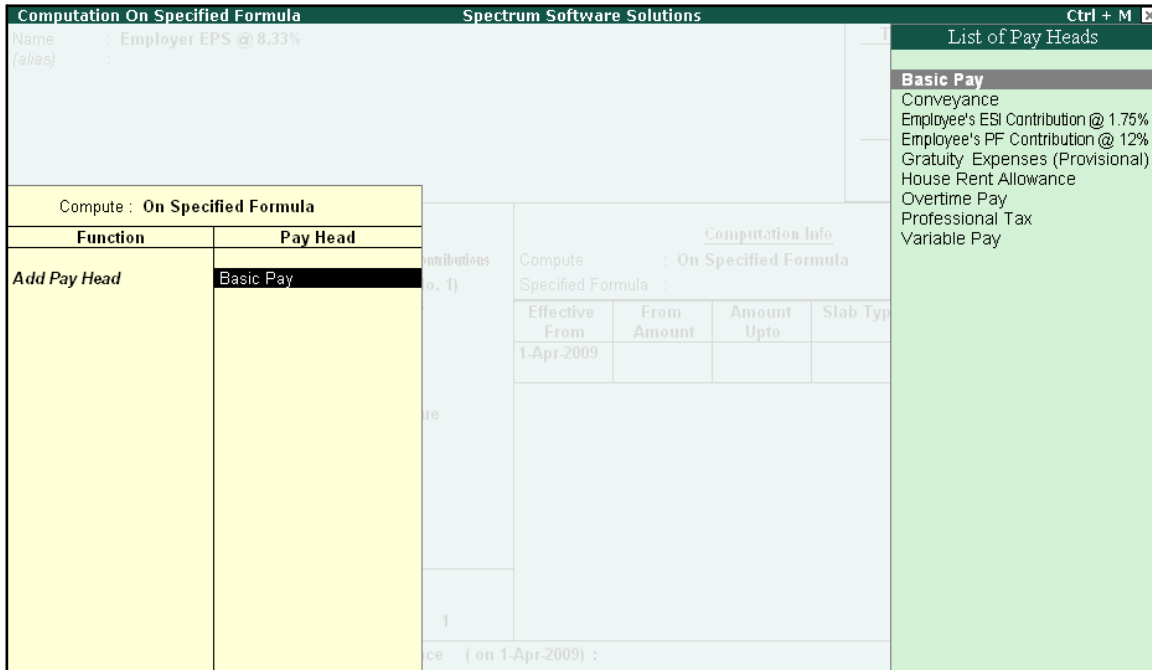


Figure 4.2 Compute Subscreen

- Select **End of List**
  - Specify **1-4-2009** as the **Effective From** date
  - Specify **6500** in the **Amount Upto** column
  - Select **Percentage** as the **Slab Type** from the **List of Slabs** and specify **8.33%** in the **Value Basis** field and press **Enter**
  - The **From Amount** is prefilled as **6500**, press **Enter** to skip the **Amount Upto** field
  - Select **Value** as the **Slab Type** from the **List of Slabs**
  - Specify **541** in the **Value Basis** field and press **Enter**

The completed **Employer EPS @ 8.33% Pay Head Creation** screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions		Total Op. Bal.	
Name : <b>Employer EPS @ 8.33%</b> (alias) :					
<b>Pay Head Info</b>		<b>Computation Info</b>			
Pay Head Type	: <b>Employer's Statutory Contributions</b>	Compute : <b>On Specified Formula</b>			
Statutory Pay Type	: <b>EPS Account (A/c No. 10)</b>	Specified Formula : <b>Basic Pay</b>			
Under	: <b>Indirect Expenses</b>	<b>Effective From</b>	<b>From Amount</b>	<b>Amount Upto</b>	<b>Slab Type</b>
Affect Net Salary	? <b>No</b>	1-Apr-2009		6,500.00	Percentage Value
Calculation Type	: <b>As Computed Value</b>		6,500.00		8.33 %
Calculation Period	: <b>Months</b>				541
<b>Rounding Info</b>					
Rounding Method	: <b>Normal Rounding</b>	Limit	: <b>1</b>		
Opening Balance ( on 1-Apr-2009 ) :					<b>Accept ?</b>
					<b>Yes or No</b>

Figure 4.3 Completed Employer EPS Pay Head Creation Screen

8. Press **Enter** to accept

**ii. Employer Contribution EPF @ 3.67% Pay Head**

Go to **Gateway of Tally > Payroll Info > PayHeads > Create**

In the **Pay Heads Creation** screen,

1. Type **Employer EPF @ 3.67%** as the **Name** of the Pay Head
2. Select **Employer's Statutory Contributions** in the field **Pay Head Type**
3. In **Statutory Pay Type** filed select **PF Account (A/c No. 1)**

The Pay Head Creation screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions		Total Op. Bal.	
Name : Employer EPF @ 3.67%					
(alias) :					
<b>Pay Head Info</b>		<b>Employer's Statutory Contributions</b>			
Pay Head Type	: Employer's Statutory Contributions	Employee State Insurance		Total	
Statutory Pay Type	: PF Account (A/c No. 1)	EPS Account (A/c No. 10)		Slab Type	Value Basis
Under	: Direct Expenses	PF Account (A/c No. 1)			
Affect Net Salary	? No				
Calculation Type	: As Computed Value				
Calculation Period	: Months				
<b>Rounding Info</b>					
Rounding Method	: Not Applicable				
Opening Balance ( on 1-Apr-2009) :					

Figure 4.4 Employer EPF @ 3.67% Pay Head Creation

4. Specify the **group** as **Indirect Expenses** in the **Under** field and press **Enter**
5. Set **Affect Net Salary** to **No**
6. The **Calculation Type** is defaulted automatically as **As Computed Value** and **Calculation Period** as **Months**
7. Select **Normal Rounding** as the **Rounding Method** and **1** as the rounding **Limit** and press **Enter**
8. In the **Computation Info** section,
  - Select **On Specified Formula** in the **Compute** field
  - Press **Enter** and the **Compute On** subscreen displays
  - In the **Compute** sub-screen,
    - Select **Employee's PF Contribution @ 12%** from the **List of Pay Heads** as the **Add Pay Head** function and press **Enter**
    - Select **Subtract Pay Head** in **Function** and under **Pay Head** select **Employer EPS @ 8.33%** from the **List of Pay Heads**.



The Compute sub-screen is displayed as shown:

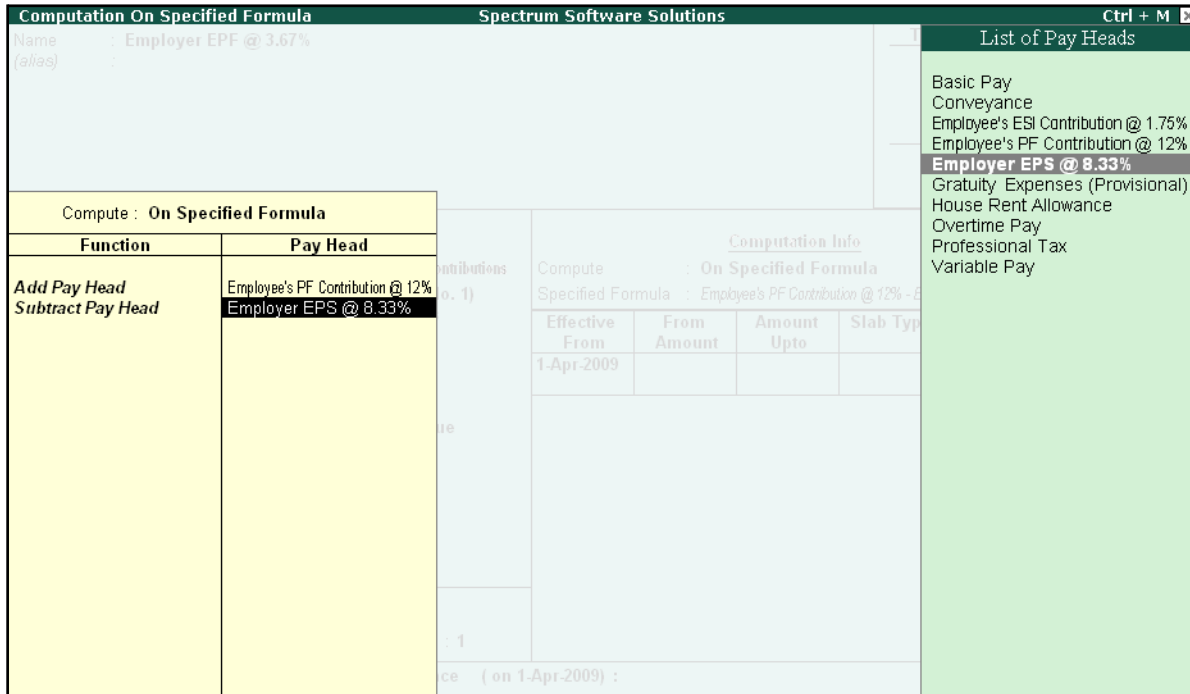


Figure 4.5 Compute Subscreen

- **Select End of List**
  - Specify **1-4-2009** as the **Effective From** date
  - Press **Enter** to skip the **Slab** fields
  - Select **Percentage** as the **Slab Type** from the **List of Slabs**
  - Specify **100%** in the **Value Basis** field and press **Enter**

The completed **Employer EPF @ 3.67% Pay Head Creation** screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions		Total Op. Bal.	
Name : <b>Employer EPF @ 3.67%</b> (alias) :					
<b>Pay Head Info</b>		<b>Computation Info</b>			
Pay Head Type	: <b>Employer's Statutory Contributions</b>	Compute	: <b>On Specified Formula</b>		
Statutory Pay Type	: <b>PF Account (A/c No. 1)</b>	Specified Formula	: <b>Employee's PF Contribution @ 12% - Employer EPS @ 8.33%</b>		
Under	: <b>Indirect Expenses</b>	<b>Effective From</b>	<b>From Amount</b>	<b>Amount Upto</b>	<b>Slab Type</b>
Affect Net Salary	? <b>No</b>	1-Apr-2009			<b>Percentage</b>
Calculation Type	: <b>As Computed Value</b>				<b>Value Basis</b>
Calculation Period	: <b>Months</b>				<b>100 %</b>
<b>Rounding Info</b>					
Rounding Method	: <b>Normal Rounding</b>	Limit	: <b>1</b>		
Opening Balance ( on 1-Apr-2009 ) :					<b>Accept ?</b>
					<b>Yes or No</b>

Figure 4.6 Completed Employer EPF Pay Head Creation Screen

9. Press **Enter** to accept.



*Alternatively, you can also define the criteria for computation of Employer PF Contribution @ 3.67% Pay head, by selecting Basic Pay in the Compute sub-screen. and defining the percentage as 3.67%.*

## II. Employer PF Admin Charges

Pay Head Name	Pay Head Type	Statutory Pay Type	Under	Affect Net Salary	Calculation Type
PF Admin Charges @ 1.10%	Employer's Other Charges	Admin Charges (A/c No.2)	Current Liabilities	No	As computed value
EDLI Contribution @ 0.5%	Employer's Other Charges	EDLI Contribution (A/c No.21)	Current Liabilities	No	As computed value
EDLI Admin Charges @ 0.01%	Employer's Other Charges	EDLI Admin Charges (A/c No.22)	Current Liabilities	No	As computed value

**i. PF Administrative Charges @ 1.10% Pay Head Creation**

Go to **Gateway of Tally > Payroll Info > PayHeads > Create**

In the **Pay Heads Creation** screen,

1. Type **PF Admin Charges @ 1.10%** as the **Name** of the Pay Head
2. Select **Employer's Other Charges** in the field **Pay Head Type**
3. In **Statutory Pay Type** field, select **Admin Charges (A/c No. 2)** as shown

Pay Head Creation		Spectrum Software Solutions																					
Name	: PF Admin Charges @ 1.10%	<b>Total Op. Bal.</b>																					
(alias)	:																						
<table border="1"> <thead> <tr> <th colspan="2">Pay Head Info</th> <th colspan="2">Employer's Other Charges</th> </tr> </thead> <tbody> <tr> <td>Pay Head Type</td> <td>: Employer's Other Charges</td> <td colspan="2" rowspan="3"> <b>Admin Charges (A/c No. 2)</b>                      EDLI Admin Charges (A/c No. 22)                      EDLI Contribution (A/c No. 21)                 </td> </tr> <tr> <td>Statutory Pay Type</td> <td>: <b>Admin Charges (A/c No. 2)</b></td> </tr> <tr> <td>Under</td> <td>: Direct Expenses</td> </tr> <tr> <td>Affect Net Salary</td> <td>? No</td> <td colspan="2"></td> </tr> <tr> <td>Calculation Type</td> <td>: As User Defined Value</td> <td colspan="2"></td> </tr> </tbody> </table>		Pay Head Info		Employer's Other Charges		Pay Head Type	: Employer's Other Charges	<b>Admin Charges (A/c No. 2)</b> EDLI Admin Charges (A/c No. 22) EDLI Contribution (A/c No. 21)		Statutory Pay Type	: <b>Admin Charges (A/c No. 2)</b>	Under	: Direct Expenses	Affect Net Salary	? No			Calculation Type	: As User Defined Value				
Pay Head Info		Employer's Other Charges																					
Pay Head Type	: Employer's Other Charges	<b>Admin Charges (A/c No. 2)</b> EDLI Admin Charges (A/c No. 22) EDLI Contribution (A/c No. 21)																					
Statutory Pay Type	: <b>Admin Charges (A/c No. 2)</b>																						
Under	: Direct Expenses																						
Affect Net Salary	? No																						
Calculation Type	: As User Defined Value																						
Opening Balance ( on 1-Apr-2009) :																							

Figure 4.7 PF Admin Charges Pay Head creation

4. Specify the group as **Current Liabilities** in the **Under** field and press **Enter**
5. Set **Affect Net Salary** to **No**
6. The **Calculation Type** is defaulted automatically as **As Computed Value** and **Calculation Period** as **Months**
7. The **Rounding Method** is defaulted to **Normal Rounding** and **1** defaulted as the rounding **Limit**
8. In the **Computation Info** section,
  - **On PF Gross** is selected automatically in the **Compute** field
  - Specify **1-4-2009** as the **Effective From** date
  - Specify **6500** in the **Amount Upto** column
  - Select **Percentage** as the **Slab Type** and specify **1.10%** in the **Value Basis** field and press **Enter**

The completed **PF Admin Charges @ 1.10% Pay Head Creation** screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions				Total Op. Bal.	
Name : PF Admin Charges @ 1.10%							
(alias) :							
<b>Pay Head Info</b>			<b>Computation Info</b>				
Pay Head Type	: Employer's Other Charges		Compute : On PF Gross				
Statutory Pay Type	: Admin Charges (A/c No. 2)		<b>Effective From</b>	<b>From Amount</b>	<b>Amount Upto</b>	<b>Slab Type</b>	<b>Value Basis</b>
Under	: Current Liabilities		1-Apr-2009		6,500.00	Percentage	1.10 %
Affect Net Salary	? No						
Calculation Type	: As Computed Value						
Calculation Period	: Months						
<b>Rounding Info</b>							
Rounding Method	: Normal Rounding	Limit	: 1				
Opening Balance ( on 1-Apr-2009) :						<b>Accept ?</b> Yes or No	

Figure 4.8 Completed Pay Head Creation - PF Admin Charges

9. Press **Enter** to accept

**ii. EDLI Contribution @ 0.5% Pay Head Creation**

Go to **Gateway of Tally > Payroll Info > PayHeads > Create**

In the **Pay Heads Creation** screen:

1. Type **EDLI Contribution @ 0.5%** as the **Name** of the Pay Head
2. Select **Employer's Other Charges** in the field **Pay Head Type**.

3. In **Statutory Pay Type** filed select **EDLI Contribution (A/c No. 21)** as shown

Pay Head Creation		Spectrum Software Solutions	
Name	: EDLI Contribution @ 0.5%		
(alias)	:		
			Total Op. Bal.
<b>Pay Head Info</b>		<b>Employer's Other Charges</b>	
Pay Head Type	: Employer's Other Charges	Admin Charges (A/c No. 2)	
Statutory Pay Type	: <b>EDLI Contribution (A/c No. 21)</b>	EDLI Admin Charges (A/c No. 22)	
Under	: Direct Expenses	<b>EDLI Contribution (A/c No. 21)</b>	
Affect Net Salary	? No		
Calculation Type	: As User Defined Value		
Opening Balance ( on 1-Apr-2009 ) :			

Figure 4.9 EDLI Contribution Pay Head Creation

4. Specify the group as **Current Liabilities** in the field **Under** and press **Enter**

5. Set **Affect Net Salary** to **No**

6. In the **Computation Info** screen,

- In the **Compute** field, **On PF Gross** is selected by default.
- Specify **1-4-2009** as the **Effective From** date (In case of a revision in pay structure, you can define the revised computation information for the given pay head, by giving the effective from date)
- The **From Amount** column is automatically skipped, assuming it to be zero. Enter **6500** in the **Amount Upto** column.
- Select **Percentage** as the **Slab Type** from the **List of Slabs**
- Specify **0.5%** in the **Value Basis** field and press **Enter**

The completed **EDLI Contribution @ 0.5% Pay Head Creation** screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions					
Name : EDLI Contribution @ 0.5%					Total Op. Bal.		
(alias) :							
<b>Pay Head Info</b>			<b>Computation Info</b>				
Pay Head Type	: Employer's Other Charges		Compute : On PF Gross				
Statutory Pay Type	: EDLI Contribution (A/c No. 21)		<b>Effective From</b>	<b>From Amount</b>	<b>Amount Upto</b>	<b>Slab Type</b>	<b>Value Basis</b>
Under	: Current Liabilities		1-Apr-2009		6,500.00	Percentage	0.50 %
Affect Net Salary	? No						
Calculation Type	: As Computed Value						
Calculation Period	: Months						
<b>Rounding Info</b>							
Rounding Method	: Normal Rounding		Limit	: 1			
Opening Balance ( on 1-Apr-2009) :						<b>Accept ?</b>	
						<b>Yes or No</b>	

Figure 4.10 Completed Pay Head for EDLI Contribution

7. Press **Enter** to accept and save the Pay Head

### iii. EDLI Administrative Charges @ 0.01% Pay Head Creation

Go to **Gateway of Tally > Payroll Info > PayHeads > Create**

In the **Pay Heads** Creation screen,

1. Type **EDLI Admin Charges @ 0.01%** as the **Name** of the Pay Head
2. Select **Employer's Other Charges** in the field **Pay Head Type**
3. In **Statutory Pay Type** filed select **EDLI Admin Charges (A/c No. 22)**

The Pay Head Creation screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions	
Name	: EDLI Admin Charges @ 0.01%	Total Op. Bal.	
(alias)	:		
<b>Pay Head Info</b> Pay Head Type : <b>Employer's Other Charges</b> Statutory Pay Type : <b>EDLI Admin Charges (A/c No. 22)</b> Under : <b>Direct Expenses</b> Affect Net Salary : ? <b>No</b> Calculation Type : <b>As User Defined Value</b>		<b>Employer's Other Charges</b> Admin Charges (A/c No. 2) <b>EDLI Admin Charges (A/c No. 22)</b> EDLI Contribution (A/c No. 21)	
Opening Balance ( on 1-Apr-2009 ) :			

Figure 4.11 EDLI Admin Charges Pay Head Creation

- Set **Minimum Rs 2/Employee** to **Yes** if you want the EDLI Admin Charges to be minimum Rs. 2.

*When the option **Minimum Rs 2/Employee** is set to **Yes**, the **EDLI Admin Charges** for each employee is minimum Rs. 2 or actual value as calculated.*



*When this option is set to **No** the **EDLI Admin Charges** are calculated as per the **specified formula**.*

- Specify the group as **Current Liabilities** in the field **Under** and press **Enter**
- Set **Affect Net Salary** to **No**
- In the **Computation Info** screen,
  - On PF Gross** is selected in the **Compute** field, by default
  - Specify **1-4-2009** as the **Effective From** date
  - The **From Amount** column is automatically skipped, assuming it to be zero. Enter **6500** in the **Amount Upto** column
  - Select **Percentage** as the **Slab Type** from the **List of Slabs**
  - Specify **0.01%** in the **Value Basis** field and press **Enter**

The completed **EDLI Admin Charges @ 0.01% Pay Head Creation** screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions				Total Op. Bal.	
Name : EDLI Admin Charges @ 0.01%							
(alias) :							
<b>Pay Head Info</b>			<b>Computation Info</b>				
Pay Head Type	: Employer's Other Charges		Compute : On PF Gross				
Statutory Pay Type	: EDLI Admin Charges (A/c No. 22)		Effective From	From Amount	Amount Upto	Slab Type	Value Basis
Minimum Rs 2/Employee	? Yes		1-Apr-2009		6,500.00	Percentage	0.01 %
Under	: Current Liabilities						
Affect Net Salary	? No						
Calculation Type	: As Computed Value						
Calculation Period	: Months						
<b>Rounding Info</b>							
Rounding Method	: Normal Rounding	Limit	: 1				
Opening Balance ( on 1-Apr-2009 ) :						Accept ? Yes or No	

Figure 4.12 Completed pay Head for EDLI Admin Charges

7. Press **Enter** to accept and save the Pay Head.

### III. PF Payable Ledger

To process the Employer PF Contribution, create PF Payable Ledger as explained below:

Ledger	Pay Head Type	Under
PF Payable	Not Applicable	Current Liabilities

Go to **Gateway of Tally > Payroll Info. > Payheads > Create**

1. Type **PF Payable** in the **Name** field
2. In the **Pay Head Type** field select **Not Applicable**
3. Specify the Group as **Current Liabilities** in the **Under** field and press **Enter**



The completed **PF Payable** Ledger creation screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions	
Name	: PF Payable	Total Op. Bal.	
(alias)	:		
<b>Pay Head Info</b>			
Pay Head Type	: Not Applicable		
Under	: Current Liabilities		
Opening Balance ( on 1-Apr-2009 ) :			Accept ?
			Yes or No

Figure 4.13 Completed PF Payable Ledger Creation

4. Press **Enter** to accept.

#### IV. PF Admin Expenses Ledger

To process the Employer Other Charges (PF Admin, EDLI Contribution and EDLI Admin expenses), create PF Admin Expenses Ledger as explained below:

Ledger	Under
PF Admin Expenses	Indirect Expenses

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

1. In the **Name** field, type **PF Admin Expenses**
2. Specify the group as **Indirect Expenses** in the field **Under** and press **Enter**

The completed **PF Admin Expenses** Ledger creation screen is displayed as shown:

Ledger Creation		Spectrum Software Solutions		Ctrl
Name	: PF Admin Expenses			Total Op. Bal.
(alias)	:			
Under	: Indirect Expenses	Name	:	
Inventory values are affected	? No	Address	:	
		State	:	
		PIN Code	:	
		<b>Tax Information</b>		
		PAN / IT No.	:	
		Sales Tax No.	:	
Opening Balance ( on 1-Apr-2009) :				Accept ?
				Yes or No

Figure 4.14 PF Admin Expenses Ledger Creation

3. Press **Enter** to accept

## Salary Details setup

Once the required Employer Contribution Pay Heads and Admin Expenses ledgers are created, the salary details of the Employee should be altered to constitute the Employer Contribution pay head ledgers for automatic calculations based on the monthly payments made to the Employees.

### Create / Alter Salary Details Master

To update the salary details Master of the Employees, follow the steps given below:

Go to **Gateway of Tally > Payroll Info. > Salary Details > Alter**

1. Select the **Vijay Kumar** one by from the **List of Groups / Employees**
2. Add the Pay Heads **Employer EPS @ 8.33%** and **Employer EPF @ 3.67%**

The completed **Salary Details** screen is displayed as shown:

Salary Details Alteration							Spectrum Software Solutions		Ctrl + M
Name : Vijay Kumar (549)									
Under : Administration ( Primary)									
Salary Details									
Effective From	Pay Head	Rate	Per	Pay Head Type	Calculation Type	Computed On			
1-Apr-2009	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				
	Professional Tax			Employees' Statutory Deductions	As Computed Value	On Current Earnings Total			
	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			
	Gratuity Expenses (Provisional)			Gratuity					
	Employer EPS @ 8.33%			Employer's Statutory Contributions	As Computed Value	Basic Pay			
	Employer EPF @ 3.67%			Employer's Statutory Contributions	As Computed Value	Employee's PF Contribution @ 12% + Employer EPS @ 8.33%			

Accept ?  
Yes or No

Figure 4.15 Salary Details Alteration Screen

Similarly, include Employee Contribution Pay Heads in the Salary Details Masters of other employees.



- It is necessary to include **Employer Contribution Pay Heads** (i.e., **Employer PF and Employer Pension Fund Pay Heads** in the **Salary Structure** of the Employee, to automate the Computation of Employer PF Contribution on the basis of payments made to Employees.
- While, including the Employer Contribution Pay Heads in the Salary Details master, the order of precedence in which the Pay Heads are included must on the basis of their calculation criteria i.e.,
  - i. **Earning Pay Heads**
  - ii. **Deduction Pay Heads**
  - iii. **Professional Tax** or Income Tax Pay Heads (if any)
  - iv. **Employee PF Contribution Pay Heads**
  - v. **Employer PF Contribution Pay Heads**
  - vi. **Gratuity** (Gratuity is calculated on Basic Pay + DA, hence Gratuity Pay Head can be sequenced in the Salary details of an Employer in any order after Earnings Pay Heads).

## Processing Employer PF Contribution

In Tally.ERP 9, you are required to process Employer PF Contributions, PF Admin Charges separately and make the payment towards PF comprising of Employees' PF Contribution, Employer PF Admin Expenses through a combined challan.

Follow the steps explained below to process Provident Fund.

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

1. Press **Ctrl+F4** for **Payroll Voucher**
2. Press **F2**, specify the date as **30-04-2009** and press **Enter**
3. Press **Alt+A (Payroll Auto Fill)** to automate the employee payroll details
4. In the **Payroll Auto Fill** subscreen,
  - Select **PF Contribution** from the **Process List** drop down as shown

Payroll Auto Fill		Process List
Process for	: <b>PF Contribution</b>	ESI Contribution
From (blank for beginning)	: 1-8-2009	<b>PF Contribution</b>
To (blank for end)	: 31-8-2009	Salary
Employee Category	: <b>Primary Cost Category</b>	
Employee/Group	: <b>All Items</b>	
Payroll Ledger	:	

Figure 4.16 Payroll Auto Fill - Process List Selection

*Tally.ERP 9 provides the following predefined processes that will help in processing Payroll transactions:*



- i. **ESI Contribution:** This process is selected to automate computation of Employer ESI Contribution.
- ii. **PF Contribution:** This process is selected to automate computation of Employer PF Contribution
- iii. **Salary:** This process is selected to automate computation of Salaries payable to Employees.

- Specify **1-4-2009** and **30-4-2009** in the **From** and **To** Date fields respectively
- Select **Primary Cost Category** in the **Employee Category** field
- Select **All Items** as **Employee/ Group** field (To process, for a particular group / Employee select the respective Employee / group, as required)

- Select **PF Payable** Ledger from the list of Ledger Accounts drop down in the **Payroll Ledger** field as shown

The screenshot shows the 'Payroll Auto Fill' window in Tally. The window title is 'Spectrum Software Solutions'. The main area displays 'Payroll No. 16' and 'Payroll Auto Fill - (PF Contribution)'. Below this, there is a section for 'Account' with 'Cur Bal: 0.00 Cr' and a 'Particulars' table. A 'Narration' field is at the bottom. A central dialog box titled 'Payroll Auto Fill' contains the following fields:

Process for	: PF Contribution
From (blank for beginning)	: 1-4-2009
To (blank for end)	: 30-4-2009
Employee Category	: Primary Cost Category
Employee/Group	: All Items
Payroll Ledger	: [Redacted]

On the right side, a 'List of Ledger Accounts' window is open, showing a list of accounts: Cash, ESI Payable, HDFC Bank, **PF Payable** (highlighted), and Salary Payable.

Figure 4.17 Employee Filters screen – Payroll Ledger Selection

The values for the Employer PF contributions are prefilled in the Payroll Voucher for PF Contribution process.

The Payroll Voucher for **Employer PF Contribution** is displayed as shown:

Payroll Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Payroll</b> No. 2				30-Apr-2009 Thursday
<i>Payroll Auto Fill - (Salary)</i>				
Account : <b>PF Payable</b> Cur Bal: 0.00 Cr				
Particulars				Amount
<b>Primary Cost Category</b>				<b>3,120.00 Cr</b>
<b>Ajay</b>				<b>780.00 Dr</b>
Employer EPS @ 8.33%	541.00	Dr	Cur Bal: 541.00 Dr	
Employer EPF @ 3.67%	239.00	Dr	Cur Bal: 239.00 Dr	
<b>Mahesh</b>				<b>780.00 Dr</b>
Employer EPS @ 8.33%	541.00	Dr	Cur Bal: 541.00 Dr	
Employer EPF @ 3.67%	239.00	Dr	Cur Bal: 239.00 Dr	
<b>Rahul</b>				<b>780.00 Dr</b>
Employer EPS @ 8.33%	541.00	Dr	Cur Bal: 541.00 Dr	
Employer EPF @ 3.67%	239.00	Dr	Cur Bal: 239.00 Dr	
<b>Vijay Kumar</b>				<b>780.00 Dr</b>
Employer EPS @ 8.33%	541.00	Dr	Cur Bal: 541.00 Dr	
Employer EPF @ 3.67%	239.00	Dr	Cur Bal: 239.00 Dr	
Narration:				<b>3,120.00 Cr</b>
Pay Period : 1-Apr-2009 to 30-Apr-2009				

Figure 4.18 Payroll Voucher Creation - PF Contribution

5. Press **Enter** to accept

The completed Payroll Voucher for **Employer PF Contribution** is displayed as shown:

Payroll Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Payroll</b>	No. 2			30-Apr-2009 Thursday
<i>Payroll Auto Fill - (Salary)</i>				
Account : <b>PF Payable</b> Cur Bal: 0.00 Cr				
Particulars				Amount
<b>Primary Cost Category</b>				<b>3,120.00 Dr</b>
<b>Ajay</b>				<b>780.00 Dr</b>
Employer EPS @ 8.33%	541.00	Dr	Cur Bal: 541.00 Dr	
Employer EPF @ 3.67%	239.00	Dr	Cur Bal: 239.00 Dr	
<b>Mahesh</b>				<b>780.00 Dr</b>
Employer EPS @ 8.33%	541.00	Dr	Cur Bal: 541.00 Dr	
Employer EPF @ 3.67%	239.00	Dr	Cur Bal: 239.00 Dr	
<b>Rahul</b>				<b>780.00 Dr</b>
Employer EPS @ 8.33%	541.00	Dr	Cur Bal: 541.00 Dr	
Employer EPF @ 3.67%	239.00	Dr	Cur Bal: 239.00 Dr	
<b>Vijay Kumar</b>				<b>780.00 Dr</b>
Employer EPS @ 8.33%	541.00	Dr	Cur Bal: 541.00 Dr	
Employer EPF @ 3.67%	239.00	Dr	Cur Bal: 239.00 Dr	
Narration:				<b>3,120.00 Dr</b>
Pay Period : 1-Apr-2009 to 30-Apr-2009				<b>3,120.00 Dr</b>
				<b>3,120.00 Dr</b>

Accept ?

Yes or No

Figure 4.19 Completed PF Contribution screen

6. Press **Enter** to accept.

## Processing PF Admin Expenses

To process the PF Admin Charges, follow the steps given below:

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

1. Press **F7** for **Journal Voucher**
2. Press **F2**, specify the date as **30-04-2009** and press **Enter**
3. Press **Alt+A** (Payroll Auto Fill) to prefill Employer's Other Charges details
  - Specify **1-4-2009** and **30-4-2009** in the **From** and **To** Date fields respectively
  - Select **Primary Cost Category** in the **Employee Category** field
  - Select **All Items** in the **Employee/ Group** field

- Select **PF Admin Expenses** Ledger in the **Expense Ledger** field

The screenshot shows the 'Other Charges Auto Fill' window in Tally. The window title is 'Other Charges Auto Fill' and the company name is 'Spectrum Software Solutions'. The window is divided into two main sections. The left section is for entering journal entries, with fields for 'Journal No. 6', 'Particulars', and 'Narration'. The right section is a 'List of Ledger Accounts' panel, which is currently displaying 'PF Admin Expenses' as the selected ledger account. A central dialog box titled 'Other Charges Auto Fill' is open, showing the following configuration:

Other Charges Auto Fill	
From (blank for beginning)	: 1.4-2009
To (blank for end)	: 30.4-2009
Employee Category	: Primary Cost Category
Employee/Group	: All Items
Expense Ledger	: <b>PF Admin Expenses</b>
Admin Charges (A/c No. 2)	:
EDLI Contribution (A/c No. 21)	:
EDLI Admin Charges (A/c No. 22)	:

Figure 4.20 Employer's Other Charges screen – Expenses Ledger Selection



- Select **PF Admin Charges @ 1.10%** Ledger in the **Admin Charges (A/c No. 2)** field as shown

The screenshot shows the 'Other Charges Auto Fill' window for 'Spectrum Software Solutions'. The window is divided into a main area and a right-hand pane. The main area contains a 'Particulars' section with 'Dr' and 'Dr' entries, and a 'Narration' section. A central dialog box titled 'Other Charges Auto Fill' displays the following configuration:

From (blank for beginning)	: 1-4-2009
To (blank for end)	: 30-4-2009
Employee Category	: Primary Cost Category
Employee/Group	: ↓ All Items
Expense Ledger	: PF Admin Expenses
Admin Charges (A/c No. 2)	: <b>PF Admin Charges @ 1.10%</b>
EDLI Contribution (A/c No. 21)	:
EDLI Admin Charges (A/c No. 22)	:

The right-hand pane, titled 'List of Admin Charges Ledgers', shows a dropdown menu with '↓ Not Applicable' and 'PF Admin Charges @ 1.10%' selected.

Figure 4.21 Employer's Other Charges screen – Admin Charges Ledger Selection

- Similarly, select **EDLI Contribution @ 0.5%** and **EDLI Admin Charges @ 0.01%** in the **EDLI Contribution (A/c No. 21)** and **EDLI Admin Charges (A/c No. 22)** fields respectively.

The completed Employer's Other Charges subscreen is displayed as shown:

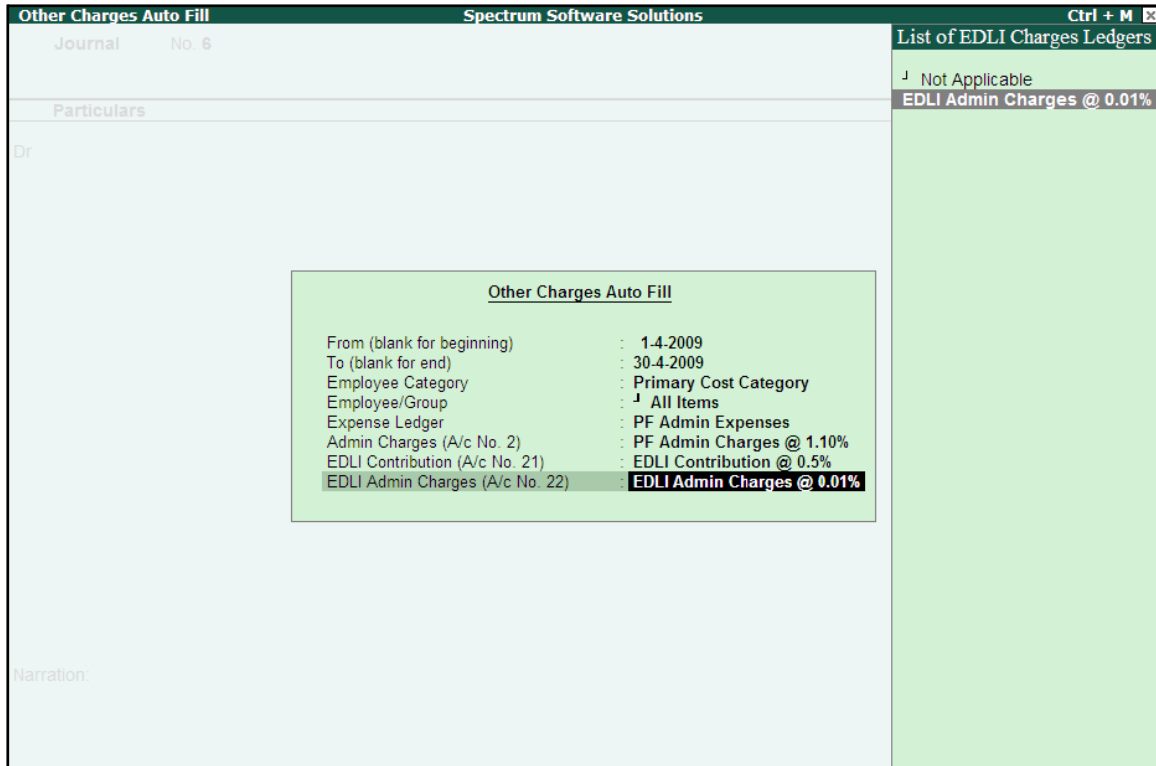


Figure 4.22 Completed Employer's Other Charges screen

- Press **Enter**
4. Type the details of the transaction in the **Narration** field

The completed **Employer PF Expenses Voucher** is displayed as shown:

Accounting Voucher Creation		Spectrum Software Solutions	Ctrl + M
<b>Journal</b> No. 1			30-Apr-2009 Thursday
<i>Payroll Auto Fill - (Other Charges)</i>			
Account : <b>PF Admin Expenses</b> Cur Bal: 424.00 Dr			
Particulars			Amount
<b>PF Admin Charges @ 1.10%</b>			286.00
Cur Bal: 286.00 Cr			
Primary Cost Category			
Ajay	71.50 Cr		
Mahesh	71.50 Cr		
Rahul	71.50 Cr		
Vijay Kumar	71.50 Cr		
<b>EDLI Contribution @ 0.5%</b>			130.00
Cur Bal: 130.00 Cr			
Primary Cost Category			
Ajay	32.50 Cr		
Mahesh	32.50 Cr		
Rahul	32.50 Cr		
Vijay Kumar	32.50 Cr		
<b>EDLI Admin Charges @ 0.01%</b>			8.00
Cur Bal: 8.00 Cr			
Primary Cost Category			
Ajay	2.00 Cr		
Mahesh	2.00 Cr		
Rahul	2.00 Cr		
			1 more ... ↓
Narration:			424.00
PF Admin Expenses, EDLI Contribution and EDLI Admin expenses for April 2009.			<div style="border: 1px solid black; padding: 2px; display: inline-block;"> <b>Accept ?</b>                      Yes or No                 </div>

Figure 4.23 Completed PF Expenses Voucher screen

5. Press **Enter** to accept and save.

## Payment of Provident Fund

In Tally.ERP 9, once the process for Employee and Employer contributions to Provident Fund is implemented in the manner as discussed in earlier sections, the total amount payable to EPFO is accumulated separately in three Ledger Accounts, PF Payable Account (Employer Contributions), Employee PF Contributions and the PF Admin Charges Ledger. At the time of making the payment to EPFO, a payment voucher is required to be passed.

To process the payment of Provident Fund, follow the steps given below:

### Step 1: Create PF Payment Voucher

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

1. Press **F5** for **Payment Voucher**
2. Press **F2**, specify **30-04-2009** as the **Voucher Date** and press **Enter**
3. Press **Alt+A** (Payment Auto Fill) to prefill PF details

- Select **PF Challan** in the **Process for** field from the **Process List** screen

Payment Auto Fill		Process List
Process for	: <b>PF Challan</b>	ESI Challan
From (blank for beginning)	: 1-4-2009	<b>PF Challan</b>
To (blank for end)	: 30-4-2009	Professional Tax Payment
Voucher Date	:	Salary Payment
Employee Category	: Primary Cost Category	
Employee/Group	: All Items	
Bank / Cash Ledger	: HDFC Bank	
Payroll Ledger	:	

Figure 4.24 Employee Filters screen - Process Selection

- Enter **1-4-2009** and **30-4-2009** in the **From** and **To** Date fields respectively
- Specify **30-4-2009** in the **Voucher Date** field (This field is prefilled, if the voucher date is specified during Voucher Entry)
- Select **Primary Cost Category** in the **Employee Category** field
- Select **All Items** in the **Employee/ Group** field
- Select **HDFC Bank** in the **Bank / Cash Ledger** field
- Select **PF Payable** Ledger in the **Payroll Ledger** field

Payment Auto Fill		List of Ledger Accounts
Process for	: PF Challan	<b>PF Payable</b>
From (blank for beginning)	: 1-4-2009	Salary Payable
To (blank for end)	: 30-4-2009	
Voucher Date	: 30-4-2009	
Employee Category	: Primary Cost Category	
Employee/Group	: All Items	
Bank / Cash Ledger	: HDFC Bank	
Payroll Ledger	: <b>PF Payable</b>	

Figure 4.25 Employee Filters screen - PF Ledger selection

4. Press **Enter** to prefill **PF Payable Amount** in respect of **Employer Contributions** during the relevant month



The Payment voucher is displayed as shown:

Accounting Voucher Creation		Spectrum Software Solutions	Ctrl + M
<b>Payment</b>	No. 1		30-Apr-2009 Thursday
<i>Payroll Auto Fill - (PF Challan)</i>			
Account : <b>HDFC Bank</b>			
Cur Bal: 8,93,548.00 Dr			
Particulars			Amount
<b>PF Payable</b>			<b>3,120.00</b>
Cur Bal: 0.00 Dr			
Primary Cost Category			
Ajay	780.00 Dr		
Mahesh	780.00 Dr		
Rahul	780.00 Dr		
Vijay Kumar	780.00 Dr		
Provide Details : No			
Narration:			<u>3,120.00</u>

Figure 4.26 PF Payment Voucher with Employer PF Contribution details



5. Press **Enter** again, to prefill the amount of **Employee Contributions** during the relevant month

Accounting Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Payment</b>	No. 1			30-Apr-2009 Thursday
<i>Payroll Auto Fill - (PF Challan)</i>				
Account : <b>HDFC Bank</b>				
Cur Bal: 8,93,548.00 Dr				
Particulars				Amount
<b>PF Payable</b>				3,120.00
Cur Bal: 0.00 Dr				
Primary Cost Category				
Ajay	780.00	Dr		
Mahesh	780.00	Dr		
Rahul	780.00	Dr		
Vijay Kumar	780.00	Dr		
<b>Employee's PF Contribution @ 12%</b>				3,120.00
Cur Bal: 3,120.00 Cr				
Primary Cost Category				
Ajay	780.00	Dr		
Mahesh	780.00	Dr		
Rahul	780.00	Dr		
Vijay Kumar	780.00	Dr		
Provide Details : <b>No</b>				
Narration:				<u>6,240.00</u>

Figure 4.27 PF Payment Voucher - with Employee Contribution details

6. Press **Enter** thrice again, to prefill **EDLI Admin Expenses, EDLI Contribution and PF Admin Charges** during the selected month as shown:

Accounting Voucher Creation		Spectrum Software Solutions	Ctrl + M
<b>Payment</b> No. 1			30-Apr-2009 Thursday
<i>Payroll Auto Fill - (PF Challan)</i>			
Account : <b>HDFC Bank</b> <i>Cur Bal: 8,93,548.00 Dr</i>			
Particulars			Amount
↑ ... 9 more			
Primary Cost Category			
Ajay	780.00 Dr		
Mahesh	780.00 Dr		
Rahul	780.00 Dr		
Vijay Kumar	780.00 Dr		
<b>EDLI Admin Charges @ 0.01%</b>			8.00
<i>Cur Bal: 0.00 Dr</i>			
Primary Cost Category			
Ajay	2.00 Dr		
Mahesh	2.00 Dr		
Rahul	2.00 Dr		
Vijay Kumar	2.00 Dr		
<b>EDLI Contribution @ 0.5%</b>			130.00
<i>Cur Bal: 0.00 Dr</i>			
Primary Cost Category			
Ajay	32.50 Dr		
Mahesh	32.50 Dr		
Rahul	32.50 Dr		
Vijay Kumar	32.50 Dr		
<b>PF Admin Charges @ 1.10%</b>			286.00
Provide Details : No			6 more ... ↓
Narration:			6,664.00

Figure 4.28 PF Payment Voucher with Employer Other charges details

7. Press **Enter** twice

8. Set **Yes** in **Provide Details** field and press **Enter**

9. In the **Provide Details** subscreen,

- Specify **245547** in the **Cheque/ DD No.** field
- Specify **30-4-2009** in the **Cheque/DD Date** field
- Specify **30-4-2009** in the **Challan Date** field
- Type the name of the Depositor in the **Depositor Name** field
- Specify the name of the Bank on which the Cheque is drawn in the **Bank Name** field

The completed **Provide Details** subscreen is displayed as shown:

Provide Details	
Cheque/DD No	: 245547
Cheque / DD Date	: 30-Apr-2009
Challan Date	: 30-Apr-2009
Depositor Name	: Mr. Ram
Bank Name	: <b>HDFC Bank</b>

Figure 4.29 Payment details subscreen

10. Press **Enter** to go back to the **PF Payment Voucher** screen

11. Type the **details of the transaction** in the narration field

The completed **PF Payment Voucher** screen for the month of April 2009, is displayed as shown:

Accounting Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Payment</b> No. 1				30-Apr-2009 Thursday
<i>Payroll Auto Fill - (PF Challan)</i>				
Account : <b>HDFC Bank</b> Cur Bal: 8,93,548.00 Dr				
Particulars				Amount
↑ ... 16 more				
Primary Cost Category				
Ajay	2.00 Dr			
Mahesh	2.00 Dr			
Rahul	2.00 Dr			
Vijay Kumar	2.00 Dr			
<b>EDLI Contribution @ 0.5%</b>				130.00
Cur Bal: 0.00 Dr				
Primary Cost Category				
Ajay	32.50 Dr			
Mahesh	32.50 Dr			
Rahul	32.50 Dr			
Vijay Kumar	32.50 Dr			
<b>PF Admin Charges @ 1.10%</b>				286.00
Cur Bal: 0.00 Dr				
Primary Cost Category				
Ajay	71.50 Dr			
Mahesh	71.50 Dr			
Rahul	71.50 Dr			
Vijay Kumar	71.50 Dr			
Provide Details : <b>Yes</b>				
Narration: Ch. No. : 245547, PF Payment for April 2009				6,661.00
				<div style="border: 1px solid black; padding: 5px; display: inline-block;"> <b>Accept ?</b>                      Yes or No                 </div>

Figure 4.30 Completed PF Payment Voucher screen

12. Press **Enter** to accept

**Step 2: Print PF Payment Challan**

- Press **Pg UP** from the **Voucher Entry** screen shown above
- Press **Alt + P**, the **Voucher Printing** screen is displayed as shown:

Voucher Printing			
Printer	: Printer-02 (Ne03:)	Paper Type :	A4
No. of Copies	: 1		
Print Language	: English		(Printing Dimensions)
Method	: Neat Mode	Paper Size :	(8.27" x 11.69") or (210 mm x 297 mm)
Page Range	: All	Print Area :	(7.95" x 11.34") or (202 mm x 288 mm)
Report Titles			
<b>Payment Voucher</b>			
(with Print Preview)			
			<div style="border: 1px solid black; padding: 5px; display: inline-block;"> <b>Print ?</b>                      Yes or No                 </div>
Print Challan		? Yes	

Figure 4.31 Voucher Printing Screen



- In the **Voucher printing** screen, select **Yes** in the **Print Challan** field
- Press **Enter** to Print

The printed **PF Combined Challan** for the month of April 2009 of **M/s. Spectrum Software Solutions** is displayed as shown:

Sl. No.	Particulars	A/c No. 1	A/c No. 2	A/c No. 10	A/c No. 21	A/c No. 22	Total
<b>Original</b>							
<b>COMBINED CHALLAN NO. 1, 2, 10, 21 &amp; 22 EMPLOYEES' PROVIDENT FUND ORGANISATION</b>							
ESTABLISHMENT CODE NO. <b>KAEN/12345/00129</b>		ACCOUNT GROUP NO. <b>KAEN/12345/00009</b>		PAID BY CHEQUE <input type="checkbox"/> / CASH <input type="checkbox"/>			
DUES FOR THE MONTH OF:		Employees' Share		DATE OF PAYMENT:			
		M M Y Y Y Y <b>04 2009</b>		D D M M Y Y Y Y <b>30 04 2009</b>			
		Employer's Share					
		<b>04 2009</b>					
Total No. of Subscribers		A/c. 1		A/c. 10		A/c. 21	
		<b>4</b>		<b>4</b>		<b>4</b>	
Total Wages Due		<b>26,000.00</b>		<b>26,000.00</b>		<b>26,000.00</b>	
<b>Total</b>							
		<b>4,076.00</b>		<b>286.00</b>		<b>2,164.00 130.00 8.00 6,664.00</b>	
(Amount in words : Rs. Six Thousand Six Hundred Sixty Four Only)							
NAME OF THE ESTABLISHMENT : <b>Spectrum Software Solutions</b>				<b>(For Bank's use only)</b>			
ADDRESS : <b>14, Mysore Road,, Bangalore</b>				Amount Received Rs. : <input type="text"/>			
NAME OF THE DEPOSITOR : <b>Mr. Ram</b>				For Cheques only : <input type="text"/>			
SIGNATURE OF THE DEPOSITOR :				Date of Presentation : <input type="text"/>			
				Date of Realisation : <input type="text"/>			
				Branch Name : <input type="text"/>			
				Branch Code No. : <input type="text"/>			
(TO BE FILLED IN BY EMPLOYER'S)							
NAME OF THE BANK <b>HDFC Bank</b>		CHEQUE NO <b>245547</b>		DATE <b>30-Apr-2009</b>			

Figure 4.32 Printed PF Payment Challan

## Lesson 5: Accounting for Employer ESI Contributions

### Lesson Objectives

On completion of this lesson, you will be able to

- Process Employer's Contribution to Employees' State Insurance (ESI)
- Payment of ESI Contributions
- Generate the ESI payment Challan

ESI Contribution refers to the amount payable to the Corporation by the Principal Employer in respect of Employees and comprises of the amount payable by the employee as well as the employer.

The employer is required to calculate and remit ESI Contributions comprising of employers' share and employees' share on or before the 21st of the subsequent month in respect of salaries of the related month. The Principal Employer should pay the Employer's share of contribution @ 4.75% in respect of every employee whether employed directly or through an immediate employer. And the Employee's share @ 1.75% has to be recovered by making a deduction from their wages for the respective salary/wages period.

In case, if the employee is drawing upto Rs. 70/- as daily average wage, he is exempt from payment of his share of contribution. However, the employer has to pay employer's share of 4.75% of the Salary payable to the employees.

As discussed earlier, the statutory features viz., EPF & ESI etc., are required to be configured in **F11: Statutory & Taxation** Features. In this section, we will discuss, recording of transactions related to computation and contribution of Employee State Insurance.

**Illustration 1:**

*On 1st June 2009, the list of new joinees with their Salary details are given below:*

Employee Name	Department	Date of Joining
Suresh	Administration	1-6-2009
Rajesh	Sales	10-6-2009

*The Salary details for the above new employees are listed in the table below:*

Pay Head	Suresh	rajesh
Basic Pay	4,500	5000
House Rent Allowance	40%	40%
Conveyance	600	800
Overtime Pay	—	—
Variable Pay	User — defined	
Gratuity Expenses (Provisional)	Only for reporting purpose	
Employee's PF Contribution @ 12%	Applicable based on Slab Rates	
Employee's ESI Contribution @ 1.75%	Applicable based on Slab Rates	
Profession Tax	Applicable based on Slab Rates	

*The Attendance details for the month of June 2009 are given as shown:*

Attendance/ Production Types	Vijay Kumar	Rahul	Mahesh	Ajay	Suresh	Rajesh
Present Days	26	21	20	22	23	21
Overtime hours	120 Min			600 Min		

*The Variable Pay details for the month of June 2009 are given as shown:*

Particulars	Vijay Kumar	Rahul	Mahesh	Ajay	Suresh	Rajesh
Variable Pay	0	0	0	0	0	0

*The same is accounted as shown:*

Create the above employees and their Salary details and then process the Salaries, PF Contributions for the month of June 2009, in the manner as discussed in the earlier chapters. In Tally.ERP 9, follow the steps given below to process Employer contribution towards Employees' State Insurance:

- Create Employer ESI Contribution Masters
- Alter/Modify Salary Details
- Processing Employer ESI Contribution
- Payment of ESI

## Creation of Employer ESI Contribution Masters

In Tally.ERP 9, Employer and Employee's contribution towards Employees' State Insurance (ESI) are required to be created separately for appropriate Accounting and reporting. Create the following ledgers in Tally.ERP 9:

- Employer Contribution Pay Head
- ESI payable Ledger

### I. Create Employer ESI Contribution @ 4.75% Pay Head

Pay Head Name	Pay Head Type	Statutory Pay Type	Under	Affect Net Salary	Calculation Type
Employer ESI @ 4.75%	Employer's Statutory Contributions	Employee State Insurance	Indirect Expenses	No	As Computed Value

Go to **Gateway of Tally > Payroll Info > Pay Heads > Create**

In the **Pay Heads Creation** screen,

1. Type **Employer ESI @ 4.75%** as the **Name** of the Pay Head
2. Select **Employer's Statutory Contributions** in the field **Pay Head Type**
3. Select **Employee State Insurance** in the **Statutory Pay Type** field from the **Employer's Statutory Contributions** drop down

**Pay Head Creation** Spectrum Software Solutions

Name : **Employer ESI @ 4.75%** Total Op. Bal.  
 (alias) :

---

**Pay Head Info**

Pay Head Type : **Employer's Statutory Contributions** Total  
 Statutory Pay Type : **Employee State Insurance** Slab Type  
 Under : **Direct Expenses** Value Basis

Affect Net Salary : ? **No**

Calculation Type : **As Computed Value**

Calculation Period : **Months**

---

**Rounding Info**

Rounding Method : **Not Applicable**

Opening Balance ( on 1-Apr-2009 ) :

Figure 5.1 Pay Head Creation - Employer ESI

4. Specify the group as **Indirect Expenses** in the **Under** field and press **Enter**

5. Set **Affect Net Salary** to **No** and press **Enter**
6. In the **Calculation Type** and **Calculation Period** fields, **As Computed Value** and **Months** are defaulted automatically based on the **Statutory Pay Type** selected.
7. Select **Normal Rounding** as the **Rounding Method** and **1** as the rounding **Limit** and press **Enter**
8. In the **Computation Info** screen,
  - Select **On Specified Formula** in the **Compute** field and press **Enter**
  - In the **Compute** subscreen,
    - Select **Basic Pay** as the **Add Pay Head** function and press **Enter**
    - Select **House Rent Allowance** as the second Pay Head in the **Add Pay Head** Function
    - Similarly, select **Conveyance** and **Overtime Pay** in the **Add Pay Head** function

The **Compute** sub-screen is displayed as shown:

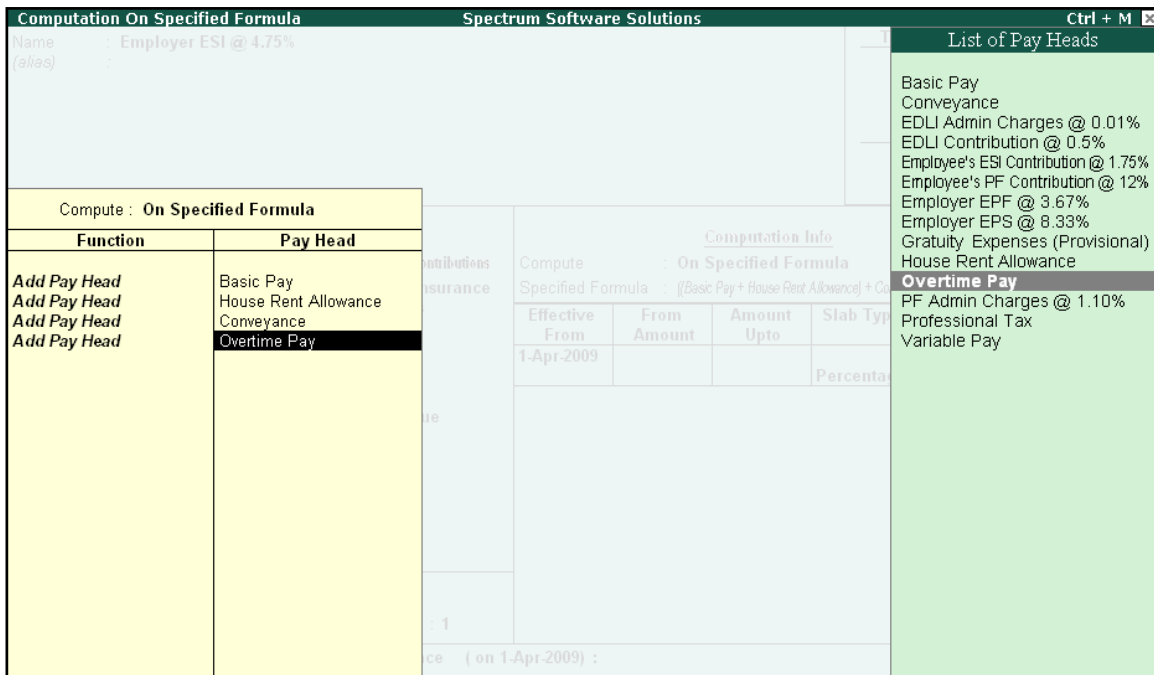


Figure 5.2 Employer ESI Pay Head Creation – Compute sub-screen

- Select **End of List** and press **Enter** to accept the screen



*Any Earning Pay component of a recurring nature will be subject to ESI calculation viz., Basic Pay, Dearness Allowance, House Rent Allowance, Conveyance, Overtime Pay and so on.*

*If you wish to consider a Pay Head (not regular in nature) for **ESI Computation** but don't want to consider the same for **ESI Eligibility**, then set the option **Exclude for ESI Eligibility** to **Yes** in the Pay Head alteration screen.*

*The option **Exclude for ESI Eligibility** will be available in the Pay Head screen by setting the option **Allow to Exclude Pay Head for ESI Eligibility** from the **Pay Head Configurations**.*

- Specify **1-4-2009** in the **Effective From** date field and press **Enter**, the **From Amount** column is automatically skipped, assuming the amount to be **zero**
- The **Amount Upto** field is skipped and automatically defaulted with the amount specified in the **Payroll Statutory Details** screen in **F11: Statutory & Taxation**
- Select **Percentage** in the **Slab Type** field
- Specify **4.75%** as the **Value Basis Percentage** in the **Value Basis** field and press **Enter**

Pay Head Creation		Spectrum Software Solutions				
Name : <b>Employer ESI @ 4.75%</b> (alias) :		Total Op. Bal.				
<p style="text-align: center;"><b>Pay Head Info</b></p> Pay Head Type : <b>Employer's Statutory Contributions</b> Statutory Pay Type : <b>Employee State Insurance</b> Under : <b>Indirect Expenses</b>		<p style="text-align: center;"><b>Computation Info</b></p> Compute : <b>On Specified Formula</b> Specified Formula : <i>((Basic Pay + House Rent Allowance) + Conveyance) + Overtime Pay</i>				
Affect Net Salary	? No	<b>Effective From</b>	<b>From Amount</b>	<b>Amount Upto</b>	<b>Slab Type</b>	<b>Value Basis</b>
Calculation Type	: <b>As Computed Value</b>	1-Apr-2009			Percentage	<b>4.75 %</b>
Calculation Period	: <b>Months</b>					
<p style="text-align: center;"><b>Rounding Info</b></p> Rounding Method : <b>Normal Rounding</b> Limit : <b>1</b>						
Opening Balance ( on 1-Apr-2009) :						

Figure 5.3 Employer ESI Pay Head Creation

In Tally.ERP 9, the Earning Payheads which are selected for computation of Employer ESI contribution are listed in the Specified Formula for easy reference. You can alter / modify the criteria for calculation, by pressing **Enter** in the **Compute** field and redefining the Function Pay components.

- Specify **4.75%** as the **Value Basis Percentage** in the **Value Basis** field and press **Enter**
- Press **Enter** to accept

The completed **Employer ESI Contribution Pay Head Creation** screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions		Total Op. Bal.	
Name : <b>Employer ESI @ 4.75%</b> (alias) :					
<b>Pay Head Info</b> Pay Head Type : <b>Employer's Statutory Contributions</b> Statutory Pay Type : <b>Employee State Insurance</b> Under : <b>Indirect Expenses</b>			<b>Computation Info</b> Compute : <b>On Specified Formula</b> Specified Formula : <b>((Basic Pay + House Rent Allowance) + Conveyance) + Overtime Pay</b>		
Affect Net Salary ? <b>No</b>			<b>Effective From</b>	<b>From Amount</b>	<b>Amount Upto</b>
Calculation Type : <b>As Computed Value</b>			<b>1-Apr-2009</b>		
Calculation Period : <b>Months</b>				<b>Slab Type</b>	<b>Value Basis</b>
				<b>Percentage</b>	<b>4.75 %</b>
<b>Rounding Info</b> Rounding Method : <b>Normal Rounding</b> Limit : <b>1</b>					
Opening Balance ( on 1-Apr-2009) :					<b>Accept ?</b>
					<b>Yes or No</b>

Figure 5.4 Completed Employer ESI Pay Head

- Press **Enter** to accept.

## II. Create ESI Payable Ledger

Create ESI Payable Ledger as explained below:

Ledger	Pay Head Type	Under
ESI Payable	Not Applicable	Current Liabilities

Go to **Gateway of Tally > Payroll Info. > Pay Heads > Create**

1. Type **ESI Payable** in the **Name** field
2. In the **Pay Head Type** field select **Not Applicable**
3. Specify the group as **Current Liabilities** in the **Under** field and press **Enter**

The completed **ESI Payable Ledger** creation screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions	
Name	: ESI Payable	Total Op. Bal.	
(alias)	:		
<b>Pay Head Info</b>			
Pay Head Type	: J Not Applicable		
Under	: Current Liabilities		
Opening Balance ( on 1-Apr-2009 ) :			Accept ?
			Yes or No

Figure 5.5 ESI Payable Ledger Creation

4. Press **Enter** to accept

### Salary Details setup

Once the required Employer Contribution Pay Heads are created, the salary details of the Employees should be updated to constitute the Employer Contribution pay head ledgers for automatic calculations based on the monthly payments made to the Employees.

#### Create / Alter Salary Details Master

To update the salary details for the Employees, follow the steps given below:

Go to **Gateway of Tally > Payroll Info. > Salary Details > Alter**

1. Select **Vijay Kumar** from the **List of Groups / Employees**
2. Tab down to the last line and select **Employer ESI @ 4.75%** Pay Head from the **List of Pay Heads**
3. Press **Enter** to select **End of List**



The completed **Salary Details Alteration** screen is displayed as shown:

Salary Details Alteration						
Spectrum Software Solutions						
Name : Vijay Kumar (549)						
Under : Administration ( <sup>1</sup> Primary)						
Salary Details						
Effective From	Pay Head	Rate	Per	Pay Head Type	Calculation Type	Computed On
1-Apr-2009	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	
	Professional Tax			Employees' Statutory Deductions	As Computed Value	On Current Earnings Total
	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
	Gratuity Expenses (Provisional)			Gratuity		
	Employer EPS @ 8.33%			Employer's Statutory Contributions	As Computed Value	Basic Pay
	Employer EPF @ 3.67%			Employer's Statutory Contributions	As Computed Value	Employee's PF Contribution @ 12% + Employer EPS @ 8.33%
	Employer ESI @ 4.75%			Employer's Statutory Contributions	As Computed Value	{(Basic Pay + House Rent Allowance) + Conveyance} + Overtime Pay

Figure 5.6 Salary Details Alteration screen

4. Press **Enter** to Accept



- It is necessary to include **Employer ESI Contribution Pay Head** in the **Salary Structure** of the Employees, to automate the Computation of Employer ESI Contribution on the basis of payments made to Employees.
- While, including the Employer Contribution Pay Heads in the Salary Details master, the order of precedence in which the Pay Heads are included on the basis of their calculation criteria i.e.,
  - i. **Earning Pay Heads**
  - ii. **Deduction Pay Heads**
  - iii. **Employee PF Contribution Ledgers**
  - iv. **Professional Tax** or Income Tax Ledger (if any)
  - v. **Employer PF Contribution Ledgers**
  - vi. **Employer ESI Contribution Ledgers**
  - vii. **Gratuity** (Gratuity is calculated on Basic Pay + DA, hence Gratuity Pay Head can be sequenced in the Salary details of an Employer in any order).

Similarly, include **Employer ESI @ 4.75%** Pay Head in the Salary details of all other Employees.

## Processing Employer ESI Contribution

In Tally.ERP 9, you can process Employer ESI Contributions and make the payment towards ESI comprising of Employees' and Employer's ESI Contribution through a challan. To process the ESI Contribution for June 2009, follow the steps given below:

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

1. Press **Ctrl+F4** for **Payroll Voucher**
2. Press **F2**, specify the date as **30-06-2009** and press **Enter**
3. Press **Alt+A** (Payroll Auto Fill) to prefill employee payroll details
4. In the **Payroll Auto Fill** subscreen,
  - Select **ESI Contribution** from the **Process List** as shown:

Payroll Auto Fill		Process List
Process for	: <b>ESI Contribution</b>	<b>ESI Contribution</b>
From (blank for beginning)	: 1-4-2009	PF Contribution
To (blank for end)	: 30-4-2009	Salary
Employee Category	: Primary Cost Category	
Employee/Group	: J All Items	
Payroll Ledger	:	

Figure 5.7 Payroll Autofill - ESI process selection

- Specify **1-6-2009** and **30-6-2009** in the **From** and **To** Date fields respectively
- Select **Primary Cost Category** as **Employee Category** field
- Select **All Items** in the **Employee/ Group** field

- Select **ESI Payable** Ledger in the **Payroll Ledger** field as shown:

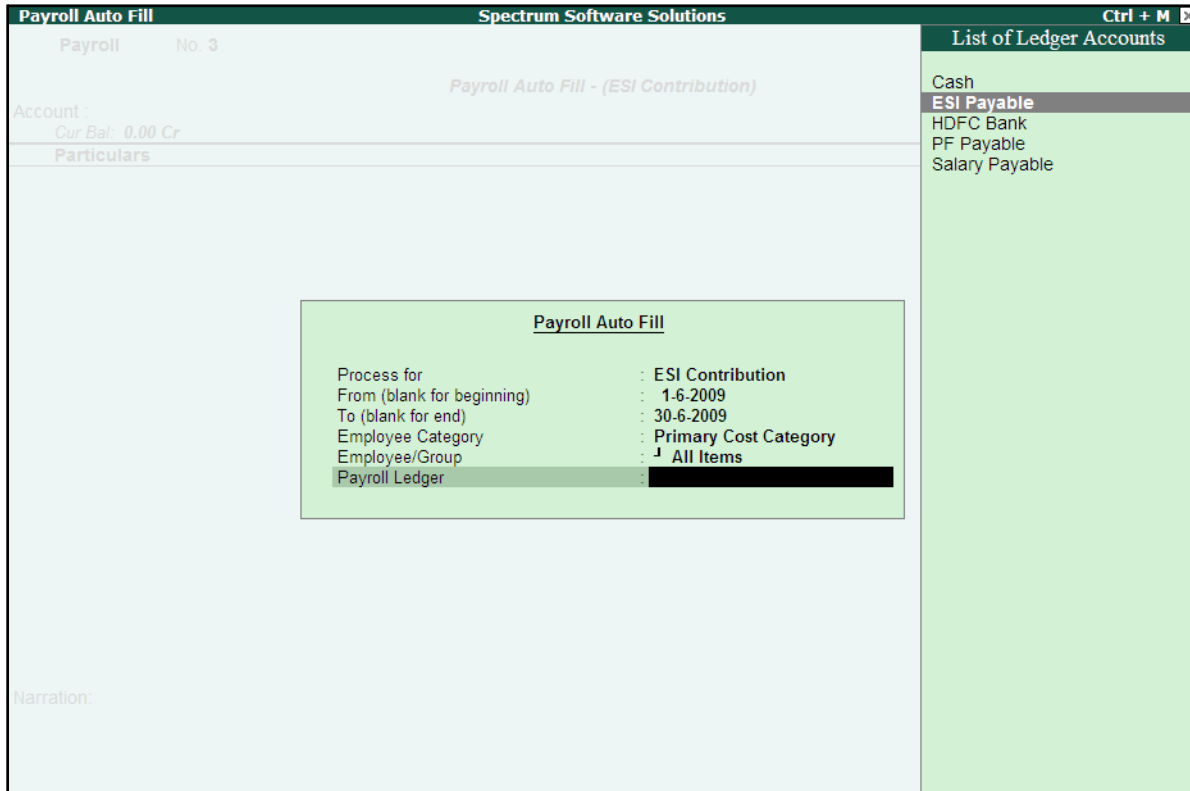


Figure 5.8 Payroll Autofill – Payroll Ledger selection

5. Press **Enter** to accept and go back to the Payroll Voucher screen

The completed **Employer ESI Contribution** Voucher Creation screen is displayed as shown:

Payroll Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Payroll</b> No. 7				30-Jun-2009 Tuesday
<i>Payroll Auto Fill - (ESI Contribution)</i>				
Account : <b>ESI Payable</b> Cur Bal: 0.00 Cr				
Particulars				Amount
<b>Primary Cost Category</b>				<b>600.00 Dr</b>
<b>Ajay</b>				
Employer ESI @4.75%	Dr	Cur Bal:		
<b>Mahesh</b>				
Employer ESI @4.75%	Dr	Cur Bal:		
<b>Rahul</b>				
Employer ESI @4.75%	Dr	Cur Bal:		
<b>Rajesh</b>				
Employer ESI @4.75%	307.00 Dr	Cur Bal: 307.00 Dr		<b>307.00 Dr</b>
<b>Suresh</b>				
Employer ESI @4.75%	293.00 Dr	Cur Bal: 293.00 Dr		<b>293.00 Dr</b>
<b>Vijay Kumar</b>				
Employer ESI @4.75%	Dr	Cur Bal:		
Narration: Pay Period : 1-Jun-2009 to 30-Jun-2009				<b>600.00 Dr</b>
				<div style="border: 1px solid black; padding: 5px; display: inline-block;">                     Accept ?                      Yes or No                 </div>

Figure 5.9 Completed ESI Voucher

6. Press **Enter** to accept



- The **Employer ESI contribution** will be computed automatically upon selection of **ESI Contribution Process** during Payroll Voucher Entry. However, only for employees those who meet the criteria of monthly earnings not exceeding the prescribed limits will be subject to ESI Contribution.
- In the same way while processing Salaries, the **Employees ESI Contribution** will also be computed based on the Eligibility amount prescribed in **F11: Statutory & Taxation Features**.

## Payment of ESI

In Tally.ERP 9, once the process for Employee and Employer contributions to Employee’s state Insurance is implemented in the manner as discussed in earlier sections, the total amount payable to ESIC comprising of Employee’s Contribution as well as Employer’s contribution to ESI is accumulated separately in the ESI Payable Ledger. At the time of making the payment to ESIC, a payment voucher is required to be passed.

To process the payment of ESI and generate ESI Challan, follow the steps given below:

**Step 1: Create ESI Payment Voucher**

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

1. Press **F5** for **Payment Voucher**
2. Press **F2**, specify the date as **30-06-2009** and press **Enter**
3. Press **Alt+A** (Payroll Auto Fill) to prefill employee payroll details
4. In the **Payment Auto Fill** subscreen,
  - Select **ESI Challan** from the Process List as shown:

Payment Auto Fill		Process List
Process for	: <b>ESI Challan</b>	<b>ESI Challan</b>
From (blank for beginning)	: 1-4-2009	PF Challan
To (blank for end)	: 30-4-2009	Professional Tax Payment
Voucher Date	:	Salary Payment
Employee Category	: Primary Cost Category	
Employee/Group	: J All Items	
Bank / Cash Ledger	: HDFC Bank	
Payroll Ledger	:	

Figure 5.10 Employee Filters subscreen - ESI Process Selection

- Specify **1-6-2009** and **30-6-2009** in the **From** and **To** Date fields respectively
- Specify **30-6-2009** in the **Voucher Date** field (This field is prefilled, if the voucher date is specified during Voucher Entry)
- Select **Primary Cost Category** in the **Employee Category** field
- Select **All Items** in the **Employee/ Group** field

- Select **HDFC Bank** in the **Bank / Cash Ledger** field

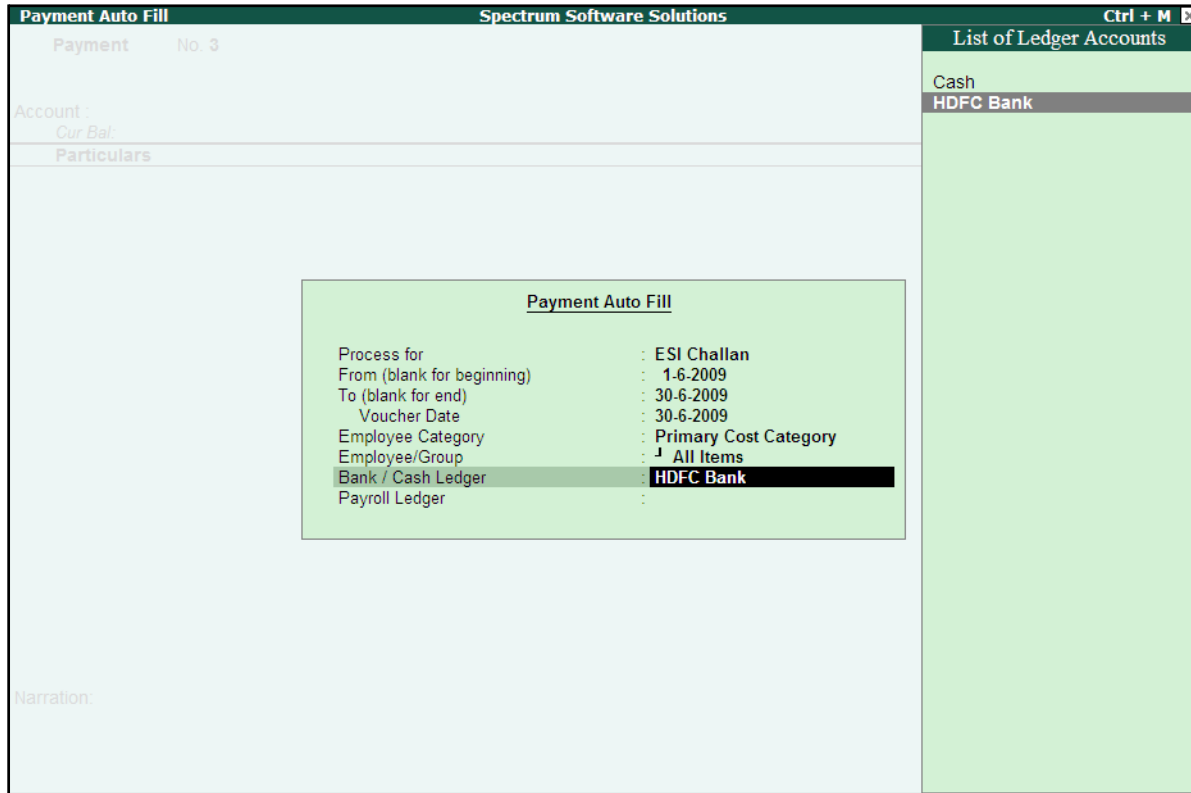


Figure 5.11 Employee Filters Subscreen – Bank Ledger Selection

- Select **ESI Payable** Ledger in the **Payroll Ledger** field

Figure 5.12 Employee Filters Subscreen - Payroll Ledger Selection

5. Press **Enter** to accept and go back to the **Payment Voucher** screen

6. Press **Enter** to prefill the Employer's ESI Contribution amount for the eligible Employees

Accounting Voucher Creation		Spectrum Software Solutions	Ctrl + M
<b>Payment</b>	No. 6		30-Jun-2009 Tuesday
<i>Payroll Auto Fill - (ESI Challan)</i>			
Account : <b>HDFC Bank</b> <i>Cur Bal: 7,61,334.69 Dr</i>			
Particulars			Amount
<b>ESI Payable</b>			<b>600.00</b>
<i>Cur Bal: 0.00 Dr</i>			
<b>Primary Cost Category</b>			
Ajay			
Mahesh			
Rahul			
Rajesh			307.00 Dr
Suresh			293.00 Dr
Vijay Kumar			
Provide Details : <b>No</b>			
Narration:			<u>600.00</u>

Figure 5.13 ESI Payment Voucher with Employer Contributions



7. Press **Enter** again, to prefill the Employee's ESI Contribution amount against the eligible Employees

Accounting Voucher Creation		Spectrum Software Solutions	Ctrl + M
<b>Payment</b>	No. 6		30-Jun-2009 Tuesday
<i>Payroll Auto Fill - (ESI Challan)</i>			
Account : <b>HDFC Bank</b> Cur Bal: 7,61,334.69 Dr			
Particulars	Amount		
<b>ESI Payable</b>	<b>600.00</b>		
Cur Bal: 0.00 Dr			
Primary Cost Category			
Ajay			
Mahesh			
Rahul			
Rajesh	307.00 Dr		
Suresh	293.00 Dr		
Vijay Kumar			
<b>Employee's ESI Contribution @ 1.75%</b>			<b>221.00</b>
Cur Bal: 0.00 Dr			
Primary Cost Category			
Ajay			
Mahesh			
Rahul			
Rajesh	113.00 Dr		
Suresh	108.00 Dr		
Vijay Kumar			
Provide Details	: No		
Narration:			<b>821.00</b>

Figure 5.14 ESI Payment Voucher with both Employee and Employer Contributions

8. Press **Enter** twice

9. Set **Yes** in the **Provide Details** field and press **Enter**

10. In the Provide Details subscreen, specify the **Cheque / DD No., Cheque / DD Date and Bank & Branch Code** Details as shown:

Provide Details	
Cheque/DD No	: 234765
Cheque / DD Date	: 30-Jun-2009
Challan Date	: 30-Jun-2009
Bank & Branch Code	: <b>HDFC &amp; 1002452</b>

Figure 5.15 Complete Provide Details subscreen

11. Press **Enter** to accept

12. Type the details of the transaction in the narration field

The completed **ESI Payment Voucher** for the month of June 2009 is displayed as shown:

Accounting Voucher Creation		Spectrum Software Solutions	Ctrl + M
<b>Payment</b>	No. 6		30-Jun-2009 Tuesday
<i>Payroll Auto Fill - (ESI Challan)</i>			
Account : <b>HDFC Bank</b> <i>Cur Bal: 7,61,334.69 Dr</i>			
Particulars			Amount
<b>ESI Payable</b>			600.00
<i>Cur Bal: 0.00 Dr</i>			
Primary Cost Category			
Ajay			
Mahesh			
Rahul			
	Rajesh	307.00 Dr	
	Suresh	293.00 Dr	
Vijay Kumar			
<b>Employee's ESI Contribution @ 1.75%</b>			221.00
<i>Cur Bal: 0.00 Dr</i>			
Primary Cost Category			
Ajay			
Mahesh			
Rahul			
	Rajesh	113.00 Dr	
	Suresh	108.00 Dr	
Vijay Kumar			
Provide Details : <b>Yes</b>			
Narration:			600.00
Ch. No. : 234765, ESI Contribution for June 2009.			600.00

<b>Accept ?</b> Yes or No
------------------------------

Figure 5.16 Completed ESI Payment Voucher

13. Press **Enter** to accept

**Step 2: Print ESI Payment Challan**

- Press **Pg UP** from the above **Voucher Entry** screen
- Press **Alt + P**, the **Voucher Printing** screen is displayed as shown:

Voucher Printing	
<b>Printer</b> : Printer-02 (Ne03:)	<b>Paper Type</b> : A4
<b>No. of Copies</b> : 1	
<b>Print Language</b> : English	<i>(Printing Dimensions)</i>
<b>Method</b> : Neat Mode	<b>Paper Size</b> : (8.27" x 11.69") or (210 mm x 297 mm)
<b>Page Range</b> : All	<b>Print Area</b> : (7.95" x 11.34") or (202 mm x 288 mm)
Report Titles	
<b>Payment Voucher</b>	
(with Print Preview)	
Print Challan	? Yes
<div style="border: 1px solid black; padding: 5px; display: inline-block;"> <b>Print ?</b>            Yes or No         </div>	

Figure 5.17 ESI Voucher Printing Screen

- In the **Voucher printing** screen, select **Yes** in the **Print Challan** field
- Press **Enter** to Print

The printed **ESI Payment Challan** for the month of June 2009 of **M/s. Spectrum Software Solutions** is as shown:

EMPLOYEES' STATE INSURANCE CORPORATION		Challan Form for Deposit in A/C No.1		Original For Bank
Employer's Code : <b>KA/BN/12345/234234</b>		Date	Month	Year
		30	06	2009
Bank & Branch Code : <b>HDFC &amp; 1002452</b>				
Name & Address of the Factory or Establishment: <b>Spectrum Software Solutions, 14, Mysore Road,, Bangalore</b>				
Mode of Payment [Tick mode used]		Cash <input type="checkbox"/> Cheque <input type="checkbox"/> DD <input type="checkbox"/>		
Cheque/DD No. : 234765		Dated	30	06 2009
Drawn on (Name of the Bank)      HDFC & 1002452		Period of Contribution		
		Month	Year	
		06	2009	
Nature of Payment [Tick]		Regular Contribution <input type="checkbox"/> Interest <input type="checkbox"/> Damages <input type="checkbox"/> Others <input type="checkbox"/>		
No. of Employees                      2		Total Wages		
		Rs.      Ps. <b>12,626.00</b>		
Employees' Contribution		<b>221.00</b>		
Employer's Contribution		<b>600.00</b>		
Interest				
Damages				
Others				
Total		<b>821.00</b>		
Total Amount (in words) <b>Rs. Eight Hundred Twenty One Only.</b>				
R.O. Demand Letter No. & Date				
Date of Presentation	Date of Clearing			
BANK SEAL	BANK SEAL			
(to be filled by Depositor)		(Acknowledgement)		
Received Rs. 821.00 <b>(Rs. Eight Hundred Twenty One Only.)</b>				
In cash/by Cheque/DD No. <u>234765</u> Dated <u>30-Jun-2009</u> (subject to realisation) drawn on HDFC & 1002452 (Bank) in favour of ESIC A/C No.1				
(For Bank Branch Code see on reverse)				
		Signature		
		Name & Designation-Seal of Authorised Signatory For use in Bank		
		Bank Scroll No.		
		Date		
		Authorised signature & seal of the Receiving Bank		
		Note: Please put cross (x) mark in blank boxes		

Figure 5.18 Printed ESI Payment Challan

## Lesson 6: Payment of Professional Tax

On completion of this lesson, you will be able to:

- Process payment of Professional Tax

### 6.1 Processing of Professional Tax Payment

Professional Tax is applicable to those individuals or professionals in India who are involved in any profession or trade. The state government of each state governs and administers the levy and collection of Professional Tax in the respective State. The state is empowered with the responsibility of structuring as well as formulating the professional tax criteria for the respective state. Professional tax is charged on the income of Individuals, profits of business or gains in vocations as per the list II of the Indian Constitution.

In India, Professional Tax slabs vary from state to state and some of the states have formulated different professional tax slabs for men, women and senior citizens. The rates depend upon profession, years in the profession and the amount of income or turnover and so on. In Karnataka, the professional taxes leviable are as follows:

S.No	Salary or wage earners whose salary or wage or both, as the case may be, for a month is,	Tax Amount
(a)	Less than Rs.5000	Rs. 0 Per month
(b)	Not less than Rs. 5,000 but less than Rs.8,000	Rs. 60 Per month
(c)	Not less than Rs.8,000 but less than Rs.10,000	Rs.100 Per month
(d)	Not less than Rs.10,000 but less than Rs.15,000	Rs.150 Per month
(e)	Rs. 15,000 and above	Rs.200 Per month

The creation of **Professional Tax** Pay Head is discussed in detail in the **Creation of Masters** chapter and the procedure to process **Professional Tax Deduction** from Employee Salaries is discussed in detail in **Processing Payroll in Tally.ERP 9** Chapter. In this section, we will discuss the recording of transactions related to payment of Professional Tax.

### Illustration 1:

*On 30th April, 2009 M/s. Spectrum Software Solutions made a payment of Professional Tax for the month of April 2009.*

The same is accounted as shown:

#### Create Payment Voucher

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

1. Press **F5** for **Payment Voucher**
2. Press **F2**, specify the date as **30-04-2009** and press **Enter**
3. Press **Alt+A** (Payroll Auto Fill) to prefill employee payroll details
4. In **Employee Filters** screen,
  - Select **Professional Tax Payment** from the **Process List**
  - Specify **1-4-2009** and **30-4-2009** in the **From** and **To** date fields respectively
  - Specify **30-4-2009** in the **Voucher Date** field (This field is prefilled, if the voucher date is specified during Voucher Entry)
  - Select **Primary Cost Category** in the **Employee Category** field
  - Select **All Items** in the **Employee/ Group** field

- Select **HDFC Bank** in the **Bank / Cash Ledger** field

The screenshot shows the 'Payment Auto Fill' window in Tally. The window title is 'Payment Auto Fill' and 'Spectrum Software Solutions'. The main area contains a form with fields for 'Account', 'Cur Bal.', 'Particulars', and 'Narration'. A 'Payment Auto Fill' dialog box is open in the center, displaying the following details:

Process for	: Professional Tax Payment
From (blank for beginning)	: 1-4-2009
To (blank for end)	: 30-4-2009
Voucher Date	: 30-4-2009
Employee Category	: Primary Cost Category
Employee/Group	: All Items
Bank / Cash Ledger	: <b>HDFC Bank</b>
Payroll Ledger	:

On the right side, the 'List of Ledger Accounts' panel is visible, showing 'Cash' and 'HDFC Bank' as options, with 'HDFC Bank' currently selected.

Figure 6.1 Employee Filters screen - Payment Ledger Selection

- Select **Professional Tax** in the **Payroll Ledger** field

The completed **Employee Filters** screen will be displayed as shown:

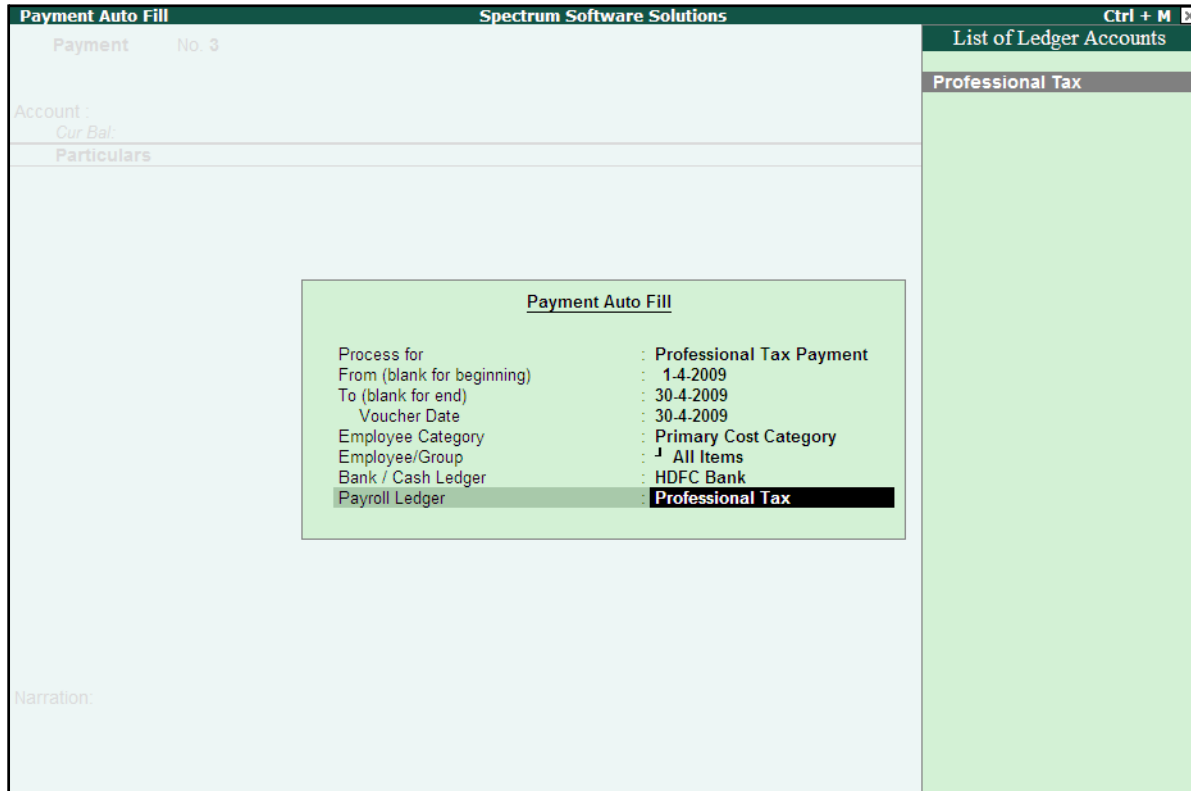


Figure 6.2 Completed Employee Filters screen

- Press **Enter** to accept the screen and go back to the **Payment Voucher** screen
- Press **Enter** to prefill the Professional Tax amount in the Payment Voucher



The completed **Professional Tax** Payment Voucher is displayed as shown:

Accounting Voucher Creation		Spectrum Software Solutions	Ctrl + M
<b>Payment</b>	No. 2		30-Apr-2009 Thursday
<i>Payroll Auto Fill - (Professional Tax Payment)</i>			
Account : <b>HDFC Bank</b> Cur Bal: 9,94,086.00 Dr			
Particulars			Amount
<b>Professional Tax</b>			750.00
Cur Bal: 0.00 Dr			
<b>Primary Cost Category</b>			
Ajay	150.00 Dr		
Mahesh	200.00 Dr		
Rahul	200.00 Dr		
Rajesh			
Suresh			
Vijay Kumar	200.00 Dr		
Provide Details : <b>Yes</b>			
Narration: Ch. No. :245887, PT amount for April 2009.			750.00
			<div style="border: 1px solid black; padding: 5px; display: inline-block;"> <b>Accept ?</b>                      Yes or No                 </div>

Figure 6.3 Completed Professional Tax Payment Voucher

5. Press **Enter** to Accept.

Similarly, process the Professional Tax payments for other months.



- The creation of **Professional Tax** Pay Head is discussed in detail in **Creation of Masters** chapter.
- The procedure to process **Professional Tax Deduction** from Employee Salaries is discussed in detail in the chapter **Processing Payroll in Tally.ERP 9**.

## Lesson 7: Tracking of Salary Advances / Loans

On completion of this lesson, you will be able to:

- Track Salary Advances / Loans and recoveries in Tally.ERP9

Tally.ERP 9 helps you track Salary Advance / loans given to employees and provides the flexibility to specify simple to complex criteria for Recovery of Salary Advances or loans viz., Flat or manual deduction and provision of lumpsum loan recovery and so on. Tally.ERP 9 also allows you to generate a Month wise break-up report for the amount of loan disbursed, recovery of instalments made and balance amount of Loan / Salary advance. Further, you can also use the Interest Calculation feature of Tally.ERP 9 to compute interest on loans to employee etc.

In Tally.ERP 9, tracking of Salary Advances / Loans paid to employees follow the steps given below:

- Creation of Masters
- Modify / Alter Salary Details
- Payment of Salary Advance
- Recovery of Salary Advance

### Creation of Masters

Tally.ERP 9 allows you to create different ledgers for different types of Loans / Salary Advances. Create the following ledger:

Ledger	Pay Head Type	Under
Staff Salary Advance	Loans and Advances	Loans and Advances (Asset)

**I. Create Salary Advance Ledger**

Go to **Gateway of Tally > Payroll Info. > Pay Heads > Create**

1. Type **Staff Salary Advance** in the **Name** field
2. Select **Loans and Advances** in the **Pay Head Type** field
3. Specify the group as **Loans and Advances (Asset)** in the **Under** field and press **Enter**
4. Set **Affect Net Salary** to **Yes**
5. Type **Staff Salary Advance** in **Name to Appear in Salary Slip** field
6. Select **User Defined Value** in the **Calculation Type** field

The completed **Staff Salary Advance** Ledger creation screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions	
Name	: Staff Salary Advance	Total Op. Bal.	
(alias)	:		
<b>Pay Head Info</b>			
Pay Head Type	: Loans and Advances		
Under	: Loans & Advances (Asset) (Current Assets)		
Affect Net Salary	? Yes		
Name to appear in Payslip	: Staff Salary Advance		
Calculation Type	: As User Defined Value		
Opening Balance (on 1-Apr-2009) :		Accept ?	
		Yes or No	

Figure 1.1 Salary Advance Ledger

7. Press **Enter** to accept.



The **Calculation Type** can be taken as **Flat Rate** if you wish to deduct the Loan Amount in Flat installments (EMI's). In this case the Pay Head should be removed from the Pay Structure after the entire amount is recovered from the Employee's salary.

## Modify / Alter Salary Details

In order to deduct installments or for lumpsum recovery of Salary Advance from the monthly salaries of the employees, it is essential to include Salary Advance / Loans ledgers in the Salary Details master of the employees. Follow the steps given to update the Salary Details masters of the Employees:

Go to **Gateway of Tally > Payroll Info. > Salary Details > Alter**

1. Select **Vijay Kumar** from the **List of Groups / Employees** and press **Enter**, the **Salary Details Alteration** screen appears
2. In the **Salary Details Alteration** screen,
3. Tab down to the last line and select **Staff Salary Advance** ledger in the **Pay Head** field
4. Select **End of List** and press **Enter**

The completed **Salary Details** screen is displayed as shown:

Salary Details Alteration		Spectrum Software Solutions			Ctrl + M	
Name : Vijay Kumar (549)						
Under : Administration ( Primary)						
Salary Details						
Effective From	Pay Head	Rate	Per	Pay Head Type	Calculation Type	Computed On
1-Apr-2009	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	
	Professional Tax			Employees' Statutory Deductions	As Computed Value	On Current Earnings Total
	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
	Gratuity Expenses (Provisional)			Gratuity		
	Employer EPS @ 8.33%			Employer's Statutory Contributions	As Computed Value	Basic Pay
	Employer EPF @ 3.67%			Employer's Statutory Contributions	As Computed Value	Employee's PF Contribution @ 12% + Employer EPS @ 8.33%
	Employer ESI @ 4.75%			Employer's Statutory Contributions	As Computed Value	{Basic Pay + House Rent Allowance} + Conveyance} + Overtime Pay
	<b>Staff Salary Advance</b>			Loans and Advances	As User Defined Value	

Figure 1.2 Completed Salary details alteration screen

5. Press **Enter** to accept.

## Payment of Salary Advance

In Tally.ERP 9, you may disburse the **Salary advance / Loans to Employees** using a Payment Voucher as shown:

### Illustration 1:

*On 2nd July, 2009 M/s. Spectrum Software Solutions paid Salary Advance to the following Employees with the mode and amount of recovery.*

Employee Name	Salary Advance (Rs.)	Mode of Recovery	Recovery Amount (Rs.) per month
Rahul	10,000	Monthly Salary	5,000
Rajesh	3,000	Monthly Salary	1,500

The same is accounted as shown:

### i. Create Payment Voucher

#### Setup:

- Press **F12: Configure** and set **Use Single Entry mode for Pymt/Rcpt/Contra** to **No**

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

1. Press **F2** to change the date to **2-07-09**

2. In the **Dr** field, select **Staff Salary Advance** ledger from the list of ledgers

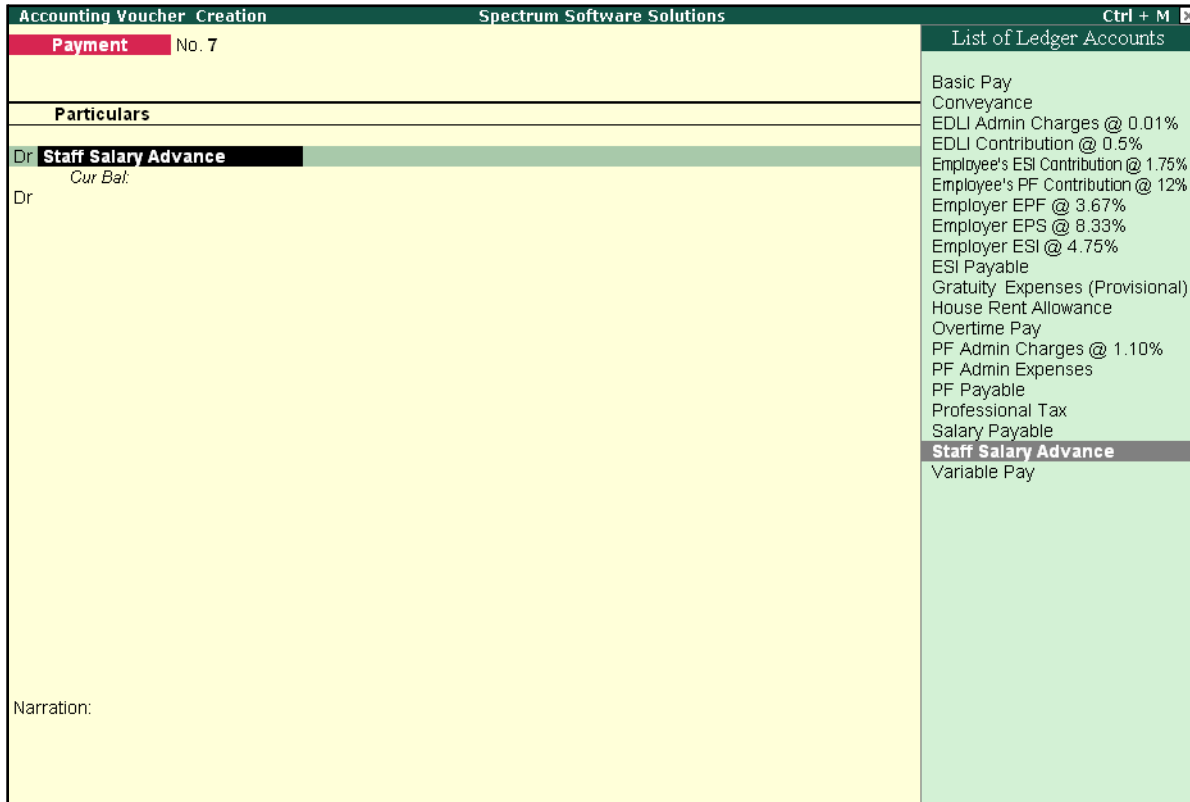


Figure 1.3 Payment Voucher - Salary Advance Ledger selection

3. Specify **13000** in the **Dr Amount** field and press **Enter**, the Cost Allocations for subscreen appears
4. In the **Cost Allocations** for subscreen,
  - Select **Primary Cost category** in the **Employee Category** field
  - Select the required **Employee (Rahul)** from the list of Cost Centres and press **Enter**

The **Cost Centre Allocations** screen is displayed as shown:

Cost Centre Allocations		Spectrum Software Solutions		List of Cost Centres	
Payment	No. 7				
Particulars					
Employee Allocations for : <b>Staff Salary Advance</b> Upto: <b>Rs. 13,000.00 Dr</b>					
<b>Cost Category</b>					
	<b>Name of Employee</b>	<b>Amount</b>			
<b>Primary Cost Category</b>					
	Rahul				
<ul style="list-style-type: none"> <li>Administration</li> <li>Ajay</li> <li>Mahesh</li> <li><b>Rahul</b></li> <li>Rajesh</li> <li>R&amp;D</li> <li>Sales</li> <li>Suresh</li> <li>Vijay Kumar</li> </ul>					

Figure 1.4 Payment Voucher – Cost Centre Allocation screen

- Specify **10000** in the **Amount** field
- Similarly, select other **Employee (Rajesh)** from the **List of Cost Centres** and specify the amount (**i.e., 3,000**)

The Completed **Cost Allocation** for sub-screen is displayed as shown:

Employee Allocations for : <b>Staff Salary Advance</b> Upto: <b>Rs. 13,000.00 Dr</b>		
Cost Category	Name of Employee	Amount
<b>Primary Cost Category</b>		
	Rahul	10,000.00
	Rajesh	3,000.00
		<u>13,000.00</u>

Figure 1.5 Cost Centre Allocation – Sub-screen

- Press **Enter** to accept and go back to the **Payment Voucher**
- 5. Select **HDFC Bank** in the **Cr** field and press **Enter**
- 6. Press **Enter** to accept the **Amount**
- 7. Type the details of the transaction in the narration field



The completed **Payment Voucher** for Salary Advance is displayed as shown:

Accounting Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Payment</b> No. 7				2-Jul-2009 Thursday
Particulars		Debit	Credit	
Dr <b>Staff Salary Advance</b>		13,000.00		
<i>Cur Bal: 13,000.00 Dr</i>				
<b>Primary Cost Category</b>				
Rahul	10,000.00 Dr			
Rajesh	3,000.00 Dr			
Cr <b>HDFC Bank</b>			13,000.00	
<i>Cur Bal: 7,46,913.69 Dr</i>				
Narration:		13,000.00	13,000.00	
Ch. No. :245999, salary advance given to Rahul and Cheque No-246000 to Rajesh.				Accept ? Yes or No

Figure 1.6 Completed Payment Voucher

8. Press **Enter** to accept.

### Recovery of Salary Advance

In Tally.ERP 9, you may deduct or recover Salary Advance / Loans from Employees in Installments by defining the criteria for deduction while creating the Salary Advance Pay Head; i.e., Flat rate or manual deduction by specifying a user-definable amount. To recover salary advance / loan, follow the steps given below:

Process the Attendance Vouchers for the month of July 2009 in the manner discussed in earlier chapters, based on the following details:

#### Attendance records for July 2009:

Attendance/ Production Types	Vijay Kumar	Rahul	Mahesh	Ajay	Suresh	Rajesh
Present Days	26	24	22	25	21	20

**ii. Create Payroll Voucher**

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

- Press **Ctrl+F4** for **Payroll Voucher**
- Press **F2**, specify the date as **31-7-2009** and press **Enter**
- Press **Alt+A** (Payroll Auto Fill) to prefill employee payroll details
  - In the **Employee Filters** screen,
  - Select **Salary** in the **Process for** field
  - Specify **1-7-2009** in the **From** field
  - Specify **31-7-2009** in the **To** field
  - Select **All Items** as **Employee/Group**
  - Select **Salary Payable** in the **Payroll Ledger** field
- Press **Enter** to accept the screen and go back to Payroll Voucher

The **Payroll Voucher Creation** screen is displayed as shown:

- Tab down to **Staff Salary Advance ledger** field of **Rahul** and specify **5000** as the amount to be deducted

Payroll Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Payroll</b> No. 8				31-Jul-2009 Friday
<i>Payroll Auto Fill - (Salary)</i>				
Account : <b>Salary Payable</b> Cur Bal: 0.00 Cr				
Particulars				Amount
↑ ... 9 more				
Employee's ESI Contribution @ 1.25%		Cr	Cur Bal: 0.00 Cr	
Staff Salary Advance		Cr	Cur Bal:	
<b>Mahesh</b>				<u>53,328.00 Dr</u>
Basic Pay	38,077.00	Dr	Cur Bal: 1,43,654.00 Dr	
House Rent Allowance	15,231.00	Dr	Cur Bal: 57,462.00 Dr	
Conveyance	1,000.00	Dr	Cur Bal: 4,000.00 Dr	
Overtime Pay		Dr	Cur Bal: 0.00 Dr	
Variable Pay		Dr	Cur Bal: 1,000.00 Dr	
Professional Tax	200.00	Cr	Cur Bal: 800.00 Cr	
Employee's PF Contribution @ 12%	780.00	Cr	Cur Bal: 780.00 Cr	
Employee's ESI Contribution @ 1.25%		Cr	Cur Bal: 0.00 Cr	
Staff Salary Advance		Cr	Cur Bal:	
<b>Rahul</b>				<u>24,867.00 Dr</u>
Basic Pay	18,462.00	Dr	Cur Bal: 66,924.00 Dr	
House Rent Allowance	7,385.00	Dr	Cur Bal: 26,770.00 Dr	
Conveyance		Dr	Cur Bal: 0.00 Dr	
Overtime Pay		Dr	Cur Bal: 0.00 Dr	
Variable Pay		Dr	Cur Bal:	
Professional Tax	200.00	Cr	Cur Bal: 800.00 Cr	
Employee's PF Contribution @ 12%	780.00	Cr	Cur Bal: 780.00 Cr	
Employee's ESI Contribution @ 1.25%		Cr	Cur Bal: 0.00 Cr	
<b>Staff Salary Advance</b>	<b>5000</b>	Cr	Cur Bal: 10,000.00 Dr	
Narration:				<u>1,15,320.00 Dr</u>
Pay Period : 1-Jul-2009 to 31-Jul-2009				

Figure 1.7 Payroll Voucher - Salary Advance Recovery Entry

- Similarly, tab down to **Staff Salary Advance ledger** field of **Rajesh** and specify **1500** as the amount to be deducted

- Similarly, enter the **1500** in **Staff Salary Advance** for **Rajesh**

The completed **Payroll Voucher** for July 2009 is displayed as shown:

Payroll Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Payroll</b> No. 8				31-Jul-2009 Friday
<i>Payroll Auto Fill - (Salary)</i>				
Account : <b>Salary Payable</b> Cur Bal: 0.00 Cr				
Particulars				Amount
↑ ... 40 more				
<b>Staff Salary Advance</b>	1,500.00	Cr	Cur Bal: 1,500.00	Dr
<b>Suresh</b>				<u>5,093.00</u> Dr
Basic Pay	3,635.00	Dr	Cur Bal: 7,616.00	Dr
House Rent Allowance	1,454.00	Dr	Cur Bal: 3,046.00	Dr
Conveyance	600.00	Dr	Cur Bal: 1,200.00	Dr
Overtime Pay		Dr	Cur Bal: 0.00	Dr
Variable Pay		Dr	Cur Bal:	
Professional Tax	60.00	Cr	Cur Bal: 120.00	Cr
Employee's PF Contribution @ 12%	436.00	Cr	Cur Bal: 436.00	Cr
Employee's ESI Contribution @ 1.25%	100.00	Cr	Cur Bal: 100.00	Cr
Staff Salary Advance		Cr	Cur Bal:	<u>13,870.00</u> Dr
<b>Vijay Kumar</b>				
Basic Pay	10,000.00	Dr	Cur Bal: 39,615.00	Dr
House Rent Allowance	4,000.00	Dr	Cur Bal: 15,846.00	Dr
Conveyance	800.00	Dr	Cur Bal: 3,200.00	Dr
Overtime Pay		Dr	Cur Bal: 935.00	Dr
Variable Pay		Dr	Cur Bal: 2,000.00	Dr
Professional Tax	150.00	Cr	Cur Bal: 650.00	Cr
Employee's PF Contribution @ 12%	780.00	Cr	Cur Bal: 780.00	Cr
Employee's ESI Contribution @ 1.25%		Cr	Cur Bal: 0.00	Cr
Staff Salary Advance		Cr	Cur Bal:	
Narration: Pay Period : 1-Jul-2009 to 31-Jul-2009				1,00,000.00 Dr
				Accept ? Yes or No

Figure 1.8 Completed Payroll Voucher

- Press **Enter** to accept.



*If there are multiple Loans given to the Employees and if you wish to keep a track of recovered loan amount against the Loan given, then you need to pass a separate payroll voucher in 'As Voucher' format, as the bill-wise details screen won't appear in the 'As Pay Slip' format.*

## Lesson 8: Accounting for Pay Revision & Arrears

On completion of this lesson, you will be able to:

- Record Pay Revisions and Arrears in Tally.ERP 9

Tally.ERP 9 provides a facility to process Arrears / Increments for a current Period as well as for a prior period. It allows you to compute Arrears for a retrospective period, by defining the effective date of such revisions or increments. Consider the following scenarios to understand the steps involved in processing Salary revisions / Arrears calculation in Tally.ERP 9.

- Salary Revision / Arrear Calculation for Prior Period
- Salary Revision / Arrear Calculation for Current Period

### Salary Revision / Arrear Calculation for Prior Period

Tally.ERP 9 allows you to record Arrear calculation voucher for all the eligible months separately or together with the current month payroll voucher. For instance, in the below Illustration, for the months from May 2009 to July 2009, the Payroll vouchers have been already processed and only the arrear calculation needs to be entered. In such cases, the Arrear calculation vouchers can be passed on the last day of each applicable month separately or a single voucher can be passed i.e., arrear calculation voucher for all preceding months (from May 2009 to July 2009) plus current month salaries, by defining the complete pay period i.e., 01-05-2009 to 31-08-2009.

#### Illustration 1:

*On 5th August, 2009 M/s. Spectrum Software Solutions revised the Salaries for the following Employees. Such a revision is effective from 1st May 2009.*

The revised Salary structure is as follows:

Employee / Pay Components	Basic	HRA	Conveyance	Variable Pay
Mahesh	50000	40%	2000	User-defined

Before processing the Payroll voucher for Salary revisions, it is essential to update the Salary Details of the Employee, so as to take into consideration the declared Salary Revision / arrear payment for/from the relevant period.

**Step 1: Modify / Alter Salary Details**

Go to **Gateway of Tally > Payroll Info. > Salary Details > Alter**

- Select **Mahesh** from the **List of Groups / Employees**
- Tab down to **End of List**, by pressing **Enter**
- Specify **01-05-2009** in the **Effective From** field and press **Enter**
- Select **Copy From Previous Value** from the **Start Type** drop down list

Effective From	Pay Head	Rate	Per	Pay Head Type	Calculation Type	Computed On
1-Apr-2009	Basic Pay	45,000.00	Months	Earnings for Employees	On Attendance	Basic Pay
	House Rent Allowance			Earnings for Employees	As Computed Value	
	Conveyance	1,000.00	Months	Earnings for Employees	Flat Rate	
	Overtime Pay			Earnings for Employees	On Production	
	Variable Pay			Earnings for Employees	As User Defined Value	
	Professional Tax			Employees' Statutory Deductions	As Computed Value	On Current Earnings Total
	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
	Gratuity Expenses (Provisional)			Gratuity		
	Employer EPS @ 8.33%			Employer's Statutory Contributions	As Computed Value	Basic Pay
	Employer EPF @ 3.67%			Employer's Statutory Contributions	As Computed Value	Employee's PF Contribution @ 12% + Employer EPS @ 8.33%
	Employer ESI @ 4.75%			Employer's Statutory Contributions	As Computed Value	(Basic Pay + House Rent Allowance) + Conveyance + Overtime Pay
	Staff Salary Advance				As User Defined Value	
	1-May-2009	<b>Copy From Previous Value</b>				

Figure 8.1 Salary Details Alteration Screen

**Start Type Options:**



**Copy From Parent Value:** This option is selected, when the pay structure details of the Parent group (to which Employee Group, the employee is grouped under or falls) is required to be prefilled in the Salary details master.

**Copy From Previous Value** - This option is selected, when the pay structure details of the Employee for a preceeding period is required to be prefilled for a future period, in the Salary details master.

**Start Afresh:** This option is selected, when the pay structure details of the Employee has to be created newly.

- Press **Enter** to prefill the pay structure (comprising of Earning & Deduction Pay Heads) of the preceeding period for the specified period
- Press **Enter** on **Basic Pay** Pay Head and alter the amount to **50000**
- Tab down to **Conveyance** Pay Head and alter the amount to **2000**
- Press **Enter** to go to the **End of List**

The completed **Salary Details** screen is displayed as shown:

Salary Details Alteration		Spectrum Software Solutions			Ctrl + M	
Name : Mahesh (550)						
Under : Sales ( Primary)						
Salary Details						
Effective From	Pay Head	Rate	Per	Pay Head Type	Calculation Type	Computed On
1-May-2009	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
	Gratuity Expenses (Provisional)			Gratuity		Overtime Pay
	Employer EPS @ 8.33%			Employer's Statutory Contributions	As Computed Value	Basic Pay
	Employer EPF @ 3.67%			Employer's Statutory Contributions	As Computed Value	Employee's PF Contribution @ 12% - Employer EPS @ 8.33%
	Employer ESI @ 4.75%			Employer's Statutory Contributions	As Computed Value	{Basic Pay + House Rent Allowance} + Conveyance
	Staff Salary Advance			Loans and Advances	As User Defined Value	Overtime Pay
	Copy From Previous Value					
	Basic Pay	50,000.00	Months	Earnings for Employees	On Attendance	
	House Rent Allowance			Earnings for Employees	As Computed Value	Basic Pay
	Conveyance	2,000.00	Months	Earnings for Employees	Flat Rate	
	Overtime Pay			Earnings for Employees	On Production	
	Variable Pay			Earnings for Employees	As User Defined Value	
	Professional Tax			Employees' Statutory Deductions	As Computed Value	On Current Earnings Total
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	
Gratuity Expenses (Provisional)			Gratuity		Overtime Pay	
Employer EPS @ 8.33%			Employer's Statutory Contributions	As Computed Value	Basic Pay	
Employer EPF @ 3.67%			Employer's Statutory Contributions	As Computed Value	Employee's PF Contribution @ 12% - Employer EPS @ 8.33%	
Employer ESI @ 4.75%			Employer's Statutory Contributions	As Computed Value	{Basic Pay + House Rent Allowance}	
Staff Salary Advance			Loans and Advances	As User Defined Value		

Figure 8.2 Completed Salary revision screen

- Press **Enter** to accept

## Step 2: Arrear Calculation Voucher

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

- Press **Ctrl+F4** for **Payroll Voucher**
- Press **Alt+A** (Payroll Auto Fill) to prefill employee payroll details
- In the **Payroll Auto Fill** subscreen
  - Select **Salary** in the **Process for** field
  - Specify **1-5-2009** and **31-7-2009** in the **From** and **To** fields respectively
  - Select **Mahesh** as **Employee/Group**
  - Select **Salary Payable** in the **Payroll Ledger** field

The completed Auto Fill subscreen is displayed as shown:

<u>Payroll Auto Fill</u>	
Process for	: Salary
From (blank for beginning)	: 1-5-2009
To (blank for end)	: 31-7-2009
Employee Category	: Primary Cost Category
Employee/Group	: Mahesh
Payroll Ledger	: <b>Salary Payable_</b>

Figure 8.3 Payroll Auto Fill subscreen

- Press **Enter** to automatically prefill the salary arrear amounts for the selected period

The completed Payroll Voucher for **Arrear calculation** is displayed as shown:

Payroll Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Payroll</b>	No. 11			31-Jul-2009 Friday
Account : <b>Salary Payable</b>		Payroll Auto Fill - (Salary)		
Cur Bal: 0.00 Cr				
Particulars				Amount
<b>Primary Cost Category</b>				<u>21,309.00 Dr</u>
<b>Mahesh</b>				<u>21,309.00 Dr</u>
Basic Pay	13,078.00 Dr	Cur Bal: 1,56,732.00 Dr		
House Rent Allowance	5,231.00 Dr	Cur Bal: 62,693.00 Dr		
Conveyance	3,000.00 Dr	Cur Bal: 7,000.00 Dr		
Overtime Pay	Dr	Cur Bal: 0.00 Dr		
Variable Pay	Dr	Cur Bal: 1,000.00 Dr		
Professional Tax	Cr	Cur Bal: 0.00 Cr		
Employee's PF Contribution @ 12%	Cr	Cur Bal: 0.00 Cr		
Employee's ESI Contribution @ 1.25%	Cr	Cur Bal: 0.00 Cr		
Staff Salary Advance	Cr	Cur Bal:		
Narration:				21,309.00 Dr
Arrears Paid for Pay Period : 1-May-2009 to 31-Jul-2009				
				<b>Accept ?</b>
				Yes or No

Figure 8.4 Payroll Voucher – Arrear calculation

- Press **Enter** to Accept

### Step 3: Payment of Arrears

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

- Press **F5** for **Payment** Voucher
- Press **F2**, specify the date as **05-08-2009** and press **Enter**
- Press **Alt+A** (Payroll Auto Fill) to prefill payroll payment details
- In the **Payroll Auto Fill** subscreen,
  - Select **Salary Payment** in the **Process** for field
  - Specify **1-5-2009** and **31-7-2009** in the **From** and **To** fields respectively
  - Specify **05-08-2009** as **Voucher Date**
  - Select **Primary Cost Category** under **Employee Category**
  - Select **Mahesh** in **Employee/Group** field
  - Select **HDFC Bank** in the **Bank / Cash Ledger**
  - Select **Salary Payable** in the **Payroll Ledger** field
  - Press **Enter** to accept the screen
- Press **Enter** to prefill the salary arrears amount for the selected period



The completed **Salary Arrears** Payment voucher of Mahesh for the period from May 2009 to July 2009 is displayed as shown:

Accounting Voucher Creation		Spectrum Software Solutions	Ctrl + M
<b>Payment</b> No. 15			31-Jul-2009 Friday
Account : <b>HDFC Bank</b> Cur Bal: 6,04,338.98 Dr			
Particulars			Amount
<b>Salary Payable</b>			21,309.00
Cur Bal: 0.00 Dr			
Primary Cost Category			
Mahesh 21,309.00 Dr			
Narration:			
Ch. No. :234765, Salary Arrear Payment for Mahesh.			21,309.00
			<b>Accept ?</b>
			Yes or No

Figure 8.5 Salary Arrears Payment Voucher

- Press **Enter** to Accept.



*The Salary Arrears / Increments may result in increase in Earning Pay components which in turn may result in an increase in the tax liability i.e., an increase in Basic Pay will result in an increase in HRA and such additional income will be liable to Income Tax or Payroll taxes viz., PF, ESI and PT. The procedure to make payments of PF, ESI or PT has been discussed in the previous chapters.*

## Salary Revision / Arrear Calculation for current Period

### Illustration 2:

*On 15th August 2009, M/s. Spectrum Software Solutions revised the Salaries for the following Employees. Such revision is effective from the current month i.e., August 2009.*

The revised Salary structure is as follows:

Employee / Pay Components	Basic	HRA	Conveyance	Variable Pay
Ajay	11000	30%	2000	User-defined

The Attendance records for August 2009 is as follows:

Attendance/ Production Types	Vijay Kumar	Rahul	Mahesh	Ajay	Suresh	Rajesh
Present Days	26	22	25	26	26	26

Before processing the Payroll voucher for Salary revisions, it is essential to update the Salary Details of the Employee to take effect the declared Salary Revision / arrear payment for/from the relevant period.

### Step 1: Modify / Alter Salary Details

Go to **Gateway of Tally > Payroll Info. > Salary Details > Alter**

- Select **Ajay** from the **List of Groups / Employees**
- Tab down to **End of List**, by pressing **Enter**
- Specify **01-08-2009** in the **Effective From** field and press **Enter**
- Select **Copy From Previous Value** from the **Start Type** drop down list

The Salary Details Alteration screen is displayed as shown:

Salary Details Alteration						
Spectrum Software Solutions						
Name : Ajay (551)						
Under : Sales ( <sup>1</sup> Primary)						
Salary Details						
Effective From	Pay Head	Rate	Per	Pay Head Type	Calculation Type	Computed On
1-Apr-2009	Basic Pay	10,000.00	Months	Earnings for Employees	On Attendance	Basic Pay
	House Rent Allowance	20.00	%	Earnings for Employees	As Computed Value	
	Conveyance	2,000.00	Months	Earnings for Employees	Flat Rate	
	Overtime Pay	100.00	Hrs	Earnings for Employees	On Production	
	Variable Pay			Earnings for Employees	As User Defined Value	
	Professional Tax			Employees' Statutory Deductions	As Computed Value	
	Employee's PF Contribution @ 12%			Employees' Statutory Deductions	As Computed Value	
	Employee's ESI Contribution @ 1.75%			Employees' Statutory Deductions	As Computed Value	
	Gratuity Expenses (Provisional)			Gratuity		
	Employer EPS @ 8.33%			Employer's Statutory Contributions	As Computed Value	
	Employer EPF @ 3.67%			Employer's Statutory Contributions	As Computed Value	
	Employer ESI @ 4.75%			Employer's Statutory Contributions	As Computed Value	
	Staff Salary Advance				As User Defined Value	
	1-Aug-2009	Copy From Previous Value				

Figure 8.6 Salary Details Alteration screen

**StartType Options**



- Copy From Parent Value:** This option is selected, when the pay structure details of the Parent group (to which Employee Group, the employee is grouped under or falls) is required to be prefilled in the Salary details master.
  - Copy From Previous Value** - This option is selected, when the pay structure details of the Employee for a preceeding period is required to be prefilled for a future period, in the Salary details master.
  - Start Afresh:** This option is selected, when the pay structure details of the Employee has to be created newly.
- 
- Press **Enter** to prefill the pay structure (comprising of Earning & Deduction Pay Heads) of the preceeding period for the specified period
  - Press **Enter** on **Basic Pay** Pay Head and alter the amount to **11000**
  - Press **Enter** on **HRA** Pay Head and alter the percentage to **30%** (To alter the percentage, ensure in **F12: Configure, Allow to Override Slab Percentage** is set to **Yes**)
  - Tab down to **Conveyance** Pay Head and alter the amount to **2000**

- Press **Enter** to go to the **End of List**

The completed **Salary Details** screen is displayed as shown:

Salary Details Alteration							Spectrum Software Solutions		Ctrl + M	
Name : Ajay (551)										
Under : Sales ( Primary)										
Salary Details										
Effective From	Pay Head	Rate	Per	Pay Head Type	Calculation Type	Computed On				
1-Aug-2009	House Rent Allowance	20.00	%	Earnings for Employees	As Computed Value	Basic Pay				
	Conveyance	2,000.00	Months	Earnings for Employees	Flat Rate	Basic Pay				
	Overtime Pay	100.00	Hrs	Earnings for Employees	On Production	Basic Pay				
	Variable Pay			Earnings for Employees	As User Defined Value	Basic Pay				
	Professional Tax			Employees' Statutory Deductions	As Computed Value	On Current Earnings Total				
	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				
	Gratuity Expenses (Provisional)			Gratuity	As Computed Value	Basic Pay				
	Employer EPS @ 8.33%			Employer's Statutory Contributions	As Computed Value	Employee's PF Contribution @ 12% - Employer EPS @ 8.33%				
	Employer EPF @ 3.67%			Employer's Statutory Contributions	As Computed Value	[(Basic Pay + House Rent Allowance) + Conveyance] + Overtime Pay				
	Employer ESI @ 4.75%			Employer's Statutory Contributions	As Computed Value	Basic Pay				
	Staff Salary Advance			Loans and Advances	As User Defined Value	Basic Pay				
	Copy From Previous Value					Basic Pay				
	Basic Pay		11,000.00	Months	Earnings for Employees	On Attendance	Basic Pay			
	House Rent Allowance		30.00	%	Earnings for Employees	As Computed Value	Basic Pay			
	Conveyance		2,000.00	Months	Earnings for Employees	Flat Rate	Basic Pay			
	Overtime Pay		100.00	Hrs	Earnings for Employees	On Production	Basic Pay			
Variable Pay				Earnings for Employees	As User Defined Value	Basic Pay				
Professional Tax				Employees' Statutory Deductions	As Computed Value	On Current Earnings Total				
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				
Gratuity Expenses (Provisional)				Gratuity	As Computed Value	Basic Pay				
Employer EPS @ 8.33%				Employer's Statutory Contributions	As Computed Value	Employee's PF Contribution @ 12% - Employer EPS @ 8.33%				
Employer EPF @ 3.67%				Employer's Statutory Contributions	As Computed Value	[(Basic Pay + House Rent Allowance) + Conveyance] + Overtime Pay				
Employer ESI @ 4.75%				Employer's Statutory Contributions	As Computed Value	Basic Pay				
Staff Salary Advance				Loans and Advances	As User Defined Value	Basic Pay				

Figure 8.7 Completed Salary Alteration screen

- Press **Enter** to Accept

### Step 2: Record Attendance

Record **Attendance** voucher in the manner as explained in previous chapters.

The completed Attendance Voucher for August 2009 is displayed as shown:

Attendance Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Attendance</b> No. 8				31-Aug-2009 Monday
Employee Name	Attendance/Production Type	Value	Unit	
Ajay	Present	Cur Bal: 111 Days	26 Days	
Mahesh	Present	Cur Bal: 108 Days	25 Days	
Rahul	Present	Cur Bal: 109 Days	22 Days	
Rajesh	Present	Cur Bal: 67 Days	26 Days	
Suresh	Present	Cur Bal: 70 Days	26 Days	
Vijay Kumar	Present	Cur Bal: 129 Days	26 Days	
Narration: Attendance for the month of August 2009.				Accept ? Yes or No

Figure 8.8 Completed Attendance Voucher

### Step 3: Process Payroll Voucher

Effective August 2009, the revised salary for Ajay will be computed automatically, while processing Payroll voucher for the month of August along with the other employees or you may also choose to process Ajay’s Payroll voucher separately, if required.

#### Go to Gateway of Tally > Payroll Vouchers

- Press **Ctrl+F4** for **Payroll Voucher**
- Press **Alt+A** (Payroll Auto Fill) to prefill employee payroll details
- In the **Payroll Auto Fill** subscreen
  - Select **Salary** in the **Process for** field
  - Specify **1-8-2009** and **31-8-2009** in the **From** and **To** fields respectively
  - Select **Ajay** in the **Employee/Group** field
  - Select **Salary Payable** in the **Payroll Ledger** field
  - Press **Enter** to accept the screen
- Press **Enter** to prefill the salary amount (inclusive of increment amount) for the current period



The completed **Payroll Voucher** for August 2009 is displayed as shown:

Payroll Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Payroll</b>	No. 12			31-Aug-2009 Monday
Account : <b>Salary Payable</b>		Payroll Auto Fill - (Salary)		
Cur Bal: 0.00 Cr				
Particulars				Amount
↑ ... 1 more				
<b>Ajay</b>				<b>15,320.00 Dr.</b>
Basic Pay	11,000.00	Dr	Cur Bal: 43,692.00 Dr	
House Rent Allowance	3,300.00	Dr	Cur Bal: 9,838.00 Dr	
Conveyance	2,000.00	Dr	Cur Bal: 10,000.00 Dr	
Overtime Pay		Dr	Cur Bal: 2,400.00 Dr	
Variable Pay		Dr	Cur Bal: 1,200.00 Dr	
Professional Tax	200.00	Cr	Cur Bal: 200.00 Cr	
Employee's PF Contribution @ 12%	780.00	Cr	Cur Bal: 780.00 Cr	
Employee's ESI Contribution @ 1.25%		Cr	Cur Bal: 0.00 Cr	
Staff Salary Advance		Cr	Cur Bal:	
				<u>68,328.00 Dr</u>
<b>Mahesh</b>				
Basic Pay	48,077.00	Dr	Cur Bal: 2,04,809.00 Dr	
House Rent Allowance	19,231.00	Dr	Cur Bal: 81,924.00 Dr	
Conveyance	2,000.00	Dr	Cur Bal: 9,000.00 Dr	
Overtime Pay		Dr	Cur Bal: 0.00 Dr	
Variable Pay		Dr	Cur Bal: 1,000.00 Dr	
Professional Tax	200.00	Cr	Cur Bal: 200.00 Cr	
Employee's PF Contribution @ 12%	780.00	Cr	Cur Bal: 780.00 Cr	
Employee's ESI Contribution @ 1.25%		Cr	Cur Bal: 0.00 Cr	
Staff Salary Advance		Cr	Cur Bal:	
				<u>22,712.00 Dr</u>
<b>Rahul</b>				
Basic Pay	16,923.00	Dr	Cur Bal: 83,847.00 Dr	
				<u>1,33,412.00 Dr</u>
Narration:				
Pay Period : 1-Aug-2009 to 31-Aug-2009				
				39 more ... ↓

Figure 8.9 Completed Payroll Voucher

You may process Employer and Employee's contribution to Provident Fund and Employee's State Insurance and payment of Profession Tax in the manner as discussed in the earlier chapters.

## Lesson 9: Processing Payroll for Contract Employees

On completion of this lesson, you will be able to:

- Process Salaries for Contract Employees

Tally.ERP 9 provides a simplified process for tracking and processing salaries for casual and contract workers and helps in the generation of contract related reports. Tally.ERP 9 allows you to process salaries for contractual employees for their services rendered during the agreed tenure. You may compute salaries on hourly or production basis as agreed upon, by defining the required criteria for the Pay components.

In this Chapter, we will discuss the recording of transactions related to computation of salaries for Contractual employees.

### Illustration 1:

*On 5th August 2009, M/s. Spectrum Software Solutions hired two persons on contract.*

*The list of employees along with the contract details is as follows:*

S. No.	Name of Employee	Department / Group	Tenure	Start Date	End Date
1	James	Contract Employees	6 Months	5 Aug 09	5 Feb 10
2	Vineet	Contract Employees	9 Months	5 Aug 09	5 May 10

**The Salary details for the above contract employees is as shown:**

Employee / Pay Heads	Basic Wages	Overtime	Local Conveyance
James	2000	50 / hr	On Actuals
Vineet	2500	50 / hr	On Actuals

The same is accounted for as shown:

In Tally.ERP 9, execute the following steps to process Salaries for Contract Employees:

- Create Employee Masters
- Create Pay Heads
- Record Attendance details
- Create Salary Details
- Process Payroll

## Create Employee Masters

As discussed in the earlier chapters, you need to create the following Employee Masters to:

1. Employee Group
2. Employees

### I. Create Employee Group Master

Create a new Group **Contract Employees** by executing the following steps:

Go to **Gateway of Tally > Payroll Info. > Employee Groups > Create**

- Select **Primary Cost Category** from the **List of Categories** in the **Category** field
- Type **Contract Employees** in the **Name** field
- Select **Primary** in the **Under** field and press **Enter**

The completed **Employee Group Creation** screen is displayed as shown:

The screenshot shows the 'Employee Group Creation' window with the following data:

Category	: Primary Cost Category
Name (alias)	: Contract Employees
Under	: Primary

An 'Accept?' dialog box is visible in the bottom right corner, with 'Yes or No' options.

Figure 9.1 Completed Employee Group Creation

- Press **Enter** to **Accept**



## II. Create Employee Master

Go to **Gateway of Tally > Payroll Info. > Employees > Create**

- Select **Primary Cost Category** from the **List of Categories** in the **Category** field
- Type the Name of the Employee in the **Name** field
- Select **Contract Employees** in the **Under** field
- Type the Date of Joining as **05-08-2009**
- Enter the other Employee Information.

The completed **Employee Creation** screen is displayed as shown:

Employee Creation		Spectrum Software Solutions		Ctrl + M	
Category	: Primary Cost Category				
Name	: James				
(alias)	:				
Under	: Contract Employees				
	(J Primary)				
Date of Joining	: 5-Aug-2009				
<b>General Info</b>		<b>Payment Details</b>		<b>Passport &amp; Visa Details</b>	
Employee Number	: 555	Bank Name	: HDFC Bank	Passport Number	:
Designation	: Executive	Branch	: Koramangala	Country of Issue	:
Function	: Sales	Bank A/c Number	: 001453524377	Passport Expiry Date	:
Location	: Bangalore	<b>Statutory Details</b>		Visa Number	:
Gender	: Male	Income Tax Number (PAN)	: APD2435U5	Visa Expiry Date	:
Date of Birth	: 4 Jun-1978	EPS Account Number	:	<b>Contract Details</b>	
Blood Group	: A Positive	PF Account Number	:	Work Permit Number	:
Father / Mother Name	: Mr. Anderson	PF Date of Joining	:	Contract Start Date	: 5-Aug-2009
Spouse Name	:	ESI Number	:	Contract Expiry Date	: 5-Feb-20
Address	:	ESI Dispensary Name	:		
Contact Numbers	:				<b>Accept ?</b>
E-Mail ID	: james@spectrum.com				<b>Yes or No</b>

Figure 9.2 Employee Creation screen

Similarly, create other Employee Masters i.e., **Vineet**.

## Create Pay Heads

Create the following Pay Heads:

Pay Head	Pay Head Type	Under	Affect Net Salary	Calculation Type	Calculation Period
Basic Wages	Earnings for Employees	Indirect Expenses	Yes	on Attendance	Months
Overtime	Earnings for Employees	Indirect Expenses	Yes	on Production	Months
Local Con-veyance	Reimbursements to Employees	Indirect Expenses	Yes	As User Defined Value	-

**i. Create Basic Wages Pay Head**

Go to **Gateway of Tally > Payroll Info. > Pay Heads > Create**

The completed **Basic Wages** Pay Head creation screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions		Total Op. Bal.
Name	: Basic Wages			
(alias)	:			
<p style="text-align: center;"><b>Pay Head Info</b></p> Pay Head Type : <b>Earnings for Employees</b> Under : <b>Indirect Expenses</b>  Affect Net Salary ? <b>Yes</b> Name to appear in Payslip : <b>Wages</b> Use for Gratuity ? <b>No</b> Calculation Type : <b>On Attendance</b> Attendance / Leave with Pay : <b>Not Applicable</b> Leave without Pay : <b>Absent</b>  Calculation Period : <b>Months</b> Per Day Calculation Basis : <b>User Defined</b> <b>Months</b> of <b>26</b> <b>Days</b>				
<p style="text-align: center;"><b>Rounding Info</b></p> Rounding Method : <b>Normal Rounding</b> Limit : <b>1</b>				
Opening Balance ( on 1-Apr-2009 ) :				<b>Accept ?</b> <b>Yes or No</b>

Figure 9.3 Pay Head Creation – Basic Wages

- Press **Enter** to **Accept**.

Similarly, create **Overtime Pay Head** with **On Production** as the Attendance Type.

**ii. Create Local Conveyance Pay Head**

The completed **Local Conveyance** Pay Head Creation screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions	
Name	: Local Conveyance	<u>Total Op. Bal.</u>	
(alias)	:		
<b>Pay Head Info</b>			
Pay Head Type	: Reimbursements to Employees		
Under	: Indirect Expenses		
Affect Net Salary	? Yes		
Name to appear in Payslip	: Conveyance		
Calculation Type	: As User Defined Value	<div style="border: 1px solid black; padding: 5px; display: inline-block;"> <b>Accept ?</b>  <span style="color: red;">Yes</span> or <span style="color: red;">No</span> </div>	
Opening Balance ( on 1-Apr-2009 ) :			

Figure 9.4 Pay Head Creation – Local Conveyance

- Press **Enter** to Accept.

**iii. Salary Details setup**

Create the salary details for the above contract employees as discussed in the earlier chapters.

The completed **Salary Details** creation screen for James is displayed as shown.

Effective From	Pay Head	Rate	Per	Pay Head Type	Calculation Type	Computed On
5-Aug-2009	Basic Wages	2,000.00	Months	Earnings for Employees	On Attendance	
	Overtime Pay	50.00	Hrs	Earnings for Employees	On Production	
	Local Conveyance			Reimbursements to Employees	As User Defined Value	

Figure 9.5 Salary Details creation screen

- Press **Enter** to Accept.

Similarly, create the Salary Details for **Vineet**.

### Record Attendance details

The Attendance and Overtime Details for Contract Employees for August 2009 is as shown.

Attendance/Production Type	James	Vineet
Absent	1	2
Overtime	15 Hrs	17 Hrs

#### Step 1: Create Attendance Voucher

Go to **Gateway of Tally > Payroll Vouchers > Press Ctrl+F5 for Attendance Vouchers**

The completed Attendance Voucher for the Contract Employees is displayed as shown:

Attendance Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Attendance</b> No. 9				31-Aug-2009 Monday
Employee Name	Attendance/Production Type		Value	Unit
James	Absent	Cur Bal: 1 Days		1 Days
Vineet	Absent	Cur Bal: 2 Days		2 Days
Narration: Attendance details for contract employees for Aug 2009.				Accept ? Yes or No

Figure 9.6 Completed Attendance Voucher

- Press **Enter** to Accept

**Step 2: Create Production Voucher**

Go to **Gateway of Tally > Payroll Vouchers > Press Ctrl+F5 for Attendance Vouchers**

The **Production Voucher** for Overtime hours is displayed as shown:

Attendance Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Attendance</b> No. 10				31-Aug-2009 Monday
Employee Name	Attendance/Production Type		Value	Unit
James	Overtime	Cur Bal: 15- 0.00 Hrs	15 Hrs	
Vineet	Overtime	Cur Bal: 17- 0.00 Hrs	17 Hrs	
Narration: Overtime details for contract employees for August 2009.				Accept ? Yes or No

Figure 9.7 Completed Production Voucher

- Press **Enter** to Accept.

## Process Payroll

*On 31st August 2009, M/s. Spectrum Software Solutions processed salaries for the contract employees through Cash. The Local Conveyance for August 2009 is as follows:*

Reimbursements Particulars	James	Vineet
Local Conveyance	1250	1225

*The same is accounted as shown:*

### Create Payroll Voucher

Go to **Gateway of Tally > Payroll Vouchers > Press Ctrl+F4 for Payroll Voucher**



The completed **Payroll Voucher** for Contract Employees for the month of August 2009 will appear as shown:

Payroll Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Payroll</b>	No. 15			31-Aug-2009 Monday
Account : Cash				Payroll Auto Fill - (Salary)
Cur Bal: 1,13,660.00 Dr				
Particulars			Amount	
<b>Primary Cost Category</b>			<b>7,613.00 Dr</b>	
<b>James</b>			<b>3,615.00 Dr</b>	
Basic Wages	1,615.00 Dr	Cur Bal: 1,615.00 Dr		
Overtime Pay	750.00 Dr	Cur Bal: 750.00 Dr		
Local Conveyance	1,250.00 Dr	Cur Bal: 1,250.00 Dr		
<b>Vineet</b>			<b>3,998.00 Dr</b>	
Basic Wages	1,923.00 Dr	Cur Bal: 1,923.00 Dr		
Overtime Pay	850.00 Dr	Cur Bal: 850.00 Dr		
Local Conveyance	1,225.00 Dr	Cur Bal: 1,225.00 Dr		
Narration:			<b>7,613.00 Dr</b>	
Pay Period : 1-Aug-2009 to 31-Aug-2009				
				<b>Accept ?</b>
				<b>Yes or No</b>

Figure 9.8 Completed Payroll Voucher

- Press **Enter** to **Accept**.

## Lesson 10: Payroll Reports

Payroll Reports help you ascertain the payroll expenses for a specified month or for year-to-date (YTD) transactions for a particular employee/ group along with the Attendance and Production details. You can also view the statutory forms required for Provident Fund and Employee State Insurance. In Tally.ERP 9, the Payroll reports can be broadly categorized into two viz.,

- Payroll Reports
- Payroll Statutory Reports



## Payroll Reports

In Tally.ERP 9, you can generate the following Payroll related reports.

### Chart showing Payroll Reports in Tally.ERP 9

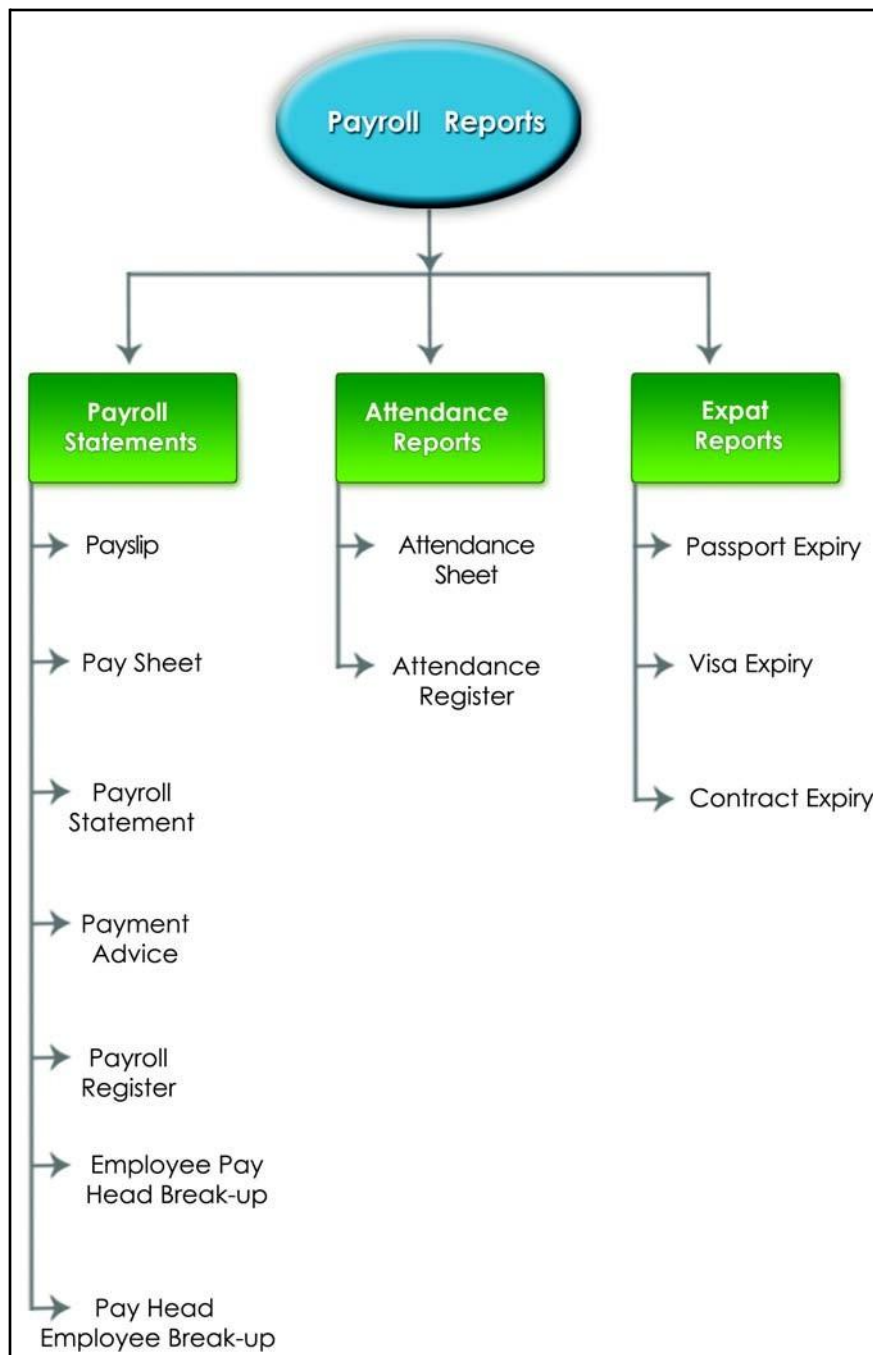


Figure 10.1 Payroll Reports in Tally.ERP 9

We shall discuss each report in detail in the sections as explained below:

### Pay Slip

A Pay Slip refers to a document issued to an employee, which itemises each component of his/her earnings and deductions and the net amount paid for a given pay period. It provides particulars on how the net amount has been arrived at i.e., how much money has been earned and how much tax / deductions have been made.

### Display Pay Slip

Go to **Gateway of Tally > Display > Payroll Reports > Statements of Payroll > Pay Slip > Single Pay Slip**

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

The **Pay Slip** for the selected employee is displayed as shown:

Payslip					
Spectrum Software Solutions					
Payslip for April-2009					
Vijay Kumar					
Employee Number	: 549	Income Tax Number (PAN)	: APD192D4D		
Function	: Administration	PF Account Number	: KA/BN/18184/563		
Designation	: Manager	ESI Number	:		
Location	: Bangalore	Passport Details	: IND/BN/PASS130/005		
Bank Details	: 001254624565, HDFC Bank, Koramangala	Visa Expiry Date	:		
Date of Joining	: 1-Apr-2009				
Attendance Details		Value			
Overtime		15- 0.00 Hrs			
Present		26 Days			
Earnings	Amount	Gross Salary	Deductions	Amount	Gross Salary
Basic	10,000.00	10,000.00	Professional Tax	200.00	200.00
House Rent Allowance	4,000.00	4,000.00	EPF @ 12%	780.00	780.00
Conveyance	800.00	800.00			
Overtime Pay	825.00	825.00			
Variable Pay	1,500.00	1,500.00			
<b>Total Earnings</b>	<b>17,125.00</b>	<b>17,125.00</b>	<b>Total Deductions</b>	<b>980.00</b>	<b>980.00</b>
			<b>Net Amount</b>	<b>16,145.00</b>	<b>16,145.00</b>

Figure 10.2 Pay Slip

In Tally.ERP 9 Payroll, the Pay Slip can be configured to vertically display the details of attendance, in terms of attendance or production, with **Year to Date** Values (YTD).

- Press **F12: Configure** and set the following options to **Yes**

<u>Configuration</u>	
Show Vertical Pay Slip	? No
Show Employee Details	? Yes
Show Passport Details	? Yes
Show Visa Expiry Date	? Yes
Show Joining Date	? Yes
Show Attendance/Production Details	? Yes
Show Attendance/Production Groups	? Yes
Display Production Types in Tail Units	? No
Show Year To Date Values	? <b>Yes</b>
Show Gross Salary	? No
Remove Zero Entries	? No
for Attendance/Production also	? Yes
Appearance of Employee Names	: Name Only
Appearance of Pay Head Names	: Payslip Name

Figure 10.3 Pay Slip F12: Configuration screen



*Some of the options in **F12: Configuration** screen, are by default set to **Yes** viz., **Show Employee Details, Show Attendance/Production Details, Show Attendance/Production Groups, Remove Zero Entries for Attendance/Production also** based on the Payroll Features / Payroll Statutory features enabled during voucher entry.*

The **F12:Configuration** options in Pay Slip are explained as follows:

- **Show Vertical Pay Slip** – Set this option to **Yes** to view / print the Pay Slip in vertical format, i.e. align Deductions pay heads below Earnings pay heads
- **Show Employee Details** – Set this option to **Yes** to display employee information as entered in the employee master
- **Show Passport Details** – Set this option to **Yes** to display an employee's passport details
- **Show Visa Expiry Date** – Set this option to **Yes** to display an employee's visa expiry date
- **Show Joining Date** – Set this option to **Yes** to display the date of joining for Employee
- **Show Attendance/Production Details** – Set this option to **Yes** to display Attendance/Production information
- **Show Attendance/Production Groups** – Set this option to **Yes** to display the grouping of the Attendance/Production data as defined during the creation of **Types**
- **Display Attendance/Production Type in Tail Units** – For compound units used in Attendance/Production Type, set this option to **Yes**, to display the value of the Attendance/Production details in the Tail unit. If this option is set to **No**, the Production units will display in primary units
- **Show Year To Date values** – Set this option to **Yes** to display the cumulative value of Attendance/Production records and Earnings /Deductions for any given period
- **Show Gross Salary** - Set this option to **Yes** by setting the '**Show Year To Date values**' to **No**, to view Gross Earnings and Deductions for any given period
- **Remove Zero Entries** – Set this option to **Yes** to remove the Earnings/ Deductions components with Zero value from the Pay Slip
- **For Attendance/Production also** – Set this option to **Yes** to remove Attendance/ Production records with zero values from the Pay Slip
- **Appearance of Employee Names** – Select the appropriate name style to appear in the Pay Slip (i.e., Alias (Name), Alias only, Name (Alias), Name only)
- **Appearance of Pay Head Names** – Select the appropriate name style to appear for each Pay Head in Pay Slip (i.e. Alias(Name), Alias only, Name(Alias), Name Only, Pay Slip Name)



The **Pay Slip** with the above configurations is displayed as shown:

Payslip						Spectrum Software Solutions		Ctrl + M				
<u>Payslip for April-2009</u>												
<b>Vijay Kumar</b>												
Employee Number : 549		Function : Administration		Designation : Manager		Location : Bangalore		Bank Details : 001254624565, HDFC Bank, Koramangala		Date of Joining : 1-Apr-2009		
				Income Tax Number (PAN) : APD192D4D		PF Account Number : KA/BN/18184/563		ESI Number :		Passport Details : IND/BN/PASS130/005		
				Bank Details : 001254624565, HDFC Bank, Koramangala		ESI Number :		Passport Details : IND/BN/PASS130/005		Visa Expiry Date :		
				Date of Joining : 1-Apr-2009		ESI Number :		Passport Details : IND/BN/PASS130/005		Visa Expiry Date :		
<b>Attendance Details</b>			<b>Apr-09</b>		<b>YTD</b>							
Overtime			900.00 Mins		900.00 Mins							
Present			26 Days		26 Days							
<b>Earnings</b>			<b>Apr-09</b>		<b>YTD</b>		<b>Deductions</b>		<b>Apr-09</b>		<b>YTD</b>	
Basic			10,000.00		10,000.00		Professional Tax		200.00		200.00	
House Rent Allowance			4,000.00		4,000.00		EPF @ 12%		780.00		780.00	
Conveyance			800.00		800.00							
Overtime Pay			825.00		825.00							
Variable Pay			1,500.00		1,500.00							
<b>Total Earnings</b>			<b>17,125.00</b>		<b>17,125.00</b>		<b>Total Deductions</b>		<b>980.00</b>		<b>980.00</b>	
							<b>Net Amount</b>		<b>16,145.00</b>		<b>16,145.00</b>	

Figure 10.4 Pay Slip with YTD values

The Pay Slip now displays the Attendance with Present / Overtime details, Year to Date balance, and so on. To view the Pay Slip in vertical form, press **F12: Configure** and set **Show Vertical Pay Slip** to **Yes**.

The **Vertical Pay Slip** is displayed as shown:

Payslip			Spectrum Software Solutions		Ctrl + M
<b>Payslip for April-2009</b>					
<b>Vijay Kumar</b>					
Employee Number	: 549	Income Tax Number (PAN)	: APD192D4D		
Function	: Administration	PF Account Number	: KA/BN/18184/563		
Designation	: Manager	ESI Number	:		
Location	: Bangalore	Passport Details	: IND/BN/PASS130/005		
Bank Details	: 001254624565, HDFC Bank, Koramangala	Visa Expiry Date	:		
Date of Joining	: 1-Apr-2009				
<b>Attendance Details</b>	<b>Apr-09</b>	<b>YTD</b>			
Overtime	900.00 Mins	900.00 Mins			
Present	26 Days	26 Days			
<b>Earnings</b>	<b>Apr-09</b>	<b>YTD</b>			
Basic	10,000.00	10,000.00			
House Rent Allowance	4,000.00	4,000.00			
Conveyance	800.00	800.00			
Overtime Pay	825.00	825.00			
Variable Pay	1,500.00	1,500.00			
<b>Total Earnings</b>	<b>17,125.00</b>	<b>17,125.00</b>			
<b>Deductions</b>	<b>Apr-09</b>	<b>YTD</b>			
Professional Tax	200.00	200.00			
EPF @ 12%	780.00	780.00			
<b>Total Deductions</b>	<b>980.00</b>	<b>980.00</b>			
<b>Net Amount</b>	<b>16,145.00</b>	<b>16,145.00</b>			

Figure 10.5 Configured Pay Slip with Vertical Display

- You can view additional information in the Pay Slip, by pressing **Alt+F1**.

The detailed **Pay Slip** is displayed as shown:

Payslip			Spectrum Software Solutions		Ctrl + M
<b>Payslip for April-2009</b>					
<b>Vijay Kumar</b>					
Employee Number	: 549	Income Tax Number (PAN)	: APD192D4D		
Function	: Administration	PF Account Number	: KA/BN/18184/563		
Designation	: Manager	ESI Number	:		
Location	: Bangalore	Passport Details	: IND/BN/PASS130/005		
Bank Details	: 001254624565, HDFC Bank, Koramangala	Visa Expiry Date	:		
Date of Joining	: 1-Apr-2009				
<b>Attendance Details</b>			<b>Apr-09</b>	<b>YTD</b>	
Overtime		900.00 Mins	900.00 Mins		
Attendance 2	30-4-2009	1260.00 Mins			
			2 more ... ↓		
<b>Earnings</b>			<b>Apr-09</b>	<b>YTD</b>	
Basic			10,000.00	10,000.00	
Payroll	1 30-4-2009		10,000.00		
House Rent Allowance			4,000.00	4,000.00	
Payroll	1 30-4-2009		4,000.00		
Conveyance			800.00	800.00	
Payroll	1 30-4-2009		800.00		
<b>Total Earnings</b>			<b>17,125.00</b>	<b>17,125.00</b>	
<b>Deductions</b>			<b>Apr-09</b>	<b>YTD</b>	
Professional Tax			200.00	200.00	
Payroll	1 30-4-2009		200.00		
EPF @ 12%			780.00	780.00	
Payroll	1 30-4-2009		780.00		
<b>Total Deductions</b>			<b>980.00</b>	<b>980.00</b>	
<b>Net Amount</b>			<b>16,145.00</b>	<b>16,145.00</b>	

Figure 10.6 Detailed Pay Slip

The voucher number, date and the number of attendance or payroll records are displayed as shown in the above image. This is very useful when multiple attendance/payroll vouchers are entered for the same payroll period. You can drill down to the voucher level for reference or to effect an alteration by pressing **Enter** on the required record.



**Period Button** – By default, the Pay Slip for the current month is displayed. However, you can change the period by pressing **F2: Date** and defining the required date. This button can be used to display multiple period payroll information to view/print a consolidated Pay Slip.

**Employee Button** – From the existing Pay Slip of an employee, you can toggle between employees by pressing **F4: Employee**.

### Printing Pay Slip

- Press **Alt+P** from the **Pay Slip** screen, the **Printing Pay Slip** screen is displayed as shown:

Printing Pay Slip			
Printer	: Printer-02 (Ne03:)	Paper Type :	A4
No. of Copies	: 1		
Print Language	: English		(Printing Dimensions)
Method	: Neat Mode	Paper Size :	8.27" x 11.69" or (210 mm x 297 mm)
Page Range	: All	Print Area :	7.95" x 11.34" or (202 mm x 288 mm)
Report Titles			
<b>Pay Slip</b>			
(with Print Preview)			
<i>Without Date Range of Report, Without Page Numbers</i>			
Height of PaySlip (inches)	:	<b>10</b>	
Width of PaySlip (inches)	:	<b>7.50</b>	
Space to leave on top (default 0.25)	:	<b>0.25</b>	
Space to leave on left (default 0.5)	:	<b>0.50</b>	
Show Vertical Pay Slip	? <b>No</b>	Show Year To Date Values	? <b>Yes</b>
Show Employee Details	? <b>Yes</b>	Show Gross Salary	? <b>No</b>
Show Passport Details	? <b>Yes</b>	Remove Zero Entries	? <b>Yes</b>
Show Visa Expiry Date	? <b>Yes</b>	for Attendance/Production also	? <b>Yes</b>
Show Joining Date	? <b>Yes</b>	Appearance of Names	: <b>Na</b>
Show Attendance/Production Details	? <b>Yes</b>	Show Authorised Signatory	? <b>Yes</b>
Show Attendance/Production Groups	? <b>Yes</b>	Show Pay Slip Note	: <b>No</b>
Display Production Types in Tail Units	? <b>No</b>	Show Pay Slip Message	? <b>Yes</b>
			<b>Print ?</b>
			<b>Yes or No</b>

Figure 10.7 Pay Slip Print Configuration screen

Some of the configuration in the Printing screen, are similar to **F12: Configure** and can be configured from either of the screens. Additionally, the **Show Authorised Signatory** option is available in the above screen.

- In the **Printing Pay Slip** screen, press **Backspace** and enable the required option as required
- Press **Enter** to Print

#### Additional Options in the Pay Slip Printing screen:



- Show Pay Slip Note:** This option should be set to **Yes** if you want to print the **Pay Slip Note** to appear instead of Authorised Signatory details. The content of this Note can be modified from **F12: Configuration** screen from Gateway of Tally.
- Show Pay Slip Message:** This option should be set to **Yes** if you want to print the customised message on the Pay Slip for specific occasions. e.g. Happy new Year!!!!



The printed **Pay Slip** of Mr. Vijay Kumar is displayed as shown:

**Spectrum Software Solutions**  
 14, Mysore Road,  
 Bangalore

**Payslip**  
 for April-2009

**Vijay Kumar**

---

Employee Number : 549	Income Tax Number (PAN): APD192D4D
Function : Administration	PF Account Number : KA/BN/18184/563
Designation : Manager	ESI Number :
Location : Bangalore	Passport Details : IND/BN/PASS130/005
Bank Details : 001254624565, HDFC Bank, Koramangala	Visa Expiry Date :
Date of Joining : 1-Apr-2009	

---

Attendance Details	Apr-09	YTD
Overtime	900.00 Mins	900.00 Mins
Present	26 Days	26 Days

---

Earnings	Apr-09	YTD	Deductions	Apr-09	YTD
Basic	10,000.00	10,000.00	Professional Tax	200.00	200.00
House Rent Allowance	4,000.00	4,000.00	EPF @ 12%	780.00	780.00
Conveyance	800.00	800.00			
Overtime Pay	825.00	825.00			
Variable Pay	1,500.00	1,500.00			
<b>Total Earnings</b>	<b>17,125.00</b>	<b>17,125.00</b>	<b>Total Deductions</b>	<b>980.00</b>	<b>980.00</b>
			<b>Net Amount</b>	<b>16,145.00</b>	<b>16,145.00</b>

Amount (in words) : **for Spectrum Software Solutions**  
 Rs. Sixteen Thousand One Hundred Forty Five Only

Authorised Signatory

Figure 10.8 Printed Pay Slip

### Emailing Pay Slip

Go to **Gateway of Tally > Display > Payroll Reports > Statements of Payroll > Pay Slip > Single Pay Slip**

- Select the required Employee and press **Enter**
- Press **Alt+M**, the **Mailing Pay Slip** screen is displayed as shown:

Mailing Pay Slip			
E-Mail Server : Server Address : <i>(Name.Port, Default Port is 25)</i> Use SSL : <i>(Choose Yes, if using Secured SMTP Server)</i> Use SSL On Standard Port : <i>(Choose Yes, if using SSL on Default/Standard SMTP Port)</i> From : <i>Spectrum Software Solutions</i> From E-Mail Address : <i>sales@spectrum.com</i> Authentication User Name : <i>(Only if required)</i> Password : Format : <i>HTML (Web-Publishing)</i> Resolution : <i>1024 x 768</i>	To E-Mail Address : <b>vijay@spectrum.com</b> CC To (if any) : <b>None</b> Subject : <b>Pay Slip</b> Additional Text (if any) :  Information sent : <b>As Attachment</b>		
Show Vertical Pay Slip ? <b>No</b> Show Employee Details ? <b>Yes</b> Show Passport Details ? <b>Yes</b> Show Visa Expiry Date ? <b>Yes</b> Show Joining Date ? <b>Yes</b> Show Attendance/Production Details ? <b>Yes</b> Show Attendance/Production Groups ? <b>Yes</b> Display Production Types in Tail Units ? <b>No</b>	Show Year To Date Values ? <b>Yes</b> Show Gross Salary ? <b>No</b> Remove Zero Entries ? <b>No</b> for Attendance/Production also ? <b>Yes</b> Appearance of Names Show Authorised Signatory Show Pay Slip Note Show Pay Slip Message		
<table border="1" style="display: inline-table; border-collapse: collapse;"> <tr> <td style="padding: 5px;"><b>Mail ?</b></td> </tr> <tr> <td style="padding: 5px; color: red;">Yes or No</td> </tr> </table>		<b>Mail ?</b>	Yes or No
<b>Mail ?</b>			
Yes or No			

Figure 10.9 Mailing Pay Slip sub screen

- In the **Mailing Pay Slip** screen,
  - Specify the **SMTP Server Name** in the **Email Server** field
  - Press **Enter** to accept the **From & From E-mail Address** fields (The company name & Email id is defaulted from the company master, however you can modify the same)
  - Specify the **Authentication User Name** and **Password**, if required
  - Set **Use SSL** to **No**
  - Select **HTML (Web publishing)** in the **Format** field
  - Select the required **Resolution** from the Resolutions drop down
  - Press **Enter** to accept the **To Email Address** (The Employee address is defaulted from the Employee Master, however, you may modify as required)
  - Enter the other information as required

The completed **Mailing Pay Slip** configuration screen is displayed as shown:

Mailing Pay Slip			
E-Mail Server	: User defined	To E-Mail Address	: vijay@spectrum.com
Server Address	: smtp.spectrum.com	CC To (if any)	: None
(Name:Port, Default Port is 25)		Subject	: Pay Slip
Use SSL	: No	Additional Text (if any)	:
(Choose Yes, if using Secured SMTP Server)			
Use SSL On Standard Port	: No		
(Choose Yes, if using SSL on Default/Standard SMTP Port)			
From	: Spectrum Software Solutions	Information sent	: As Attachment
From E-Mail Address	: payroll@spectrum.com		
Authentication User Name:			
(Only if required)			
Password	:		
Format	: HTML (Web-Publishing)		
Resolution	: 1024 x 768		
Show Vertical Pay Slip	? No	Show Year To Date Values	? Yes
Show Employee Details	? Yes	Show Gross Salary	? No
Show Passport Details	? Yes	Remove Zero Entries	? No
Show Visa Expiry Date	? Yes	for Attendance/Production also	? Yes
Show Joining Date	? Yes	Appearance of Names	
Show Attendance/Production Details	? Yes	Show Authorised Signatory	<b>Mail ?</b> <b>Yes or No</b>
Show Attendance/Production Groups	? Yes	Show Pay Slip Note	
Display Production Types in Tail Units	? No	Show Pay Slip Message	

Figure 10.10 Completed Mailing Pay Slip sub screen

### **Mailing Pay Slip Configurations**

- **Email Server** – Name of the SMTP mail server should be specified.
- **From** - The From field is pre-filled with the name of your Company as specified in the Company Creation screen. You can change the same if you want some other name to be displayed.
- **From E-mail Address** is pre-filled with the Company's e-mail address as filled during the Company Creation.
- **Authentication User Name and Password** field should be filled if your SMTP Server needs Authentication for sending e-mails.
- **Use SSL** - This is set to **Yes** for the servers using the Secured Socket Layer protocol for extra security reasons.
- **Format** - you can select the format in which the Pay Slip should be viewed by the mail recipient.
- **Resolution** - appropriate resolution for the Emailed Pay Slip can be selected in this field.
- **To E-Mail Address** - this will be selected automatically if the e-mail address is provided in the Employee Master. Or else, you need to specify the same at the time of emailing.
- **CC To (if any)** - If you want the Pay Slip to be sent to another e-mail address, it can be specified here.
- **Subject** - specify the Subject of email to be seen by the user.
- **Additional Text (if any)** - This will appear in the body of the email that is sent.
- **Information Sent** - The option to send the E-mail as an Attachment or as a direct view can be selected here.

Other options are similar same as **Pay Slip Configurations**.

- Press **Enter** to Email the Pay Slip



The **Pay Slip** sent by e-mail when viewed from the mail box of the employee is as shown:

Pay Slip					
Spectrum Software Solutions 14, Mysore Road, Bangalore					
<u>Pay Slip for April-2009</u> Vijay Kumar					
Employee Number:	549	Income Tax Number (PAN):		APD192D4D	
Function:	Administration	PF Account Number:		KA/BN/18184/563	
Designation:	Manager	ESI Number:			
Location:	Bangalore	Passport Details:		IND/BN/PASS130/005	
Bank Details:	001254624565, HDFC Bank, Koramangala		Visa Expiry Date:		
Date of Joining:	1-Apr-2009				
<b>Attendance Details</b>					
	Apr-09	YTD			
Overtime	15- 0.00 Hrs	15- 0.00 Hrs			
Present	26 Days	26 Days			
<hr/>					
<b>Earnings</b>	<b>Apr-09</b>	<b>YTD</b>	<b>Deductions</b>	<b>Apr-09</b>	<b>YTD</b>
Basic	10,000.00	10,000.00	Professional Tax	200.00	200.00
House Rent Allowance	4,000.00	4,000.00	EPF @ 12%	780.00	780.00
Conveyance	800.00	800.00	ESI @ 1.75%		
Overtime Pay	825.00	825.00	Staff Salary Advance		
Variable Pay	1,500.00	1,500.00			
<b>Total Earnings</b>	<b>17,125.00</b>	<b>17,125.00</b>	<b>Total Deductions</b>	<b>980.00</b>	<b>980.00</b>
			<b>Net Amount</b>	<b>16,145.00</b>	<b>16,145.00</b>
Amount (in words) :					
Rs. Sixteen Thousand One Hundred Forty Five Only					
This is a Computer Generated Pay Slip					
<i>Created using Tally.ERP 9</i>					

Figure 10.11 Emailed Pay Slip

### Exporting Pay Slip to MS Excel

Go to **Gateway of Tally > Display > Payroll Reports > Statements of Payroll > Pay Slip > Single Pay Slip**

- Select the required Employee and press **Enter**
- Press **Alt+E**, the configuration screen to select the required format appears as shown:
- In the **Export** screen, specify the details as shown:

The completed **Export** screen is displayed as shown:

Exporting Pay Slip	
Language	: Default (All Languages)
Format	: Excel (Spreadsheet)
Export Location	: C:\Tally.ERP9
Output File Name	: Pay Slip.xls
Output Sheet Name	: Pay Slip
Update existing file	: Yes
Excel (Spreadsheet) Formatting with Colour	: Yes

<p style="text-align: center; margin: 0;"><b>Export ?</b></p> <p style="text-align: center; margin: 0; color: red;">Yes or No</p>
---

Figure 10.12 Export Pay Slip screen

The Pay Slip exported into Excel will appear as shown:

	A	B	C	D	E	F	G	
1	Spectrum Software Solutions							
2	14, Mysore Road,							
3	Bangalore							
4	<b>Payslip for April-2009</b>							
5	<b>Vijay Kumar</b>							
6	Employee Number:	549	Income Tax Number (PAN):	APD192D4D				
7	Function:	Administration	PF Account Number:	KABN/18184/563				
8	Designation:	Manager	ESI Number:					
9	Location:	Bangalore	Passport Details:	IND/BN/PASS130/005				
10	Bank Details:	001254624565, HDFC Bank					Visa Expiry Date:	
11	<b>Date of Joining:</b>	<b>1-Apr</b>						
12	<b>Attendance Details</b>	<b>Value</b>						
13	Overtime	15- 0.00 Hrs						
14	<b>Present</b>	<b>26 Days</b>						
15	<b>Earnings</b>	<b>Amount</b>	<b>Gross Salary</b>	<b>Deductions</b>	<b>Amount</b>	<b>Gross Salary</b>		
16	Basic	10000.00	10000.00	Professional Tax	200.00	200.00		
17	House Rent Allowance	4000.00	4000.00	EPF @ 12%	780.00	780.00		
18	Conveyance	800.00	800.00					
19	Overtime Pay	825.00	825.00					
20	<b>Variable Pay</b>	<b>1500.00</b>	<b>1500.00</b>					
21			<b>Total Earnings</b>	<b>Total Deductions</b>	<b>980.00</b>	<b>980.00</b>		
22								
23	Amount (in words) :		<b>for Spectrum Software Solutions</b>					
24			Rs. Sixteen Thousand One Hundred Forty Five Only					
25			Authorised Signatory					
26								
27								

Figure 10.13 Exported Pay Slip

The Pay Slip can also be exported to pdf, jpeg or other formats as per the requirement.

### Multi Pay Slips

Tally.ERP 9 provides the flexibility to print, E-Mail or export selected or all Pay Slips on Click of a Button.

Before E-mailing the Pay Slips to all Employees, you can check whether the Email ID's are entered correctly for all Employees.

### E-mail IDs

To check the E-Mail IDs entered,

Go to **Gateway of Tally > Display > Payroll Reports > Statements of Payroll > Pay Slip > E-Mail IDs**

E-Mail IDs		
Spectrum Software Solutions		
For Exceptions Only		
Particulars	Contact Number	E-Mail ID
James		

Figure 10.14 E-Mail IDs - Exceptions Only

The above report displays the Employees' for whom the E-Mail ID's are either not entered or incorrectly entered. You can press **Ctrl+Enter** to add or alter the E-Mail ID's for the required Employees. To view the E-Mail ID's for all Employees you can press **F5: All Items** from the above report.

The E-Mail IDs report for all the Employees is as shown:

E-Mail IDs		
Spectrum Software Solutions		
For All Employees		
Particulars	Contact Number	E-Mail ID
Ajay		ajay@spectrum.com
James		
Mahesh		mahesh@spectrum.com
Rahul		rahul@spectrum.com
Rajesh	080-52525354	rajesh@spectrum.com
Suresh	080-23425234	suresh@spectrum.com
Vijay Kumar	080-55669878	vijay@spectrum.com
Vineet		vineet@spectrum.com

Figure 10.15 E-Mail IDs for All Employees

**ail/Print/Export Multi Pay Slips**

To E-Mail/Print/Export all the Pay Slips or selected Pay Slips,

Go to **Gateway of Tally > Display > Payroll Reports > Statements of Payroll > Pay Slip > Multi Pay Slips**



- Select the appropriate **Employee Category** and **Employee Group** in the Employee Filters subscreen as shown:



Figure 10.16 Employee Filters

- Press **Enter** to view the **Multi Pay Slip** report as shown:

Multi Pay Slip - Spectrum Software Solutions						
For All Employees						1-Apr-2009 to 30-Apr-2009
Particulars	Employee Number	Account No.	Bank Name	Branch	Amount	E-Mail ID
<b>Primary Cost Category</b>					<b>86,340.00</b>	
Administration					<b>16,145.00</b>	
Vijay Kumar	549	001254624565	HDFC Bank	Koramangala	16,145.00	vijay@spectrum.com
R&D					<b>22,712.00</b>	
Rahul	552	001245766542	HDFC Bank	Koramangala	22,712.00	rahul@spectrum.com
Sales					<b>47,483.00</b>	
Ajay	551	001423137862	HDFC Bank	Koramangala	10,116.00	ajay@spectrum.com
Mahesh	550	001453276895	HDFC Bank	Koramangala	37,367.00	mahesh@spectrum.com
<b>Grand Total</b>					<b>86,340.00</b>	

Figure 10.17 Multi Pay Slip screen

Tally.ERP 9 provides the flexibility to **E-Mail/Print or Export** all Pay Slips from the above screen using the standard **Alt+M/Alt+P/Alt+E** buttons from the above screen.

The options in the email/print and Export screens are similar to Single Pay Slip report already discussed.



*To **E-Mail/Print/Export** Pay Slips for selective Employees, you have to select the required Employees using the **Space bar**.*

*If the cursor is on a particular **Category** or a **Group**, then the Pay Slips belonging to that **Category** or **Group** only will be **E-Mailed/Printed/Exported**.*

## Pay Sheet

A Pay Sheet is a columnar report which displays the Group/Department-wise break-up of employees' earnings and deductions for the selected month.

Go to **Gateway of Tally > Display > Payroll Reports > Statements of Payroll > Pay Sheet**

- Select the **All Items** in the **Name of Employee Category** field
- Select **All Items** in the **Name of Employee / Group** as shown:

Employee Filters		Spectrum Software Solutions		Ctrl + M
Current Period 1-4-2009 to 31-3-2010		Name of Employee Category : ↓	All Items	List of Employees / Group
		Name of Employee / Group	All Items	
List of Selected Companies				↓ All Items
Name of Company	Date of Last Entry			Administration (Group)
Spectrum Software Solutions	31-Aug-2009			Ajay
				Contract Employees (Group)
				James
				Mahesh
				Rahul
				Rajesh
				R&D (Group)
				Sales (Group)
				Suresh
				Vijay Kumar
				Vineet

Figure 10.18 Employee Filters

- Press **Enter** to display the Pay Sheet

The **Pay Sheet** is displayed as shown:

PaySheet										
Spectrum Software Solutions										
For All Employees										
1-Apr-2009 to 30-Apr-2009										
Particulars	Conveyance	Overtime Pay	Variable Pay	Total Earnings	ESI@ 1.75%	EPF@ 12%	Professional Tax	Staff Salary Advance	Total Deductions	Net Amount
	← ... 4 more									
<b>Primary Cost Category</b>		2,025.00	2,500.00	90,210.00		3,120.00	750.00		3,870.00	86,340.00
<b>Administration</b>		825.00	1,500.00	17,125.00		780.00	200.00		980.00	16,145.00
Vijay Kumar		825.00	1,500.00	17,125.00		780.00	200.00		980.00	16,145.00
<b>R&amp;D</b>				23,692.00		780.00	200.00		980.00	22,712.00
Rahul				23,692.00		780.00	200.00		980.00	22,712.00
<b>Sales</b>		1,200.00	1,000.00	49,393.00		1,560.00	350.00		1,910.00	47,483.00
Ajay		1,200.00		11,046.00		780.00	150.00		930.00	10,116.00
Mahesh			1,000.00	38,347.00		780.00	200.00		980.00	37,367.00
<b>Grand Total</b>		2,025.00	2,500.00	90,210.00		3,120.00	750.00		3,870.00	86,340.00

Figure 10.19 Pay Sheet

You can further configure the Pay Sheet to display the net amount, column subtotals, Category/Group subtotals, user-defined Pay Slip names, Employee names and sort it by Employee number in the **F12: Configuration**.

The **F12: Configuration** from the Pay Sheet screen is displayed as shown:

Configuration		Appearance
Appearance of Pay Head Types	: All Items	All Items
Show 'Net Amount' Column	? Yes	Deductions
Show Column SubTotals	? Yes	Earnings
Remove Zero Entries	? Yes	
Show Payslip Names for Ledgers	? Yes	
Include Employee Groups & Categories	? Yes	
Show Category/Group Total	? Yes	
Show Grand Total	? Yes	
Show Attendance Details	? No	
Display Production Types in Tail Units	? No	
Format	: Detailed	
Show Employee Number	? No	
Show Employee Designation	? No	
Expand all levels in Detailed Format	? Yes	
Appearance of Names	: Name Only	
Sorting Method	: Default	

Figure 10.20 F12: Configuration

The **F12:Configuration** options in the Pay Sheet are explained as follows.

- **Appearance of Pay Head Types** – Select the required **Pay Head Types** from **Deductions, Earnings** or **All Items**.
- **Show Net Amount Column** – Set this option to **Yes** to display the Net Payable Column.
- **Show Column SubTotals** – Set this option to **Yes** to display the subtotals of Earnings/Deductions pay head columns.
- **Remove Zero Entries** – Set this option to **Yes** to eliminate Earnings/Deductions pay heads with Zero values.
- **Show Pay Slip Names for Ledgers** – Set this option to **Yes** to display the Name defined in the Appear in Pay Slip field in the pay head master.
- **Include Employee Groups & Categories** – Set this option to **Yes** to display Category-wise/ Group-wise pay sheet. If this option is set to No, the Pay Sheet will appear Employee-wise.
- **Show Category/Group Total** – Set this option to **Yes** to display Category and Group-wise columnar pay head totals.
- **Show Grand Total** – Set this option to **Yes** to display the sum of all pay head columns appearing in the report.
- **Show Attendance Details** - Set this Option to **Yes** to display the Attendance for the Employees
- **Display Production types in Tail Units** - Set this Option to **Yes** to show the Overtime details in minutes.
- **Format** – Select Detailed mode to view Pay Sheet information of employees with their respective category and group. Select Condensed mode when only sum totals are required for each category and group.
- **Show Employee Number** – Set this option to **Yes** to display employee numbers.
- **Show Employee Designation** - Set this Option to **Yes** to show the designation for employees.
- **Expand all levels in Detailed Format** – Set this option to **Yes** to expand all levels and display Employee details.
- **Appearance of Names** – Select the appropriate name style to appear in the paysheet (viz., Alias (Name), Alias only, Name (Alias), Name only).
- **Sorting Method** – Sort the Pay Sheet either by Alphabetically increasing / decreasing, Employee number or by the Default method.



- Set the **F12: Configuration** screen is displayed as shown:

Configuration		0.00	17,125.00	
			23,692.00	
Appearance of Pay Head Types	: <b>All Items</b>		23,692.00	
Show 'Net Amount' Column	? <b>Yes</b>	0.00	49,393.00	
Show Column SubTotals	? <b>Yes</b>		11,046.00	
Remove Zero Entries	? <b>Yes</b>	0.00	38,347.00	
Show Payslip Names for Ledgers	? <b>Yes</b>			
Include Employee Groups & Categories	? <b>Yes</b>			
Show Category/Group Total	? <b>Yes</b>			
Show Grand Total	? <b>Yes</b>			
Show Attendance Details	? <b>Yes</b>			
Display Production Types in Tail Units	? <b>Yes</b>			
Format	: <b>Detailed</b>			
Show Employee Number	? <b>Yes</b>			
Show Employee Designation	? <b>Yes</b>			
Expand all levels in Detailed Format	? <b>Yes</b>			
Appearance of Names	: <b>Name Only</b>			
Sorting Method	: <b>Default</b>			
<b>Sorting Methods</b>				
Alphabetical (Decreasing)				
Alphabetical (Increasing)				
<b>Default</b>				
EmployeeNumber				

Figure 10.21 F12: Configuration screen - Pay Sheet

The **Pay Sheet** with the above configurations will appear as shown:

PaySheet		Spectrum Software Solutions						Ctrl + M	
For All Employees			1-Apr-2009 to 30-Apr-2009						
Particulars	Employee Number	Employee Designation	Absent	Overtime	Present	Basic	Wages	Conveyance	House Rent Allowance
<b>Primary Cost Category</b>				1,620 Mins	80 Days	59,423.00		3,800.00	22,462.00
<b>Administration</b>				900 Mins	26 Days	10,000.00		800.00	4,000.00
Vijay Kumar	549	Manager		900 Mins	26 Days	10,000.00		800.00	4,000.00
<b>R&amp;D</b>					22 Days	16,923.00			6,769.00
Rahul	552	Manager			22 Days	16,923.00			6,769.00
<b>Sales</b>				720 Mins	32 Days	32,500.00		3,000.00	11,693.00
Ajay	551	Area Sales Manager		720 Mins	17 Days	6,538.00		2,000.00	1,308.00
Mahesh	550	Sr. Manager			15 Days	25,962.00		1,000.00	10,385.00
<b>Grand Total</b>				<b>1620 Mins</b>	<b>80 Days</b>	<b>59,423.00</b>		<b>3,800.00</b>	<b>22,462.00</b>

Figure 10.22 Pay Sheet

To view the **Pay Sheet** till date with **Category** and **Group Totals**,

- Press **Alt+F2** and change period as **01-04-2009** to **31-08-2009**
- Press **F12: Configure** and set **Show Category/Group Total** to **Yes**

The **Pay Sheet** with Category and Group Totals displays is displayed as shown:

PaySheet									
Spectrum Software Solutions									
For All Employees									
1-Apr-2009 to 31-Aug-2009									
Particulars	Employee Number	Employee Designation	Total Earnings	ESI @ 1.75%	EPF @ 12%	Professional Tax	Staff Salary Advance	Total Deductions	Net Amount
			← ... 10 more						
<b>Primary Cost Category</b>			<b>6,04,457.00</b>	<b>687.00</b>	<b>18,601.00</b>	<b>3,960.00</b>	<b>6,500.00</b>	<b>29,748.00</b>	<b>5,74,709.00</b>
<b>Administration</b>			<b>95,158.00</b>	<b>329.00</b>	<b>5,354.00</b>	<b>980.00</b>		<b>6,663.00</b>	<b>88,495.00</b>
Suresh	553	Executive	18,762.00	329.00	1,454.00	180.00		1,963.00	16,799.00
Vijay Kumar	549	Manager	76,396.00		3,900.00	800.00		4,700.00	71,696.00
<b>Contract Employees</b>			<b>7,613.00</b>						<b>7,613.00</b>
James	555	Executive	3,615.00						3,615.00
Vineet	556	Executive	3,998.00						3,998.00
<b>R&amp;D</b>			<b>1,17,386.00</b>		<b>3,900.00</b>	<b>1,000.00</b>	<b>5,000.00</b>	<b>9,900.00</b>	<b>1,07,486.00</b>
Rahul	552	Manager	1,17,386.00		3,900.00	1,000.00	5,000.00	9,900.00	1,07,486.00
<b>Sales</b>			<b>3,84,300.00</b>	<b>358.00</b>	<b>9,347.00</b>	<b>1,980.00</b>	<b>1,500.00</b>	<b>13,185.00</b>	<b>3,71,115.00</b>
Ajay	551	Area Sales Manager	67,130.00		3,900.00	800.00		4,700.00	62,430.00
Mahesh	550	Sr. Manager	2,96,733.00		3,900.00	1,000.00		4,900.00	2,91,833.00
Rajesh	554	Junior Executive	20,437.00	358.00	1,547.00	180.00	1,500.00	3,585.00	16,852.00
<b>Grand Total</b>			<b>6,04,457.00</b>	<b>687.00</b>	<b>18,601.00</b>	<b>3,960.00</b>	<b>6,500.00</b>	<b>29,748.00</b>	<b>5,74,709.00</b>

Figure 10.23 Pay Sheet with Category and Group Total

**Button options:**



- **Detailed/Condensed Button** – This button (**Alt+F1**) is used to toggle between the **detailed** and **condensed** modes of reporting.
- **Period button** – This option (**F2**) is used to define the periodicity of the report, i.e. for a day, week, fortnight, month, quarter, half-year, year or any given period.

To view the **Pay Sheet** for a particular Employee Group,

- Press **Ctrl+F7** from the Pay Sheet display, the Employee Filters screen is displayed
- In the **Employee Filters** screen,
  - Select **Primary Cost Category** in the **Employee Category** field
  - Select **Sales** as the **Employee group**

The **Employee Filters** screen is displayed as shown:

Employee Filters							Spectrum Software Solutions		Ctrl + M
For All Employees Under Category: Primary Cost Category							List of Employees / Group		
Particulars	Employee Number	Employee Designation	Present	Absent	Overtime	Basic			
Primary Cost Category			80 Days			59,423.00	All Items		
Administration			26 Days			10,000.00	Sales (Group)		
Vijay Kumar	549	Manager	26 Days			10,000.00			
R&D			22 Days			16,923.00			
Rahul	552	Manager	22 Days			16,923.00			
Sales			32 Days			32,500.00			
Ajay	551	Area Sales Manager	17 Days			6,538.00			
Mahesh	550	Sr. Manager	15 Days			25,962.00			
<b>Employee Filters</b>									
Employee Category		: Primary Cost Category							
Employee/Group		Sales							
<b>Grand Total</b>			80 Days			59,423.00			

Figure 10.24 Employee Filters

The **Pay Sheet** for the selected Employee Group is displayed as shown:

PaySheet		Spectrum Software Solutions					Ctrl + M		
For All Employees Under Group: Sales			1-Aug-2009 to 31-Aug-2009						
Particulars	Employee Number	Employee Designation	Absent	Overtime	Present	Basic	Wages	Conveyance	House Rent Allowance
<b>Primary Cost Category</b>					77 Days	64,077.00		4,800.00	10 more ... →
<b>Sales</b>					77 Days	64,077.00		4,800.00	24,531.00
Ajay	551	Area Sales Manager			26 Days	11,000.00		2,000.00	3,300.00
Mahesh	550	Sr. Manager			25 Days	48,077.00		2,000.00	19,231.00
Rajesh	554	Junior Executive			26 Days	5,000.00		800.00	2,000.00
<b>Grand Total</b>					77 Days	64,077.00		4,800.00	24,531.00

Figure 10.25 Employee Group Pay Sheet

You can also drill down from the above report to the voucher level, by highlighting the pay heads column of the required employee and pressing **Enter**.

**Button Options:**



- **Employee Filter Button** – By using the **Employee Filter button (Ctrl+F7)**, view the individual employee/ Employee group pay sheet report.
- **New Column** – This option (**Alt+C**) is used to add a new column for any other Pay Head, which is not part of the pay structure.
- **Alter Column** – This option (**Alt+A**) is used to replace an existing column in the report with another Pay Head column.
- **Delete Column** – This option (**Alt+D**) is used to delete an existing column in the report.

You can also print the Pay Sheet, by pressing **Alt+P** and specifying the required options in the **Pay Sheet Print configuration** screen.



The **Pay Sheet Print Configuration** screen is displayed as shown:

<b>Printing Pay Sheet</b>			
<b>Printer</b>	: Printer-02 (Ne03:)		
<b>No. of Copies</b>	: 1		
<b>Print Language</b>	: English		
<b>Method</b>	: Neat Mode		
<b>Page Range</b>	: All		
<b>Paper Type</b>	: A4		
<i>(Printing Dimensions)</i>			
<b>Paper Size</b>	: (8.27" x 11.69") or (210 mm x 297 mm)		
<b>Print Area</b>	: (7.95" x 11.34") or (202 mm x 288 mm)		
<u>Report Titles</u>			
<b>Pay Sheet</b>			
(with Print Preview)			
Increase Line Height for Signature / Stamp ? <b>No</b>			
<table border="1"> <tr> <td style="text-align: center;"><b>Print ?</b></td> </tr> <tr> <td style="text-align: center;"><b>Yes</b> or <b>No</b></td> </tr> </table>		<b>Print ?</b>	<b>Yes</b> or <b>No</b>
<b>Print ?</b>			
<b>Yes</b> or <b>No</b>			

Figure 10.26 Pay Sheet Print Configuration screen

The **Printed Pay Sheet** is displayed as shown:

Spectrum Software Solutions  
14, Mysore Road,  
Bangalore

**Pay Sheet**  
1-Apr-2009 to 30-Apr-2009

Page 1

Particulars	Overtime	Present	Basic	Conveyance	House Rent Allowance	Overtime Pay	Total Earnings	EPF @ 12 %	Professional Tax	Total Deductions	Net Amount
<b>Primary Cost Category</b>											
<b>Administration</b>											
Vijay Kumar	1,620 Mins	80 Days	59,423.00	3,800.00	22,462.00	2,025.00	87,710.00	3,120.00	750.00	3,870.00	83,840.00
	900 Mins	26 Days	10,000.00	800.00	4,000.00	825.00	15,625.00	780.00	200.00	980.00	14,645.00
<b>R&amp;D</b>											
	900 Mins	26 Days	10,000.00	800.00	4,000.00	825.00	15,625.00	780.00	200.00	980.00	14,645.00
Rahul											
	22 Days	22 Days	16,923.00		6,769.00		23,692.00	780.00	200.00	980.00	22,712.00
<b>Sales</b>											
Ajay	720 Mins	32 Days	32,500.00	3,000.00	11,693.00	1,200.00	48,393.00	1,560.00	350.00	1,910.00	46,483.00
Mahesh	720 Mins	17 Days	6,538.00	2,000.00	1,308.00	1,200.00	11,046.00	780.00	150.00	930.00	10,116.00
	15 Days	15 Days	25,962.00	1,000.00	10,385.00		37,347.00	780.00	200.00	980.00	36,367.00
<b>Grand Total</b>	<b>1620 Mins</b>	<b>80 Days</b>	<b>59,423.00</b>	<b>3,800.00</b>	<b>22,462.00</b>	<b>2,025.00</b>	<b>87,710.00</b>	<b>3,120.00</b>	<b>750.00</b>	<b>3,870.00</b>	<b>83,840.00</b>

Figure 10.27 Printed Pay Sheet (Landscape view)

While printing the Pay Sheet, you can choose to **Increase the Line Height** (for each employee line) if you want to create space for the employee's signature or to affix a stamp. Such a Pay Sheet can also be used for the salary disbursement register.

- Press **Alt+P** to print Pay Sheet and set the **Increase Line Height for Signature/ Stamp?** field to **Yes**

The printed **Pay Sheet** with space for signature/ stamp is as shown.

Spectrum Software Solutions 14, Mysore Road, Bangalore											
Pay Sheet 1-Apr-2009 to 30-Apr-2009											
Particulars	Overtime	Present	Basic	Conveyance	House Rent Allowance	Overtime Pay	Total Earnings	EPF @ 12 %	Professional Tax	Total Deductions	Net Amount
Primary Cost Category Administration Vijay Kumar	1,620 Mins	80 Days	59,423.00	3,800.00	22,462.00	2,025.00	87,710.00	3,120.00	750.00	3,870.00	83,840.00
	900 Mins	26 Days	10,000.00	800.00	4,000.00	825.00	15,625.00	780.00	200.00	980.00	14,645.00
	900 Mins	26 Days	10,000.00	800.00	4,000.00	825.00	15,625.00	780.00	200.00	980.00	14,645.00
R&D Rahul		22 Days	16,923.00		6,769.00		23,692.00	780.00	200.00	980.00	22,712.00
		22 Days	16,923.00		6,769.00		23,692.00	780.00	200.00	980.00	22,712.00
Sales Ajay	720 Mins	32 Days	32,500.00	3,000.00	11,693.00	1,200.00	48,393.00	1,560.00	350.00	1,910.00	46,483.00
	720 Mins	17 Days	6,538.00	2,000.00	1,308.00	1,200.00	11,046.00	780.00	150.00	930.00	10,116.00

Figure 10.28 Printed Pay Sheet with space for Signature/ Stamp

Page 2 of the Printed **Pay Sheet** is as shown:

Spectrum Software Solutions											
Pay Sheet : 1-Apr-2009 to 30-Apr-2009											
Particulars	Overtime	Present	Basic	Conveyance	House Rent Allowance	Overtime Pay	Total Earnings	EPF @ 12 %	Professional Tax	Total Deductions	Net Amount
Mahesh		15 Days	25,962.00	1,000.00	10,385.00		37,347.00	780.00	200.00	980.00	36,367.00
<b>Grand Total</b>	1620 Mins	80 Days	59,423.00	3,800.00	22,462.00	2,025.00	87,710.00	3,120.00	750.00	3,870.00	83,840.00

Figure 10.29 Printed Pay Sheet with space for Signature/ Stamp – Page 2



You can also **E-mail** or use **Export Pay Sheet Report** in the manner as discussed in Pay Slip Section. The navigation steps for E-mailing and Exporting Pay Sheet is similar to the steps explained in **Pay Slip Report**.

### Payroll Statement

A Payroll Statement is a columnar report which displays Group/Department-wise employees' break-up of selected earnings or deductions, for a specified month or period.

Go to **Gateway of Tally > Display > Payroll Reports > Statements of Payroll > Payroll Statement**

- Select the required pay head and press **Enter**

The **Payroll Statement** for Basic Pay Earnings Head for the month of April 2009 is displayed as shown:

Payroll Statement		Spectrum Software Solutions	Ctrl + M
For All Employees		1-Apr-2009 to 30-Apr-2009	
Particulars	Basic		
<b>Primary Cost Category</b>	59,423.00		
<b>Administration</b>	10,000.00		
Vijay Kumar	10,000.00		
<b>R&amp;D</b>	16,923.00		
Rahul	16,923.00		
<b>Sales</b>	32,500.00		
Ajay	6,538.00		
Mahesh	25,962.00		
<b>Grand Total</b>	59,423.00		

Figure 10.30 Payroll Statement

You can further configure the Payroll Statement to display the Employee groups and categories, category/group subtotals, grand totals, user-defined Pay Slip names, employee names, employee bank details, sort it by Employee number, by pressing **F12: Configure**

- Enter the details in **F12: Configuration** screen as shown

The **F12: Configuration** screen is displayed as shown:

Configuration	
Remove Zero Entries	? Yes
Show Payslip Names for Ledgers	? Yes
Include Employee Groups & Categories	? Yes
Show Category/Group Total	? Yes
Show Grand Total	? Yes
Format	: Detailed
Show Employee PF Account Number	? No
Show Income Tax Number (PAN)	? Yes
Show Employee Bank Details	? Yes
Show Employee Number	? Yes
Show Employee ESI Number	? No
Show Employee Passport Details	? No
Show Employee Visa Expiry Date	? No
Expand all levels in Detailed Format	? Yes
Appearance of Names	: Name Only
Sorting Method	: Default

Sorting Methods
Alphabetical (Decreasing)
Alphabetical (Increasing)
Bank Details
Default
EmployeeNumber
ESI Number
Income Tax Number (PAN)
Passport Details
PF Account Number
Visa Expiry Date

Figure 10.31 F12: Configuration

**The F12: Configuration options in Payroll Statement Report are as follows:**

- **Remove Zero Entries** – Set this option to **Yes** to remove Earnings/ Deductions pay head information with Zero values.
- **Show Pay Slip Names for Ledgers** – Set this option to **Yes**, to view the names of pay heads as specified in the **Name to Appear in Pay Slip** field in the Pay Head master creation.
- **Include Employee Groups & Categories** – Set this option to **Yes** to display Category and Group-wise Employee information.
- **Show Category/Group Total** – Set this option to **Yes**, to display Category and Group-wise Totals.
- **Show Grand Total** – Set this option to **Yes**, to display the sum of all the pay head columns in the report.
- **Format** – Select the mode **Detailed** to view payroll information of employees with their respective categories and groups. Select the **Condensed** mode when only sum totals are required for each category and group.





- **Show Employee PF Account Number** – Set this option to **Yes**, to display the Provident Fund Account number of an employee.
- **Show Income Tax Number (PAN)** – Set this option to **Yes**, to display the Income Tax Permanent Account Number (PAN) of an employee.
- **Show Employee Bank Details** – Set this option to **Yes**, to display the Bank Account Number of an employee
- **Show Employee Number** – Set this option to **Yes**, to display the Employee Number of an employee.
- **Show Employee ESI Number** – Set this option to **Yes**, to display the State Insurance Number of an employee.
- **Show Employee Passport Details** – Set this option to **Yes**, to display an employee's passport details.
- **Show Employee Visa Expiry Date** – Set this option to **Yes**, to display an employee's visa expiry date.
- **Expand all levels in Detailed format** – Set this option to **Yes**, to expand all levels and display Employee details.
- **Appearance of Names** – Select the appropriate name style to appear in the Payroll Statement (Alias (Name), Alias only, Name (Alias), Name only).
- **Sorting Method** – Sort the Payroll Statement using Alphabetical (Decreasing), Alphabetical (Increasing), Bank details, Employee Number, ESI Number, Income Tax Number (PAN), Passport Details, PF Account Number, or by the default method.



The Employee PF Account Number, IT PAN Number, ESI Number, Passport Details, Visa Expiry Date options will be available in **F12: Configure** only when the options, **Show Statutory details** and **Passport & Visa details**, are set to **Yes** in **F12: Payroll Configuration**.

The Payroll Statement with the above Configurations is displayed as shown:

Payroll Statement		Spectrum Software Solutions		Ctrl + M
For All Employees				1-Apr-2009 to 30-Apr-2009
Particulars	Employee Number	Income Tax Number (PAN)	Bank Details	Basic
<b>Primary Cost Category</b>				<b>59,423.00</b>
<b>Administration</b>				10,000.00
Vijay Kumar	549	APD192D4D	HDFC Bank	10,000.00
<b>R&amp;D</b>				16,923.00
Rahul	552	ARDP45D8	HDFC Bank	16,923.00
<b>Sales</b>				32,500.00
Ajay	551	ARDJH1234J	HDFC Bank	6,538.00
Mahesh	550	APD123D54	HDFC Bank	25,962.00
<b>Grand Total</b>				<b>59,423.00</b>

Figure 10.32 Payroll Statement with additional information



- You can also **Email** or **Export Payroll Statement** in the manner as discussed in *Pay Slip* Section.
- The **Button Bar** options in **Payroll Statement** are same as in the **Pay-sheet** report.

To view Payroll Statement for other Pay Heads, you can either select other Pay Head(s) in the manner as discussed or you may also include other Pay Heads in the above report for comparative analysis or to obtain a cumulative value, by pressing **Alt+C** and selecting the required Pay Head(s).



The **Payroll statement** with additional Pay Heads will be displayed as shown:

Payroll Statement				Spectrum Software Solutions			Ctrl + M
For All Employees				1-Apr-2009 to 30-Apr-2009			
Particulars	Employee Number	Income Tax Number (PAN)	Bank Details	Basic	House Rent Allowance	Conveyance	
<b>Primary Cost Category</b>				59,423.00	22,462.00	3,800.00	
<b>Administration</b>				10,000.00	4,000.00	800.00	
Vijay Kumar	549	APD192D4D	HDFC Bank	10,000.00	4,000.00	800.00	
<b>R&amp;D</b>				16,923.00	6,769.00		
Rahul	552	ARDP45D8	HDFC Bank	16,923.00	6,769.00		
<b>Sales</b>				32,500.00	11,693.00	3,000.00	
Ajay	551	ARDJH1234J	HDFC Bank	6,538.00	1,308.00	2,000.00	
Mahesh	550	APD123D54	HDFC Bank	25,962.00	10,385.00	1,000.00	
<b>Grand Total</b>				59,423.00	22,462.00	3,800.00	

Figure 10.33 Payroll Statement with additional Columns

### Payment Advice

A Payment Advice is an intimation letter containing the details of employees with their bank account numbers issued to the banker to transfer a specified sum (salaries earned) to the employees' bank accounts.

As discussed earlier, the contents of the Payment Advice can be altered in **F12: Payroll Configuration** as per the employer's requirements.

Go to **Gateway of Tally > Display > Payroll Reports > Statements of Payroll > Payment Advice**

The **Printing Configuration** for **Payment Advice** is displayed as shown:

Printing Payment Advice	
Printer : (Ne02:)	Paper Type : Letter
No. of Copies : 1	
Print Language : English	(Printing Dimensions)
Method : Neat Mode	Paper Size : (8.50" x 10.98") or (216 mm x 279 mm)
Page Range : All	Print Area : (8.50" x 10.98") or (216 mm x 279 mm)
Report Titles	
Payment Advice	
(with Print Preview)	
Without Date Range of Report, Without Page Numbers	
From (blank for beginning) :	1-5-2009
To (blank for end) :	31-5-2009
<i>(Note: The above From and To should be Payment Voucher Period)</i>	
Employee Category :	↓ All Items
Employee/Group :	↓ All Items
Bank Ledger :	HDFC Bank
Date Range to Print :	From: 1-5-2009 To: 31-5-2009
<i>(Note: Salary/Payroll Period to be specified in the Date Range to Print)</i>	
Bank Name :	Yes
Branch :	Yes
Sorting Method :	Bank Details
Date of Printing :	31-5-2010
<div style="border: 1px solid black; padding: 5px; display: inline-block;"> <b>Print ?</b>                      Yes or No                 </div>	

Figure 10.34 Printing Configuration for Payment Advice

- Press **Backspace** and enter the details as shown above
- Press **Enter** to print

The printed **Payment Advice** for May 2009 will appear as shown:

**Spectrum Software Solutions**  
 14, Mysore Road,  
 Bangalore

**Payment Advice**

31-May-2010

The Manager  
HDFC Bank

Dear Sir,

Payment Advice from Spectrum Software Solutions A/C # for period 1-May-2009 to 31-May-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.	Bank Name	Branch	Amount
1.	Rahul	001245766542	HDFC Bank	Koramangala	41,118.00
2.	Vijay Kumar	001254624565	HDFC Bank	Koramangala	27,662.00
3.	Ajay	001423137862	HDFC Bank	Koramangala	24,324.00
4.	Mahesh	001453276895	HDFC Bank	Koramangala	1,26,040.00
	<b>Total</b>				<b>2,19,144.00</b>

Yours Sincerely  
for Spectrum Software Solutions

Authorised Signatory

Figure 10.35 Printed Payment Advice



- The **Payment Advice** will be available only when the Salaries are processed through Bank Transfer and a Payment voucher is passed for the salaries payable for a given month/period.
- You can also **Email** or **Export Payment Advice** in the manner as discussed in Pay Slip Section.

### Payroll Register

A Payroll Register is a month-wise transaction summary report which displays the number of payroll vouchers passed during a particular month. Additional information can be appended into the Payroll Register, by inserting a new column with the required voucher type i.e., Attendance, Journal, Purchases, Sales and so on.

Go to **Gateway of Tally > Display > Payroll Reports > Statements of Payroll > Payroll Register**

The **Payroll Register** is displayed as shown:

Payroll Register		Spectrum Software Solutions		Ctrl + M
Particulars	Payroll			
	Spectrum Software Solutions			
	1-Apr-2009 to 31-Aug-2009			
		Transactions		
		Total Vouchers	(cancelled)	
April		2		
May		2		
June		3		
July		4		
August		4		
September				
October				
November				
December				
January				
February				
March				
<b>Grand Total</b>		<b>15</b>		

Figure 10.36 Payroll Register

- Press **F12: Configure** and set the **Appearance of Names** and the **Periodicity to use** as shown.

The **F12: Configuration** screen is displayed as shown:

<u>Configuration</u>		Periodicity
Appearance of Names	: <b>Name Only</b>	4 Week Month
Periodicity to use	: <b>Quarterly</b>	Daily
		Fortnightly
		Half Yearly
		Monthly
		<b>Quarterly</b>
		Weekly
		Yearly

Figure 10.37 F12: Configuration

The **Payroll Register** with the above configurations is displayed as shown:

Payroll Register		Spectrum Software Solutions		Ctrl + M
Particulars			Payroll	
			Spectrum Software Solutions	
			1-Apr-2009 to 31-Aug-2009	
		Transactions		
		Total Vouchers	(cancelled)	
Apr - Jun			7	
Jul - Sep			8	
Oct - Dec				
Jan - Mar				
<b>Grand Total</b>			<b>15</b>	

Figure 10.38 Payroll Register - Quarterly

Tally.ERP 9 allows you to drill down to the voucher level from the above display for any kind of verification. Use the **Enter key** on the required month/period to drill down to the required level.

The **Payroll Register** voucher level screen is displayed as shown:

Voucher Register		Spectrum Software Solutions		Ctrl + M	
List of All Payroll Vouchers				1-May-2009 to 31-May-2009	
Date	Particulars	Vch Type	Vch No.	Debit Amount	Credit Amount
31-5-2009	Basic Pay	Payroll	3	78,077.00	
31-5-2009	Employer EPS @ 8.33%	Payroll	4	2,164.00	

Figure 10.39 Payroll Voucher Register

You can further drill down to the transaction level, by selecting the required transaction and pressing **Enter**.

### Employee Pay Head Breakup

An Employee Pay Head Breakup report is a columnar report which displays the Group/Department-wise employees' breakup of a selected earnings or deductions pay head for a specified month/period. This report also displays the opening balance, debit and credit transactions and the closing balance for a specified period.

This report is also helpful in tracking loan outstandings and instalments deducted till date or for any specified period.

Go to **Gateway of Tally > Display > Payroll Reports > Statements of Payroll > Employee Pay Head Breakup**

- Select the **required Pay Head** from the **List of Pay Heads** and press **Enter**

The **Employee Breakup of Pay Head** for **Basic pay** screen is displayed as shown:

Employee Breakup of Pay Head		Spectrum Software Solutions		Ctrl + M
Particulars	Pay Head: Basic Pay			
	Spectrum Software Solutions			
	1-Apr-2009 to 31-Aug-2009			
Opening Balance	Transactions		Closing Balance	
	Debit	Credit		
<b>Primary Cost Category</b>	<b>4,06,963.00</b>		<b>4,06,963.00 Dr</b>	
Administration	61,731.00		61,731.00 Dr	
R&D	83,847.00		83,847.00 Dr	
Sales	2,61,385.00		2,61,385.00 Dr	

Figure 10.40 Employee Breakup of Pay Head

To drill down to **Employee Summary report** from the above display,

- Select **Employee Category** and press **Enter**
- Press **Alt+F1** to view the detailed report

The **Employee Summary** screen is displayed as shown:

Employee Summary		Spectrum Software Solutions		Ctrl + M
Particulars	Category: Primary Cost Category Pay Head: Basic Pay Spectrum Software Solutions 1-Apr-2009 to 31-Aug-2009			Closing Balance
	Opening Balance	Transactions		
		Debit	Credit	
<b>Administration</b>	61,731.00			<b>61,731.00 Dr</b>
Suresh	12,116.00			12,116.00 Dr
Vijay Kumar	49,615.00			49,615.00 Dr
<b>Contract Employees</b>				
James				
Vineet				
<b>R&amp;D</b>	83,847.00			<b>83,847.00 Dr</b>
Rahul	83,847.00			83,847.00 Dr
<b>Sales</b>	2,61,385.00			<b>2,61,385.00 Dr</b>
Ajay	43,692.00			43,692.00 Dr
Mahesh	2,04,809.00			2,04,809.00 Dr
Rajesh	12,884.00			12,884.00 Dr
<b>Grand Total</b>	<b>4,06,963.00</b>			<b>4,06,963.00 Dr</b>

Figure 10.41 Employee Summary



You can also **Email** or **Export Employee Breakup of Pay Head Report** in the manner as discussed in Pay Slip Section.

To drill down to the **Employee Monthly Summary** report from the **Employee Summary** report,

- Highlight the required employee and press **Enter**



The **Employee Monthly Summary** screen is displayed as shown:

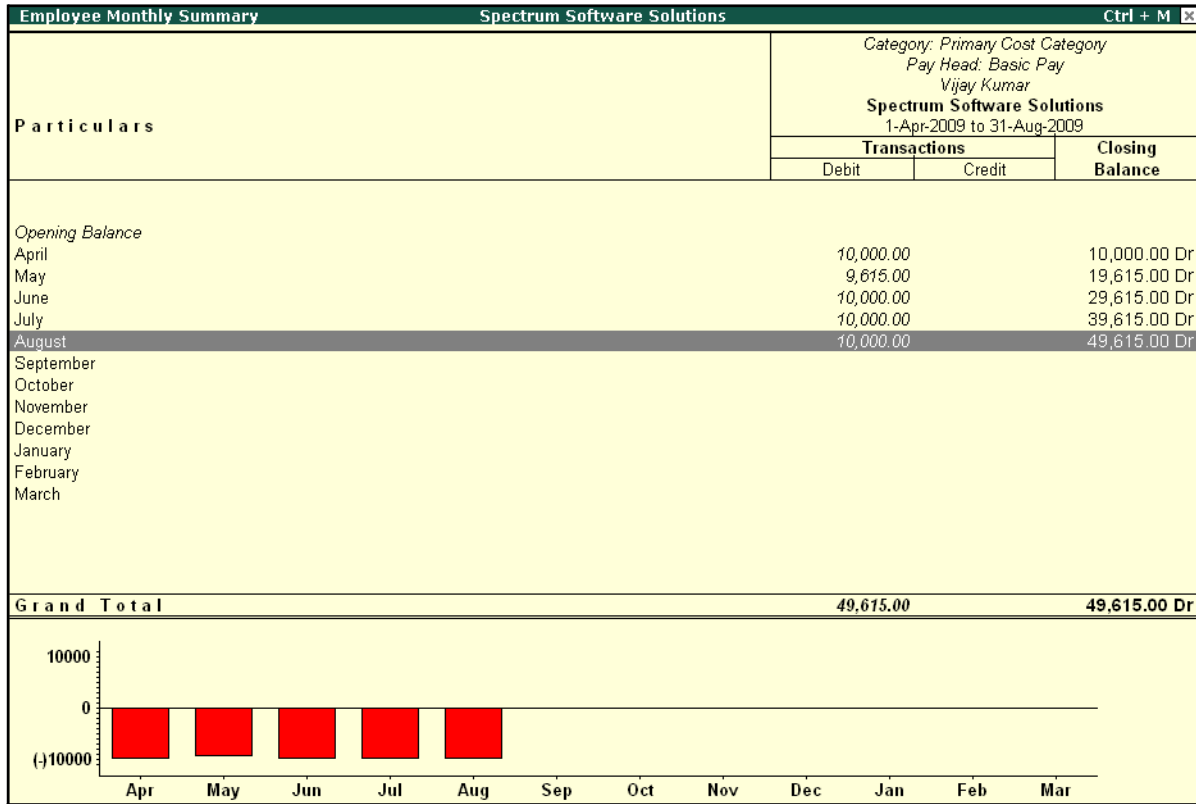


Figure 10.42 Employee Monthly Summary

To further drill down to Employee Voucher level screen from the Employee Monthly Summary report, press **Enter** on the required month.

The **Employee Summary** voucher level screen is displayed as shown:

Employee Vouchers		Spectrum Software Solutions		Ctrl + M	
Employee : <b>Vijay Kumar</b>				1-May-2009 to 31-May-2009	
For Pay Head : <i>Basic Pay</i>					
Date	Particulars	Vch Type	Vch No.	Debit	Credit
31-5-2009	<b>Basic Pay</b>	Payroll	3		<b>9,615.00</b>
				Opening Balance :	
				Current Total :	<b>9,615.00</b>
				<b>Closing Balance :</b>	<b>9,615.00</b>

Figure 10.43 Employee Vouchers Summary

You can further drill down to the transaction level, by selecting the required transaction and pressing **Enter**.

The **Employee Breakup of Pay Head** report can be viewed with additional Pay Heads, by pressing **Alt+C** and adding the required Pay Head and by pressing **Alt+N** for multiple periods.

### Pay Head Employee Breakup

A Pay Head Employee Breakup report displays the sum of transactions and closing balance of the transacted groups for the selected employee.

Go to **Gateway of Tally > Display > Payroll Reports > Statements of Payroll > Pay Head Employee Breakup**

The **Employee Selection** screen is displayed as shown:

Spectrum Software Solutions		
Current Date Monday, 31 A	<b>Name of Employee</b>	
	<b>Ajay</b>	
List of Employees		
<b>Ajay</b>	<b>Sales</b>	<b>Primary Cost Category</b>
James	Contract Employees	Primary Cost Category
Mahesh	Sales	Primary Cost Category
Rahul	R&D	Primary Cost Category
Rajesh	Sales	Primary Cost Category
Suresh	Administration	Primary Cost Category
Vijay Kumar	Administration	Primary Cost Category
Vineet	Contract Employees	Primary Cost Category

Figure 10.44 Employee Selection

To view the Pay Head breakup,

- Select the required Employee from the **List of Employees** and press **Enter**
- Press **Alt+F1** for a detailed view

The ledger-wise **Breakup of Employee** screen is displayed as shown:

Breakup of Employee				Spectrum Software Solutions		Ctrl + M	
Particulars	Employee: Ajay			Spectrum Software Solutions			
	1-Apr-2009 to 31-Aug-2009			Transactions		Closing Balance	
	Debit		Credit				
<b>Current Liabilities</b>	61,444.00		61,444.00				
EDLI Admin Charges @ 0.01%	10.00		10.00				
EDLI Contribution @ 0.5%	162.50		162.50				
Employee's PF Contribution @ 12%	3,900.00		3,900.00				
PF Admin Charges @ 1.10%	357.50		357.50				
PF Payable	3,900.00		3,900.00				
Professional Tax	800.00		800.00				
Salary Payable	52,314.00		52,314.00				
<b>Indirect Expenses</b>	71,030.00				<b>71,030.00 Dr</b>		
Basic Pay	43,692.00				43,692.00 Dr		
Conveyance	10,000.00				10,000.00 Dr		
Employer EPF @ 3.67%	1,195.00				1,195.00 Dr		
Employer EPS @ 8.33%	2,705.00				2,705.00 Dr		
House Rent Allowance	9,838.00				9,838.00 Dr		
Overtime Pay	2,400.00				2,400.00 Dr		
Variable Pay	1,200.00				1,200.00 Dr		
<b>Grand Total</b>	<b>1,32,474.00</b>		<b>61,444.00</b>		<b>71,030.00 Dr</b>		

Figure 10.45 Pay Head Employee Breakup

To further drill down to view the Breakup of Employee report for each ledger from the above displayed report, select the required ledger and press **Enter**.

The **Breakup of Employee** screen for a selected ledger (Basic Pay) is displayed as shown:

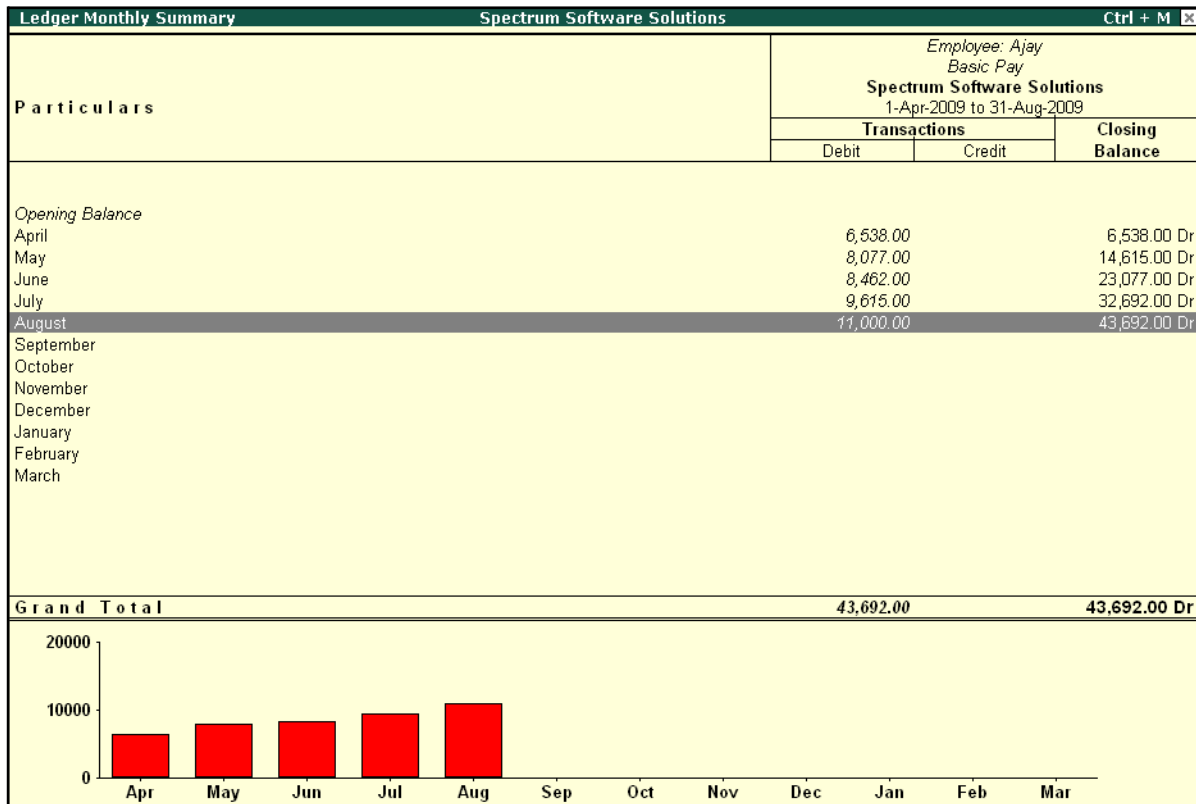


Figure 10.46 Ledger Monthly Summary

You can drill down further to view the Monthly Summary of the selected ledger and the Employee Voucher report.

The **Pay Head Employee Breakup** report can be viewed with additional employees, by pressing **Alt+C** and adding the required Employee and for multiple periods, by pressing **Alt+N**.

### Attendance Sheet

An Attendance Sheet is a columnar report which displays the details of Attendance/ Production types with the number of attendance/ production units achieved during a particular month or period.

Go to **Gateway of Tally > Display > Payroll Reports > Attendance Sheet**

The **Attendance Sheet** is displayed as shown:

Attendance Sheet			
Spectrum Software Solutions		Ctrl + M	
For All Employees			
Particulars	Absent	Overtime	Present
<b>Primary Cost Category</b>		1,620.00 Mins	80 Days
<b>Administration</b>		900.00 Mins	26 Days
Vijay Kumar		900.00 Mins	26 Days
<b>R&amp;D</b>			22 Days
Rahul			22 Days
<b>Sales</b>		720.00 Mins	32 Days
Ajay		720.00 Mins	17 Days
Mahesh			15 Days

Figure 10.47 Attendance Sheet

You may configure the above report with additional details, by pressing **F12:Configure** and enabling the following options, as required.

The completed **F12: Configuration** screen is displayed as shown:

Configuration		720.00 Mins
Remove Zero Entries	? Yes	
Include Employee Groups & Categories	? Yes	
Show Category/Group Total	? Yes	
Include Group Attendance/Production Types	? Yes	
Display Production Types in Tail Units	? Yes	
Format	: Detailed	
Show Employee Number	? Yes	
Expand all levels in Detailed Format	? Yes	
Appearance of Names	: Name Only	
Sorting Method	: <b>EmployeeNumber</b>	
		<b>Sorting Methods</b>
		Alphabetical (Decreasing)
		Alphabetical (Increasing)
		Default
		<b>EmployeeNumber</b>

Figure 10.48 F12: Configuration screen

**F12: Configurations for Attendance Sheet:**

- **Remove Zero Entries** – Set this option to **Yes**, to remove Attendance/Production information with Zero values.
- **Include Employee Groups & Categories** – Set this option to **Yes**, to display Category and Group-wise Employee information.
- **Show Category/Group Total** – Set this option to **Yes**, to display Category and Group-wise Totals.
- **Include Group Attendance/Production Types** – Set this option to **Yes** to include Group Attendance/Production Types in Attendance Sheet report.
- **Display Attendance/Production Types in Tail Units** – Set this option to **Yes**, to display the Attendance/Production Types in Tail Units.
- **Format** – Select the **Detailed** mode to view the payroll information of employees with their respective categories and groups. Select the **Condensed** mode when only sum totals are required for each category and group.
- **Expand all levels in Detailed Format** – Set this option to **Yes**, to expand all levels and display Employee details.
- **Show Employee Number** – Set this option to **Yes**, to display employee numbers of employees.
- **Appearance of Names** – Select the appropriate name style to appear in the payroll statement (Alias (Name), Alias only, Name (Alias), Name only)
- **Sorting Method** – Sort the Attendance Sheet, either by **Employee Number** or by the **Default** method.



The Attendance Sheet with the above Configurations is displayed as shown:

Attendance Sheet		Spectrum Software Solutions		Ctrl + M	
For All Employees		1-Apr-2009 to 30-Apr-2009			
Particulars	Employee Number	Absent	Overtime	Present	
<b>Primary Cost Category</b>			1,620.00 Mins	80 Days	
<b>Administration</b>			900.00 Mins	26 Days	
Vijay Kumar	549		900.00 Mins	26 Days	
<b>R&amp;D</b>				22 Days	
Rahul	552			22 Days	
<b>Sales</b>			720.00 Mins	32 Days	
Mahesh	550			15 Days	
Ajay	551		720.00 Mins	17 Days	

Figure 10.49 Attendance sheet

### Attendance Register

An Attendance Register is a month-wise transactions summary report which displays the number of attendance vouchers passed during the month. You can append additional information by inserting a new column with the required voucher type, i.e. Payroll, Journal, Purchases, Sales and so on.

Go to **Gateway of Tally > Display > Payroll Reports > Attendance Register**



The **Attendance Register** is displayed as shown:

Attendance Register		Spectrum Software Solutions		Ctrl + M
Particulars	<i>Attendance</i>			
	<b>Spectrum Software Solutions</b>			
	1-Apr-2009 to 31-Aug-2009			
		Transactions		
		Total Vouchers	(cancelled)	
April		2		
May		2		
June		2		
July		1		
August		3		
September				
October				
November				
December				
January				
February				
March				
<b>Grand Total</b>		<b>10</b>		

Figure 10.50 Attendance Register

- Press **F12: Configure** and set the **Appearance of Names** and the **Periodicity to use** as shown

The **F12:Configuration** options in **Attendance Register** are as displayed below:

<u>Configuration</u>		Periodicity
Appearance of Names	: <b>Name Only</b>	4 Week Month
Periodicity to use	: <b>Monthly</b>	Daily
		Fortnightly
		Half Yearly
		<b>Monthly</b>
		Quarterly
		Weekly
		Yearly

Figure 10.51 F12: Configuration for Attendance Register

Tally.ERP 9 allows you to drill down to the voucher register, from the Attendance Register screen for any kind of verification.

The **Voucher level screen from Attendance Register** is displayed as shown:

Voucher Register		Spectrum Software Solutions		Ctrl + M	
List of All Attendance Vouchers			1-May-2009 to 31-May-2009		
Date	Particulars	Vch Type	Vch No.	Debit Amount	Credit Amount
31-5-2009	Ajay - Present	Attendance	3		
31-5-2009	Ajay - Overtime	Attendance	4		

Figure 10.52 Attendance Voucher Register

You may further drill down to voucher level, by pressing **Enter** on the required transaction.

## Expat Reports

Expat Reports provide information about regular as well as contractual employees, working abroad on a short/ long tenure or on assignment. They capture all the relevant information in respect of passport, visa and contract details along with the date of joining, the issuing country and the expiry date. In Tally.ERP 9, the following Expat reports are available.

- Passport Expiry
- Visa Expiry
- Contract Expiry

### Passport Expiry Report

The Passport Expiry Report provides information on the passport details of employees, such as passport number, country of Issue, passport expiry date and other details such as the employee's date of joining and email id.

Go to **Gateway of Tally > Display > Payroll Reports > Expat Reports > Passport Expiry**

The **Passport Expiry Report** is displayed as shown:

Passport Expiry Report		Spectrum Software Solutions		Ctrl + M	
For All Employees			As on : 31-Aug-2009		
Particulars	Passport Number	Country of Issue	Date of Joining	Passport Expiry Date	
<b>Primary Cost Category</b>					
<b>Administration</b>					
Vijay Kumar	IND/BN/PASS130/005	India	1-4-2009	31-12-2010	
<b>Sales</b>					
Ajay	IND/BN/PASS178/006	India	1-4-2009	26-10-2011	
Mahesh	IND/BN/PASS233/005	India	1-4-2009	21-10-2012	

Figure 10.53 Passport Expiry Report

- Press **F12: Configure** to configure additional options

The **F12: Configuration** screen is displayed as shown:

<b>Configuration</b>	
Show All Employees ?	<b>No</b>
Show Expiry in days ?	<b>Yes</b>
Expiry in next n days :	<b>30</b>
Show Employee Number ?	<b>No</b>
Appearance of Names :	<b>Name Only</b>
Sorting Method :	<b>Default</b>
Show Employee Email ID ?	<b>No</b>

Figure 10.54 F12: Configuration screen



- **Show All Employees** – Set this option to **Yes**, to view the passport details of all employees. It includes information on expired and unexpired passport details. If this option is set to **No**, **Show Expiry in days** will be available.
- **Show Expiry in days** – Set this option to **Yes**, to enter the expiry days. When **Show All Employees** and **Show Expiry in days** options are set to **No**, Tally.ERP 9 filters only those employee passport details, which are nearing the expiry date. If this option is set to **Yes**, **Expiry in next n days** will be available.
- **Expiry in next n days** – Set this option to **Yes**, to get the passport expiry details for the next specified number of days. On entering the number of days, Tally.ERP 9 filters the employee passport details which are likely to expire within the specified period (number of specified days). If this option is left blank, the report will denote the current date (last date of voucher entry).
- **Show Employee Number** – Set this option to **Yes**, to display the employee number of employees in the report.
- **Appearance of Names** – Select the appropriate name style to appear in the Passport Expiry Report (Alias (Name), Alias only, Name (Alias), Name only).
- **Sorting Method** — Sort employee details based on Employee Number, Passport Expiry Date (Ascending/Descending), or by the default method.
- **Show Employee Email Id** – Set this option to **Yes**, to view the email ids of employees.

**Button options in Passport Expiry Report:**



- **F2: Change Period** – Allows you to change the period of the report.
- **F5: Employee Wise** – Allows you to display the Employee-wise Passport Expiry report.
- **F7: Employee Filters** – This option (**Ctrl+F7**) allows you to display the Passport Expiry Report for a particular Employee Category with the required Group or Employee.

## Visa Expiry Report

The Visa Expiry Report provides information on the visa details of employees i.e., visa number, visa Expiry date and other details such as the employee's date of joining and email id.

Go to **Gateway of Tally > Display > Payroll Reports > Expat Reports > Visa Expiry**

The **Visa Expiry Report** is displayed as shown:

Visa Expiry Report		Spectrum Software Solutions		Ctrl + M
For All Employees		As on : 31-Aug-2009		
Particulars	Visa Number	Date of Joining	Visa Expiry Date	
<b>Primary Cost Category</b>				
<b>Sales</b>				
Ajay		1-4-2009	10-10-2011	
Mahesh		1-4-2009	2-1-2011	

Figure 10.55 Visa Expiry Report



The **F12: Configuration** and **Button** Options are the same as shown in **Passport Expiry Report**.

### Contract Expiry Report

The Contract Expiry Report provides information on the contract details of employees on assignment/ contract. It displays the contract particulars such as work permit number, contract start and expiry date along with the employee's date of joining and the email id.

Go to **Gateway of Tally > Display > Payroll Reports > Expat Reports > Contract Expiry**

The **Contract Expiry Report** is displayed as shown:

Contract Expiry Report		Spectrum Software Solutions			Ctrl + M
For All Employees		As on : 31-Aug-2009			
Particulars	Work Permit Number	Contract Start Date	Date of Joining	Contract Expiry Date	
<b>Primary Cost Category</b>					
<b>Contract Employees</b>					
James		5-8-2009	5-8-2009	5-2-2010	
Vineet		5-8-2009	5-8-2009	5-5-2010	

Figure 10.56 Contract Expiry Report



*The F12: Configuration and Button Options are the same as shown in Passport Expiry Report.*

## Payroll Statutory Reports

In Tally.ERP 9, you can display, print statutory forms and reports for Provident Fund (EPF), Employee State Insurance (ESI) and Professional Tax (PT) in the prescribed format as required by the statutes. The following Statutory reports are available in Tally.ERP 9:

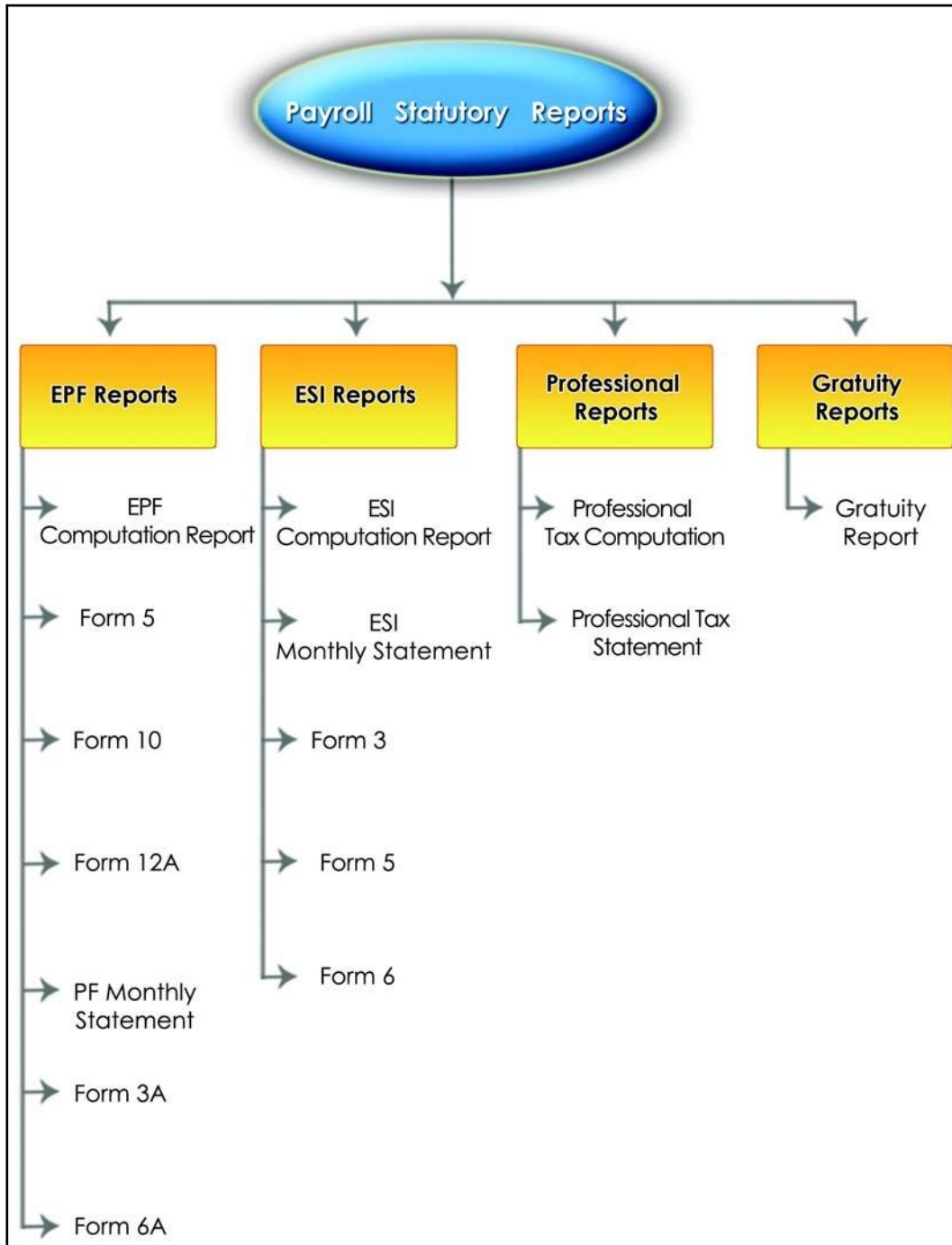


Figure 10.57 Payroll Statutory Reports in Tally.ERP 9

You can view Payroll Statutory reports either from the Statutory Reports menu or Payroll Reports menu i.e., **Gateway of Tally > Display > Statutory Reports > Payroll Reports** or **Gateway of Tally > Display > Payroll Reports > Statutory Reports**

### **Provident Fund Reports**

As mentioned earlier, the following Provident Fund Reports are available in Tally.ERP 9:

- EPF Computation report
- Form 5
- Form 10
- Form 12A
- PF Monthly Statement
- Form 3A
- Form 6A

In this section, we will generate each of the above mentioned forms / report and understand the purpose and information to be furnished.

#### **i. PF Computation Report**

The PF Computation Report provides the summary of Amount Payable and amount paid in respect of PF for a given period comprising of Employer Contributions, Employee Deductions and Employer's Other charges, if any. To view PF Computation Report, follow the steps given below:

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

- Press **F2** and specify the period as **01-07-2009** to **31-07-2009** and press **Enter**



The Payroll Statutory Computation Report is displayed as shown:

Payroll Statutory Computation		Spectrum Software Solutions		Ctrl + M
Payroll Statutory Computation		1-Jul-2009 to 31-Jul-2009		
Particulars	Payable Amount	Paid Amount		
<u>Provident Fund</u>				
Employees' Statutory Deductions	4,018.00	4,018.00		
Employer's Statutory Contributions	4,018.00	4,018.00		
Employer's Other Charges	547.71	547.71		
<u>Employee State Insurance</u>				
Employees' Statutory Deductions	208.00	208.00		
Employer's Statutory Contributions	564.00	564.00		
<u>Professional Tax</u>				
Employees' Statutory Deductions	820.00	820.00		
<b>Grand Total</b>	<b>10,175.71</b>	<b>10,175.71</b>		

Figure 10.58 Payroll Statutory Computation Report

The report, by default displays the summary of Employee's Provident Fund, Employees' State Insurance and Professional Tax. You may however configure to display only details of Provident Fund.

- Press **F12: Configure** and enable/disable the following options as required

- Press **Enter**

Configuration	
Format	: Condensed
Show Provident Fund Details	? Yes
Show Employee State Insurance Details	? No
Show Professional Tax Details	? No

Figure 10.59 F12: Configurations screen

The **PF Computation** report will is displayed as shown:

Payroll Statutory Computation		Spectrum Software Solutions		Ctrl + M
Payroll Statutory Computation		1-Jul-2009 to 31-Jul-2009		
Particulars	Payable Amount	Paid Amount		
<b>Provident Fund</b>				
Employees' Statutory Deductions	4,018.00	4,018.00		
Employer's Statutory Contributions	4,018.00	4,018.00		
Employer's Other Charges	547.71	547.71		
<b>Grand Total</b>	<b>8,583.71</b>	<b>8,583.71</b>		

Figure 10.60 PF Computation screen

To view detailed ledger wise information under each contributions / deductions head, press **Alt+F1**.

The detailed **Provident Fund** Computation Report is displayed as shown:

Payroll Statutory Computation		Spectrum Software Solutions			Ctrl + M	
Payroll Statutory Computation		1-Jul-2009 to 31-Jul-2009				
Particulars	Gross Amount	Statutory Details			Payable Amount	Paid Amount
		Percentage	A/c No.	Amount		
<b>Provident Fund</b>						
<b>Employees' Statutory Deductions</b>					<b>4,018.00</b>	<b>4,018.00</b>
Employee's PF Contribution @ 12%	33,481.00	12%	A/c No.1	4,018.00 Cr		
<b>Employer's Statutory Contributions</b>					<b>4,018.00</b>	<b>4,018.00</b>
Employer EPF @ 3.67%	33,481.00	3.67%	A/c No.1	1,231.00 Dr		
Employer EPS @ 8.33%	33,481.00	8.33%	A/c No.10	2,787.00 Dr		
<b>Employer's Other Charges</b>					<b>547.71</b>	<b>547.71</b>
EDLI Admin Charges @ 0.01%	33,481.00	0.01%	A/c No.22	12.00 Cr		
EDLI Contribution @ 0.5%	33,481.00	0.50%	A/c No.21	167.41 Cr		
PF Admin Charges @ 1.10%	33,481.00	1.10%	A/c No.2	368.30 Cr		
<b>Grand Total</b>					<b>8,583.71</b>	<b>8,583.71</b>

Figure 10.61 Detailed PF Computation Report

You can further drill down to Employee Breakup of Pay Head report and from there to Employee Vouchers and so on, by pressing **Enter** on the required ledger from the above screen.

**ii. Form 5**

In accordance with the Employees' Provident Funds Scheme,1952 [para 36 (2)(a)], a return is required to be submitted in Form 5 within 15 days of the following month detailing the list of Employees qualifying for membership to the Employees' Provident Fund for the First time during every month.

Form 5 is a monthly Returns to be submitted with the details of any new employee covered under EPF. In Tally.ERP 9, you can generate Form 5 in the prescribed format containing the details of the new joinees in the organisation for the selected month. To generate the PF Form 5 for the month of June 2009, follow the steps given below:

Go to **Gateway of Tally > Display > Payroll Reports > Statutory Reports > Provident Fund > Form 5**

In the **Payroll Statutory Print Configuration** screen,

- Specify **01-06-2009** and **30-06-2009** in the **From** and **To** fields respectively
- Select **All Items** in the **Employee Category** field
- Select **All Items** in the **Employee / Group** field

- Select **Account Number** as the **Sorting Method**
- Specify **30-06-2009** in the **Date** field

The completed **Payroll Statutory Print Configuration** screen is displayed as shown:

Payroll Statutory Print Configuration			
Printer	: Printer 1 (Ne02:)	Paper Type :	A4
No. of Copies	: 1		
Print Language	: English		<i>(Printing Dimensions)</i>
Method	: Neat Mode	Paper Size :	(8.27" x 11.69") or (210 mm x 297 mm)
Page Range	: All	Print Area :	(8.27" x 11.69") or (210 mm x 297 mm)
<p><u>Report Titles</u></p> <p><b>Form 5</b></p> <p>(with Print Preview)</p>			
From (blank for beginning) : 1-6-2009 To (blank for end) : 30-6-2009 Employee Category : ↓ All Items Employee/Group : ↓ All Items Sorting Method : Account Number Date of Printing : 30-6-2010			
			<div style="border: 1px solid black; padding: 5px; display: inline-block;"> <p><b>Print ?</b></p> <p>Yes or No</p> </div>

Figure 10.62 Payroll Statutory Print Configuration screen

- Press **Enter** to print.

The printed **PF Form 5** is displayed as shown:

**FORM 5**

**THE EMPLOYEES' PROVIDENT FUNDS SCHEME, 1952**  
**[Paragraph 36(2)(a) & THE EMPLOYEES PENSION SCHEME, 1995 Paragraph 20(2)]**

Return of Employees' qualifying for membership of the Employees' Provident Fund, Employees' Pension Fund & Employees' Deposit Linked Insurance Fund for the first time during the month of June 2009 (To be sent to the Commissioner with Form 2 (EPF & EPS))

Name and Address of the Factory / Establishment : **Spectrum Software Solutions**  
 14, Mysore Road,  
 Bangalore

Code No. of the Factory / Establishment : **KA/BN/12345/00129**

Sl No.	Account No.	Name of Employee (in block letters)	Father's Name or Husband's Name (in case of married women)	Date of Birth	Sex	Date of Joining the Fund	Total period of previous service as on the date of joining the Fund (Enclose Scheme Certificate if applicable)	Re- mar- ks
1	2	3	4	5	6	7	8	9
1	KA/BN/8181/23425	RAJESH	Mr. Srinivas	20-4-1976	Male	10-6-2009		
2	KA/BN/8181/2534	SURESH	Mr. Kannan	20-5-1975	Male	1-6-2009		

Date : **30-6-2009**

Signature of the employer or other authorised  
Officer of the Factory/Establishment & Stamp of  
the Factory/Establishment

Figure 10.63 PF Form 5

In our case study, there are two new employees who have joined during the month of June 2009 and thus Form 5 contains the details of these employees.

### iii. Form 10

In accordance with the Employees' Provident Funds Scheme, 1952 [para 36 (2)(a) & (b)], a Return is required to be submitted in Form 10 within 15 days of the following month detailing the list of members leaving service during the month.

Form 10 is a monthly Return to be submitted with the details of employees leaving the organisation. In Tally.ERP 9, on resignation or retirement or expulsion of any employee, the date of leaving is required to be specified in the Employee master of such employee. The **Date of Leaving** option in the Employee Master is available in the alteration mode. Form 10 contains the details of Employees for whom the date of leaving is specified in the Employee Master.

You can generate Form 10 in the prescribed format containing the details of the employees who have resigned in the selected month. To generate the PF Form 10 for the month of August 2009, follow the steps given below.

Go to **Gateway of Tally > Display > Payroll Reports > Statutory Reports > Provident Fund > Form 10**

In the **Payroll Statutory Print Configuration** screen

- Specify **01-09-2009** and **30-09-2009** in the **From** and **To** fields respectively
- Select **All Items** in the **Employee Category** field
- Select **All Items** in the **Employee / Group** field
- Select **Account Number** as the **Sorting Method**
- Specify **30-09-2009** in the **Date** field

The completed **Payroll Statutory Print Configuration** screen is displayed as shown:

Payroll Statutory Print Configuration			
Printer	: Printer 1 (Ne02:)	Paper Type :	A4
No. of Copies	: 1		
Print Language	: English		<i>(Printing Dimensions)</i>
Method	: Neat Mode	Paper Size :	{8.27" x 11.69"} or {210 mm x 297 mm}
Page Range	: All	Print Area :	{8.27" x 11.69"} or {210 mm x 297 mm}
<u>Report Titles</u>			
Form 10			
(with Print Preview)			
From (blank for beginning)	: 1-9-2009		
To (blank for end)	: 30-9-2009		
Employee Category	: ↓ All Items		
Employee/Group	: ↓ All Items		
Sorting Method	: Account Number		
Date of Printing	: 30-9-2010		
			<b>Print ?</b> Yes or No

Figure 10.64 Payroll Statutory Print Configuration screen

- Press **Enter** to print

The printed **Form 10** is displayed as shown:

<b>FORM 10</b>						
<b>THE EMPLOYEES' PROVIDENT FUNDS SCHEME, 1952</b>						
<b>[Paragraph 36(2) (a) &amp; (b) EMPLOYEES' PENSION SCHEME, 1995 (Paragraph 20(2))]</b>						
Return of the members leaving service during the month of : <b>September 2009</b>						
Name and Address of the Factory / Establishment : <b>Spectrum Software Solutions</b> 14, Mysore Road, Bangalore						
SI No.	Account No.	Name of the Member ( in block letters)	Father's Name or husband's Name (in case of married women)	Date of leaving service	Reason for leaving service	Remarks
1	2	3	4	5	6	7
1	KABN/8181/23425	RAJESH	Mr. Srinivas	10-9-2009	Personal Reason	

Date : **30-9-2009** Signature of the employer or the authorised Officer  
Stamp of the Factory/Establishment

Please state whether the member is (a) retiring according to para(69), (i) (a) or (b) of the scheme (b) leaving India for permanent settlement abroad (c) retrenchment (d) Pt. & total disablement due to employment injury (e) discharged (f) resigning from or leaving service (g) taking up employment elsewhere (The name and address of the Employers should be stated) (h) death; (i) attained the age of 58 years.

Certified that the member mentioned at serial No. \_\_\_\_\_ Shri \_\_\_\_\_ was paid/not paid retrenchment compensation of Rs \_\_\_\_\_ under the Industrial Dispute Act, 1947.

Figure 10.65 Printed Form 10

**iv. Form 12A**

In accordance with the Employees' Provident Funds Scheme, 1952 [para 36(1)] and the Employees' Pension Scheme 1995 [para 20(4)] and the Employees' Deposit Linked Insurance Scheme, 1976, a consolidated Statement of dues and remittance is required to be submitted by 25th of the following month to which the dues relate.

You can generate Form 12A in the prescribed format containing the details of the amount of contribution, amount of contribution remitted and the date of remittance in respect of EPF, Pension Fund and EDLI Contribution for the selected month. To generate the PF Form 12A for the month of August 2009, follow the steps given below.

Go to **Gateway of Tally > Display > Payroll Reports > Statutory Reports > Provident Fund > Form 12A**

In the **Payroll Statutory Print Configuration** screen

- Specify **01-08-2009** and **31-08-2009** in the **From** and **To** fields respectively
- Select **All Items** in the **Employee Category** field
- Select **All Items** in the **Employee / Group** field
- Specify the **Name & Address of the Bank**
- Set **Include VPF Account** to **No**
- Specify **2** in the **Number of Contract Employees** field
- Press **Enter** to accept **0** in **Number of Rest (Temporary Employees)** field

The completed **Payroll Statutory Print Configuration** screen is displayed as shown:

Payroll Statutory Print Configuration			
Printer	: Printer 1 (Ne02:)	Paper Type :	A4
No. of Copies	: 1		
Print Language	: English		<i>(Printing Dimensions)</i>
Method	: Neat Mode	Paper Size :	(8.27" x 11.69") or (210 mm x 297 mm)
Page Range	: All	Print Area :	(8.27" x 11.69") or (210 mm x 297 mm)
<u>Report Titles</u>			
Form 12A			
(with Print Preview)			
From (blank for beginning)	:	1-8-2009	
To (blank for end)	:	31-8-2009	
Employee Category	:	↓ All Items	
Employee/Group	:	↓ All Items	
Name & Address of the Bank	:	SBI, Koramangala	
Include VPF Account	:	No	
Number of Contract Employees	:	2	
Number of Rest(Temporary Employees)	:	0	
			<b>Print ?</b> Yes or No

Figure 10.66 Completed Print Configuration screen

- Press **Enter** to print



The printed **Form 12A** is displayed as shown:

**(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 : **KA/BN/12345/00009**  
Establishment status :

Name and Address of the Establishment : **Spectrum Software Solutions**  
14, Mysore Road,  
Bangalore

Code No. : **KA/BN/12345/00129**  
Currency period from : **1-Apr-2009 to 31-Mar-2010**  
Statement of Contribution for the month of : **Aug-2009**

	Wages on which Contributions are payable	Amount of Contribution		Amount of contribution remitted		Amount of Administrative charges due	Amount of Administrative charges remitted	Date Of Remittance (enclose triplicate copies of Challan)
		Recovered from the Employees'	Payable by the Employer	Employee's Share	Employer's Share			
E.P.F. A/c No. 01	35,500.00	4,260.00	1,304.00	4,260.00	1,304.00	390.50	390.50	31-Aug-2009
Pension Fund A/c No. 10	35,500.00	NIL	2,956.00	NIL	2,956.00	NIL	NIL	31-Aug-2009
E.D.L.I A/c No. 21	35,500.00	NIL	177.50	NIL	177.50	12.00	12.00	31-Aug-2009

Total No. of Employees : **8** Name & Address of the Bank in which the amount is remitted : **SBI, Koramangala**  
(a) Contract : **2**  
(b) Rest : **0**  
(c) PF Subscribers : **6**

Details of Subscribers	E.P.F.	Pension Fund	E.D.L.I.
No. of Subscribers as per last month (vide Form 12A)	6	6	6
No. of New Subscribers (vide Form 5)			
No. of Subscribers left service (vide Form 10)			
Nett Total Number of Subscribers	6	6	6

**Signature of the Employer with Official (Seal)**

Figure 10.67 Printed Form 12A

### v. PF Monthly Statement

The PF Monthly Statement provides a summary of Employee wise monthly PF Employee Deductions and Employer Contribution amounts. To print the PF Monthly Statement, follow the steps given below:

Go to **Gateway of Tally > Display > Payroll Reports > Statutory Reports > Provident Fund > Monthly Statement**

In the **Payroll Statutory Print Configuration** screen,

- Specify **01-08-2009** and **31-08-2009** in the **From** and **To** fields respectively
- Select **All Items** in the **Employee Category** field
- Select **All Items** in the **Employee / Group** field
- Select **Account Number** as the **Sorting Method**

Payroll Statutory Print Configuration			
Printer	: Printer 1 (Ne02:)	Paper Type :	A4
No. of Copies	: 1		
Print Language	: English		<i>(Printing Dimensions)</i>
Method	: Neat Mode	Paper Size :	(8.27" x 11.69") or (210 mm x 297 mm)
Page Range	: All	Print Area :	(8.27" x 11.69") or (210 mm x 297 mm)
<u>Report Titles</u>			
PF Monthly Statement			
(with Print Preview)			
From (blank for beginning) : 1-8-2009 To (blank for end) : 31-8-2009 Employee Category : ↓ All Items Employee/Group : ↓ All Items Sorting Method : Account Number			
			<b>Print ?</b> Yes or No

Figure 10.68 Print Configuration screen

- Press **Enter** to Print.

The printed **PF Monthly Statement** for August 2009 is displayed as shown:

<b>EMPLOYEE PROVIDENT FUND SCHEME - Monthly Statement</b>										
Name & Address of the Factory or Establishment : <b>Spectrum Software Solutions</b> 14, Mysore Road, Bangalore										
Statement for the Period : 1-Aug-2009 to 31-Aug-2009										
Emp No	PF Number	Employee Name	Worked	Earned Wages	Employee's Contribution			Employer's Contribution		
					PF 12%	VPF	Total	EPS 8.33%	EPF 3.67%	Total
551	KAEN18184564	Ajay	26	6,500.00	780.00		780.00	541.00	239.00	780.00
550	KAEN18184293	Mahesh	25	6,500.00	780.00		780.00	541.00	239.00	780.00
552	KAEN1820203	Rahul	22	6,500.00	780.00		780.00	541.00	239.00	780.00
554	KAEN181723425	Rajesh	26	5,000.00	600.00		600.00	417.00	183.00	600.00
553	KAEN181812534	Suresh	26	4,500.00	540.00		540.00	375.00	165.00	540.00
549	KAEN18184563	Vijay Kumar	26	6,500.00	780.00		780.00	541.00	239.00	780.00
			<b>Total</b>	<b>35,500.00</b>	<b>4,260.00</b>		<b>4,260.00</b>	<b>2,956.00</b>	<b>1,304.00</b>	<b>4,260.00</b>

Figure 10.69 PF Monthly Statement

**vi. Form 3A**

As per the Employees' Provident Funds Scheme, 1952 [para 35 & 42] and the Employees' Pension Scheme 1995 (Para 19), a Form (Member's Annual Contribution Card) showing month wise recoveries towards EPF and Pension Fund in respect of a member for one financial year is required to be furnished by the employer before 30th April of the following year.

Form 3A is an annual contribution card to be furnished for each employee in separate sheets to EPFO. To print Form 3A, follow the steps given below:

Go to **Gateway of Tally > Display > Payroll Reports > Statutory Reports > Provident Fund > Form 3A**

In the **Payroll Statutory Print Configuration** screen

- Select **All Items** in the **Employee Category** field
- Select **All Items** in the **Employee/Group** field
- Specify **01-03-2009** and **28-02-2010** in the **From** and **To** fields respectively
- Specify **28-02-2010** in the **Date of Printing** field

The completed **Payroll Statutory Print Configuration** screen is displayed as shown:

Payroll Statutory Print Configuration			
Printer	: Printer 1 (Ne02:)	Paper Type :	A4
No. of Copies	: 1		
Print Language	: English		<i>(Printing Dimensions)</i>
Method	: Neat Mode	Paper Size :	(8.27" x 11.69") or (210 mm x 297 mm)
Page Range	: All	Print Area :	(8.27" x 11.69") or (210 mm x 297 mm)
<u>Report Titles</u>			
Form 3A			
(with Print Preview)			
Employee Category	: ↓ All Items		
Employee/Group	: ↓ All Items		
From (blank for beginning)	: 1-3-2009		
To (blank for end)	: 28-2-2010		
Include VPF Account	: Yes		
Sorting Method	: Account Number		
Date of Printing	: 28-2-2010		
			<b>Print ?</b> <span style="color: red;">Yes or No</span>

Figure 10.70 Payroll Statutory Print Configuration

- Press **Enter** to Print.

The printed **Form 3A** for **Ajay** is displayed as shown:

<b>FORM 3 A [REVISED]</b> <b>EMPLOYEE'S PROVIDENT FUND ORGANISATION</b> <b>THE EMPLOYEE'S PROVIDENT FUND SCHEME, 1952 [Paras 35 &amp; 42]</b> <b>AND THE EMPLOYEES' PENSION SCHEME, 1995 [Para 19]</b> <b>Contribution Card for currency period from 1-Apr-2009 to 31-Mar-2010</b>								
1. Account No.	: KA/BN/18184/564							
2. Name/Surname (in block letters)	: AJAY							
3. Father's / Husband's Name	: Mr. Mohan							
4. Statutory Rate of Contribution	: 12 %							
5. Voluntary Higher Rate of Employee's contribution if any	:							
6. Name & Address of the Factory / Establishment	: <b>Spectrum Software Solutions</b> 14, Mysore Road, Bangalore							
7. Code Number	: KA/BN/12345/00129							
Month	WORKER'S SHARE			EMPLOYER'S SHARE		Refund of Advance	No. of days period of non contributing service (if any)	Remarks
	Amount of Wages	E.P.F.12%	Rate of higher voluntary contribution (if any)	E.P.F. Difference between 12% & 8.33% if any	Pension Fund Contribution 8.33%			
1	2	3a	3b	4a	4b	5	6	7
March 2009 Paid in April 2009								
May 2009	6,500.00	780.00		239.00	541.00			
June 2009	6,500.00	780.00		239.00	541.00			
July 2009	6,500.00	780.00		239.00	541.00			
August 2009	6,500.00	780.00		239.00	541.00			
September 2009	6,500.00	780.00		239.00	541.00			
October 2009								
November 2009								
December 2009								
January 2009								
February 2010								
February 2010 Paid in March 2010								
<b>Total</b>	<b>32,500.00</b>	<b>3,900.00</b>		<b>1,195.00</b>	<b>2,705.00</b>			
Certified that the total amount of contribution (both shares) indicated in this Card i.e. Rs.5,095.00 has already been remitted in full in E.P.S. A/c No.1 & Pension Fund A/c No.10 Rs.2,705.00 Certified that the difference between the total of the contribution shown under Cols. 3a, 3b, 4a & 4b of the above table and that arrived at on the total wages shown in cloumn 2 at the prescribed rate is solely due to rounding off the contributions to the nearest rupee under the rules.								
Date	: 30-Sep-2009							
	Signature of Employer (with Office seal)							

Figure 10.71 Printed PF Form 3A

The next page will contain the Contribution Card in Form 3A for the next employee.

**vii. Form 6A**

As per the Employees' Provident Funds Scheme, 1952 [para 43] and the Employees' Pension Scheme 1975 [para 20], a Form (Consolidated Annual Contribution Statement) providing annual contributions of each member of the establishment is required to be submitted by 30th April.

Form 6A is a vital form for compiling the annual Provident Fund statement of a subscriber. In Tally.ERP 9, you can generate Form 6A in the prescribed format. To print Form 6A, follow the steps given below:

Go to **Gateway of Tally > Display > Payroll Reports > Statutory Reports > Provident Fund > Form 6A**

In the **Payroll Statutory Print Configuration** screen

- Specify **01-03-2009** and **28-02-2010** in the **From** and **To** fields respectively
- Select **All Items** in the **Employee Category** field
- Select **All Items** in the **Employee/Group** field
- Select **Account Number** as the **Sorting Method**

The completed **Payroll Statutory Print Configuration** screen is displayed as shown:

Payroll Statutory Print Configuration			
Printer	: Printer 1 (Ne02:)	Paper Type :	A4
No. of Copies	: 1		
Print Language	: English		<i>(Printing Dimensions)</i>
Method	: Neat Mode	Paper Size :	(8.27" x 11.69") or (210 mm x 297 mm)
Page Range	: All	Print Area :	(8.27" x 11.69") or (210 mm x 297 mm)
<u>Report Titles</u>			
Form 6A			
(with Print Preview)			
From (blank for beginning)	: 1-3-2009		
To (blank for end)	: 28-2-2010		
Employee Category	: ↓ All Items		
Employee/Group	: ↓ All Items		
Sorting Method	: Account Number		
			<b>Print ?</b> Yes or No

Figure 10.72 Payroll Statutory Print Configuration for PF Form 6A

- Press **Enter** to Print.

The printed **Form 6A** is displayed as shown:

<b>FORM 6 A</b> <b>THE EMPLOYEE'S PROVIDENT FUND SCHEME, 1952. [Paragraph 43]</b> <b>AND THE EMPLOYEES' PENSION SCHEME, 1995 [Paragraph 20(4)]</b>									
<b>Annual Statement of contribution for the currency period from 1-Apr-2009 to 31-Mar-2010</b>									
Name & Address of the Establishment				: Spectrum Software Solutions 14, Mysore Road, Bangalore					
Statutory Rate of Contribution				: 12 %					
Code No. of the Establishment				: K/VBN/12345/00129					
No. of members voluntarily contributing at a higher rate				: 0					
S.No.	Account Number	Name of the Member (in block letters)	Wages, retaining allowance (if any) & DA including cash value of food concession paid during the currency period	Amount of Worker's Contributions deducted from the wages on 12 % E.P.F.	Employer's Contribution E.P.F. Difference between 12 % & 8.33 %	Pension Fund 8.33 %	Refund of Advance	Rate of higher voluntary Contribution (if any)	Remarks
1	2	3	4	5	6	7	8	9	10
1	K/VBN/18184/564	AJAY	32,500.00	3,900.00	1,195.00	2,705.00			
2	K/VBN/18184/293	MAHESH	32,500.00	3,900.00	1,195.00	2,705.00			
3	K/VBN/1920/203	RAHUL	32,500.00	3,900.00	1,195.00	2,705.00			
4	K/VBN/8181/23425	RAJESH	12,884.00	1,547.00	474.00	1,073.00			
5	K/VBN/8181/2534	SURESH	12,116.00	1,454.00	444.00	1,010.00			
6	K/VBN/18184/563	VIJAY KUMAR	32,500.00	3,900.00	1,195.00	2,705.00			
<b>Total</b>			<b>1,55,000.00</b>	<b>18,601.00</b>	<b>5,698.00</b>	<b>12,903.00</b>			

Figure 10.73 Printed Form 6A - Page 1

The Page 2 of **PF Form 6A** is displayed as shown:

Spectrum Software Solutions Form 6A: 1-Apr-2009 to 31-Mar-2010							
Sl. No.	Reconciliation of Remittances		Adm. Charges at Rs. 1.1 % of wages		Aggregate ( ) Contributions ( )		Cols 5,6,7 Rs.
	Month/Year	Amount remitted	Pension Fund Contributions	EDLI Contribution	Adm. Charges A/c No. 2	EDLI Adm. Charges 0.01% A/c. No. 22 Rs.	
		EPF Contributions including refund of advances A/c. No. 1	A/c. No. 10 Rs.	A/c No.21			
1	March 2009 Paid in April 2009						
2	May 2009	4,076.00	2,164.00	130.00	286.00	8.00	30-Apr-2009
3	June 2009	4,076.00	2,164.00	130.00	286.00	8.00	31-May-2009
4	July 2009	5,334.00	2,832.00	170.10	374.21	12.00	30-Jun-2009
5	August 2009	5,249.00	2,787.00	167.41	368.30	12.00	31-Jul-2009
6	September 2009	5,564.00	2,956.00	177.50	390.50	12.00	31-Aug-2009
7	October 2009						
8	November 2009						
9	December 2009						
10	January 2009						
11	February 2010						
12	February 2010 Paid in March 2010						
	<b>Total</b>	<b>24,299.00</b>	<b>12,903.00</b>	<b>775.01</b>	<b>1,705.01</b>	<b>52.00</b>	

i) Total number of contribution cards enclosed ( Form 3A(Revised)): 6

ii) Certified that Form3A duly completed, of all the members listed in this statement are enclosed, except those already sent during the course of the currency period for the final settlement of the concerned members account vide 'Remarks' Furnished against the names of the respective members above.

Signature of the Employer  
(With Office Seal)

**Note:**

- The names of all members, including those who had left service during the currency period, should be included in this statement. Where the Form 3A in respect of such members had left service were already sent to the Regional Office for the purpose of final settlement of their accounts, the fact should be stated against the members in the 'Remarks' Column above thus Form 3A already sent in the month of \_\_\_\_\_ 200\_\_\_\_\_.
- In case of substantial variation in the wages/contributions of any members as compared to those shown in previous month statement, the reasons should be explained adequately in the 'Remarks' column.
- In respect of those members who have not opted for Pension Fund their entire employers contribution as the case may be should be under column No. 6.

Figure 10.74 Printed Form 6A - Page 2



**viii. E-Return for PF Form 3A**

Tally.ERP 9 also allows to generate the **PF Form 3A** in **dbf format**. The dbf format of this form can be copied to a CD and submitted to the PF department.

To generate the PF Form 3A in dbf format,

Go to **Gateway of Tally > Display > Payroll Reports > Statutory Reports > Provident Fund > E-Return**

- Press Backspace and specify the details as shown:

Exporting Form 3A	
Language	: Default (All Languages)
Format	: Excel (Spreadsheet)
Export Location	: C:\Tally.ERP9 Gold
Output File Name	: Form3A.dbf
Output Sheet Name	: Form3A
Update existing file	: Yes
Excel (Spreadsheet) Formatting with Colour	: Yes : No
From (blank for beginning) : 1-3-2009 To (blank for end) : 28-2-2010	
<b>Export ?</b> Yes or No	

Figure 10.75 Exporting Form 3A in dbf format

- Press **Enter** to Export the form in the required format.



*The Out File Name can be changed with the **.dbf** extension to by default export the form in the required format. Or the Form can be exported in the **Excel** Format and renamed by changing the extension as **.dfb**.*

**Employee’s State Insurance Reports**

As mentioned earlier, the following ESI Reports are available in Tally.ERP 9:

- ESI Computation Report
- Form 3
- ESI Monthly Statement
- Form 5
- Form 6

In this section, we will generate each of the above forms / report and understand the purpose and information to be furnished.

**i. ESI Computation Report**

The ESI Computation Report provides the summary of Amount Payable and amount paid in respect of ESI for given period comprising of Employer Contributions and Employee Deductions. To view ESI Computation Report, follow the steps given below:

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

- Press **F2** and specify the period as **01-07-2009 to 31-07-2009** and press **Enter**

Payroll Statutory Computation		Spectrum Software Solutions		Ctrl + M
Payroll Statutory Computation		1-Jul-2009 to 31-Jul-2009		
Particulars	Payable Amount	Paid Amount		
<b>Provident Fund</b>				
Employees' Statutory Deductions	4,018.00	4,018.00		
Employer's Statutory Contributions	4,018.00	4,018.00		
Employer's Other Charges	547.71	547.71		
<b>Employee State Insurance</b>				
Employees' Statutory Deductions	208.00	208.00		
Employer's Statutory Contributions	564.00	564.00		
<b>Professional Tax</b>				
Employees' Statutory Deductions	820.00	820.00		
<b>Grand Total</b>	<b>10,175.71</b>	<b>10,175.71</b>		

Figure 10.76 Payroll Computation report

The report, by default displays summary of Employee's Provident Fund, Employee's State Insurance and Professional Tax, you may however configure to display only details of Employee State Insurance.

- Press **F12: Configure** and enable/disable the following options as required

- Press **Enter**

Configuration	
Format	: Condensed
Show Provident Fund Details	? No
Show Employee State Insurance Details	? Yes
Show Professional Tax Details	? No

Figure 10.77 F12: Configuration screen

The **ESI Computation** report is displayed as shown:

Payroll Statutory Computation		Spectrum Software Solutions		Ctrl + M
Payroll Statutory Computation		1-Jul-2009 to 31-Jul-2009		
Particulars	Payable Amount	Paid Amount		
<u>Employee State Insurance</u>				
Employees' Statutory Deductions	208.00	208.00		
Employer's Statutory Contributions	564.00	564.00		
<b>Grand Total</b>	<b>772.00</b>	<b>772.00</b>		

Figure 10.78 ESI Computation report

To view the detailed ledger wise information under each contributions / deductions head, press **Alt+F1**.

The detailed **Employee State Insurance** Computation Report is displayed as shown:

Payroll Statutory Computation		Spectrum Software Solutions			Ctrl + M	
Payroll Statutory Computation		1-Jul-2009 to 31-Jul-2009				
Particulars	Gross Amount	Statutory Details			Payable Amount	Paid Amount
		Percentage	A/c No.	Amount		
<b>Employee State Insurance</b>						
<b>Employees' Statutory Deductions</b>						
Employee's ESI Contribution @ 1.75%	11,873.00	1.75%		208.00 Cr	208.00	208.00
<b>Employer's Statutory Contributions</b>						
Employer ESI @ 4.75%	11,873.00	4.75%		564.00 Dr	564.00	564.00
<b>Grand Total</b>					772.00	772.00

Figure 10.79 Detailed ESI Computation report

You can further drill down to Employee Breakup of Pay Head report and from there to Employee Vouchers and so on, by pressing **Enter** on the required ledger from the above screen.

**ii. ESI Form 3**

As per Regulation 14, a declaration form in Form 3 is required to be filed for every Half Yearly stating the list of Employees whose remuneration is not exceeding Rs. 10,000/- per month. To generate ESI Form 3, follow the steps given below:

Go to **Gateway of Tally > Display > Payroll Reports > Statutory Reports > Employee State Insurance > Form 3**

In the **Payroll Statutory Print Configuration** screen,

- ❑ Specify **1-08-2009** and **31-08-2009** in the **From** and **To** fields respectively
- ❑ Select **All Items** in the **Employee Category** field
- ❑ Select **All Items** in the **Employee/Group** field
- ❑ Select **Account Number** as the **Sorting Method**
- ❑ Select **All Items** in the field **Gender**
- ❑ Type **Bangalore** in the **Place** field
- ❑ Specify **31-08-2009** in the **Date of Printing** field

- Type the **Designation** details of the person submitting the declaration form  
The completed **Payroll Statutory Print Configuration** screen is displayed as shown:

Payroll Statutory Print Configuration			
Printer	: Printer 1 (Ne02:)	Paper Type :	A4
No. of Copies	: 1		
Print Language	: English		(Printing Dimensions)
Method	: Neat Mode	Paper Size :	(8.27" x 11.69") or (210 mm x 297 mm)
Page Range	: All	Print Area :	(8.27" x 11.69") or (210 mm x 297 mm)
Report Titles			
Form 3			
(with Print Preview)			
From (blank for beginning)	: 1-8-2009		
To (blank for end)	: 31-8-2009		
Employee Category	: <input checked="" type="checkbox"/> All Items		
Employee/Group	: <input checked="" type="checkbox"/> All Items		
Sorting Method	: Account Number		
Gender	: <input checked="" type="checkbox"/> All Items		
Place	: Bangalore		
Date of Printing	: 31-3-2010		
Designation	: CFO		
			Print ?
			Yes or No

Figure 10.80 Payroll Statutory Print Configuration for ESI Form 3

- Press **Enter** to Print.

The printed **Form 3** (Return of Declaration) is displayed as shown:

Original	FORM - 3			
<p><b>EMPLOYEES' STATE INSURANCE CORPORATION</b>  <b>RETURN OF DECLARATION FORM</b>          [Regulation - 14]</p>				
<p>Name &amp; Address of the Factory or Establishment : <b>Spectrum Software Solutions</b>          14, Mysore Road,          Bangalore</p>				
<p>Employer's Code No : <b>KA/BN/12345/234234</b></p>				
<p>I send herewith the Declaration Forms in respect of the employees mentioned below:</p>				
<p>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-Aug-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.</p>				
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	Rajesh	554	Mr. Srinivas	KA/ESI/234/3353
2	Suresh	553	Mr. Kannan	KA/ESI/345/2224
<p>Place : <b>Bangalore</b></p>		<p>Signature :</p>		
<p>Dated : <b>31-Mar-2010</b></p>		<p>Designation : <b>CFO</b></p>		

Figure 10.81 Printed Form 3

### iii. ESI Monthly Statement

The ESI Monthly Statement provides a summary of Employee wise monthly ESI Employee Deductions and Employer Contribution amount. To print ESI Monthly Statement, follow the steps given below:

Go to **Gateway of Tally > Display > Payroll Reports > Statutory Reports > Employee State Insurance > Monthly Statement**

In the **Payroll Statutory Print Configuration** screen,

- Specify **01-08-2009** and **31-08-2009** in the **From** and **To** fields respectively
- Select **All Items** in the **Employee Category** field
- Select **All Items** in the **Employee/Group** field
- Select **Account Number** as the **Sorting Method**

The completed **Payroll Configuration Print screen** is displayed as shown:

Payroll Statutory Print Configuration			
Printer	: Printer 1 (Ne02:)	Paper Type :	A4
No. of Copies	: 1		
Print Language	: English		<i>(Printing Dimensions)</i>
Method	: Neat Mode	Paper Size :	(8.27" x 11.69") or (210 mm x 297 mm)
Page Range	: All	Print Area :	(8.27" x 11.69") or (210 mm x 297 mm)
<u>Report Titles</u>			
ESI Monthly Statement			
(with Print Preview)			
From (blank for beginning)	: 1-8-2009		
To (blank for end)	: 31-8-2009		
Employee Category	: ↓ All Items		
Employee/Group	: ↓ All Items		
Sorting Method	: Account Number		
			<b>Print ?</b> Yes or No

Figure 10.82 Payroll Statutory Print Configuration screen

- Press **Enter** to Print.

The printed **ESI Monthly Statement** for August 2009 is displayed as shown:

EMPLOYEES' STATE INSURANCE - Monthly Statement									
Name & Address of the Factory or Establishment : <b>Spectrum Software Solutions</b> 14, Mysore Road, Bangalore									
Statement for the Period : 1-Aug-2009 to 31-Aug-2009									
Sl. No	Employee No	Employee Name	ESI No	Worked Days	Earned Wages	Fixed Wages	Employee's Contribution	Employer's Contribution	Total
1	554	Rajesh	KA/ESI/234/3353	26	7,800.00	7,800.00	137.00	371.00	508.00
2	553	Suresh	KA/ESI/345/2224	26	6,900.00	6,900.00	121.00	328.00	449.00
				<b>Total</b>	<b>14,700.00</b>	<b>14,700.00</b>	<b>258.00</b>	<b>699.00</b>	<b>957.00</b>

Figure 10.83 ESI Monthly Statement

**iv. Form 5**

As per Regulation 26, a Return of Contribution in Form 5 is required to be submitted to the appropriate Branch Office within 42 days of the expiry of the contribution period (i.e, 12th May or November 11th of each year). Such return of contribution should be prepared in quadruplicate and submitted separately for the main Code Number and each sub-codenumber.



The employer may make compliance from the parent unit and submit only one return in respect of all the branches or may make compliance through their Branch Offices/ Sales Offices separately in the Regions where such offices are located.

**Go to Gateway of Tally > Display > Payroll Reports > Statutory Reports > Employee State Insurance > Form 5**

In the **Payroll Statutory Print Configuration** screen

- Specify **01-04-2009** and **30-09-2009** in the **From** and **To** fields respectively
- Select **All Items** in the **Employee Category** field
- Select **All Items** in the **Employee/Group** field
- Select **Account Number** as the **Sorting Method**
- Specify **Bangalore** in the **Place** Field
- Specify **30-09-2009** in the **Date of Printing** field
- Type the name of the Signatory in the **Authorised Signatory Name** field
- Type the **Designation** details of the signing authority
- In the **Residential Address** field provide the Home Address of Authorised Signatory

The completed **Payroll Statutory Print Configuration** screen for ESI Monthly Statement is displayed as shown:

Payroll Statutory Print Configuration			
Printer	: Printer 1 (Ne02:)	Paper Type :	A4
No. of Copies	: 1		
Print Language	: English		<i>(Printing Dimensions)</i>
Method	: Neat Mode	Paper Size :	(8.27" x 11.69") or (210 mm x 297 mm)
Page Range	: All	Print Area :	(8.27" x 11.69") or (210 mm x 297 mm)
<u>Report Titles</u>			
Form 5			
(with Print Preview)			
From (blank for beginning)	:	1-4-2009	
To (blank for end)	:	30-9-2009	
Employee Category	:	↓ All Items	
Employee/Group	:	↓ All Items	
Sorting Method	:	Account Number	
Appearance of Employee Names	:	Name Only	
Place	:	Bangalore	
Date of Printing	:	31-3-2010	
Authorised Signatory Name	:	Mr. Ram	
Designation	:	CFO	
Residential Address	:	No-22, HSN Lay Out, Bangalore	
			<b>Print ?</b> Yes or No

Figure 10.84 Payroll Statutory Print Configuration screen

- Press **Enter** to Print

The printed **Form 5** is displayed as shown:

Original (Page1)  
FORM-5

Name of Branch Office **Koramangala** Employer's Code No. **KA/BN/12345/234234**

**RETURN OF CONTRIBUTIONS  
EMPLOYEES' STATE INSURANCE CORPORATION  
Regulation - 26**

Name & Address of the Factory or Establishment : **Spectrum Software Solutions  
14, Mysore Road,  
Bangalore**

PARTICULARS OF THE PRINCIPAL EMPLOYERS:

a)Name **Mr. Ram** b)Designation **CFO**  
c)Residential Address **No-22, HSN Lay Out,  
Bangalore**

Contribution Period From **1-Apr-2009** To **30-Sep-2009**

I furnish below the details of the employer's and employee's share of contribution in respect of the under mentioned Insured persons.I hereby declare that the return includes every employee,employed directly or through an immediate employer or in connection with the work of the factory / establishment or any work connected with the administration of the factory / establishment or purchase of raw materials,sale or distribution of finished products etc.,to whom the ESI Act, 1948 applies, in the contribution period to which this return relates and that the contributions in respect of Employer's and Employee's share have been correctly paid in accordance with the provisions of the Act and regulations.

Details of Total Contribution are as below:

Employer's Share	:	<b>1,863.00</b>
Employee's Share	:	<b>687.00</b>
Total Contribution	:	<b>2,550.00</b>

Details of Challans :

Sl No	Month	Date of Challan	Amount	Name of the Bank and Branch
1	June	30-Jun-2009	821.00	HDFC & 1002452
2	July	31-Jul-2009	772.00	HDFC & 232431
3	August	31-Aug-2009	957.00	HDFC & 100246
<b>Total amount paid</b>			<b>2,550.00</b>	

**I declare that**

a) All the Records and Registers have been maintained as per provisions contained in ESI Act, Rules & Regulations framed therein.

b) During the period of return \_\_\_\_\_ No. of Declaration forms have been submitted.

c) During the above period \_\_\_\_\_ No. of TICs have been received.

d) During the above period \_\_\_\_\_ No. of PICs have been received.

e) During the above period \_\_\_\_\_ No. of PICs have been distributed amongst the eligible IPs.

f) During the above period \_\_\_\_\_ accidents have been reported to the concerned Branch Office.

g) During the period 2 No. of employees directly employed by us have been covered and a total wages of Rs.39,199.00 have been paid to such employees.

h) During the period \_\_\_\_\_ No. of employees directly employed by us have not been covered and a total wages of Rs. \_\_\_\_\_ have been paid to such employees.

Figure 10.85 Printed Form 5 - Page 1

The Page 2 of **Form 5** (includes the CA Form also) is displayed as shown:

Page 2

i) During the period \_\_\_\_\_ No. of employees employed through immediate employer have been covered and a total wages of Rs. \_\_\_\_\_ have been paid to such employees.

j) During the period \_\_\_\_\_ No. of employees employed through immediate employer have not been covered and a total wages of Rs. \_\_\_\_\_ have been paid to such employees.

k) Following components of wages have been taken into consideration for the purpose of payment of contribution :-

- 1 Basic
- 2 House Rent Allowance
- 3 Conveyance
- 4 Overtime Pay

l) Following components of wages have not been taken into consideration for the purpose of payment of contribution :-

- 1 Wages
- 2 Variable Pay

The above mentioned information is based on records and any information if found incorrect will render me liable for prosecutions under provisions of ESI Act and action for recovery of contribution due along with interest and damages as per provisions of the ESI Act.

Place : **Bangalore** Signature of the Employer :  
 Date : **31-Mar-2010** Designation : **CFO**  
 (with Rubber stamp)

**CERTIFICATE BY CHARTERED ACCOUNTANT**  
 ( To be submitted in case of Employers employing 40 or more Employees )

Certified that I have verified the above return from the records & Registers of M/s Spectrum Software Solutions and found it to be correct.

Signature & Seal Of  
 the Chartered Accountant with Membership No.

Important Instructions: Information to be given in Remarks Column (No.9)

If any I.P. is appointed for the first time and / or leaves during the contribution period indicate 'A' \_\_\_\_\_ (date) and / or 'L' \_\_\_\_\_ (date)

Please indicate Insurance Nos. in ascending order

Figures in Column 4,5 & 6 of the Return

Invariably strike totals of column 4,5 & 6 of the Return

No overwriting shall be made. Any corrections, if made, should be signed by the Employer

Every page of this Return should bear full signature and rubber stamp of the Employer

Daily wages in Column 7 of the return shall be calculated by dividing figures in Column 5 by figures in Column 4 to two decimal places

For \*CP ending 31st March, due date is 12th May  
 For CP ending 30th September, due date is 11th November

Figure 10.86 Printed Form 5 - Page 2

The Page 3 of **Form 5** is displayed as shown:

Page 3

**EMPLOYEES' STATE INSURANCE CORPORATION**

Employer's Name & Address : Spectrum Software Solutions, 14, Mysore Road., Bangalore  
 Employer's Code No. : KA/BN/12345/234234 Branch Office : Koramangala  
 Period : 1-Apr-2009 to 30-Sep-2009

SI No.	Insurance No.	Name of Insured Person	No. of days for which wages paid	Total amount of wages paid	Employee-'s contribution deducted	Average Daily wages 5/4	Whether still continues working and drawing wages within the insurable wages ceiling	Name of the Dispensary of the I.P.	Remarks
1	2	3	4	5	6	7	7(A)	8	9
1	KAESI2343353	Rajesh	67	20,437.00	358.00	305.03	No	Koramangala	A: 10-Jun-2009 L: 10-Sep-2009
2	KAESI3452224	Suresh	70	18,762.00	329.00	268.03	Yes	Koramangala	A: 1-Jun-2009
<b>Total</b>				<b>39,199.00</b>	<b>687.00</b>				

Date of appointment and leaving the job may be given in remarks column

\_\_\_\_\_  
Signature of the Employer

(FOR OFFICIAL USE)

1. Entitlement position marked.
2. Total of col.5 of return checked and found correct/correct amount is indicated
3. Checked the amount of Employer's/Employees contribution paid which is in order/observation memo. enclosed

\_\_\_\_\_  
Counter Signature

U D C
Head Clerk
Branch Officer

Figure 10.87 ESI Form 5 - Page 3

**v. ESI Form 6**

As per Regulation 32, a register of Employees covered under Employees State Insurance Scheme, containing information regarding the Insurance No., dispensary, other occupational details, Employer's Share and month wise (under that particular Half Year) ESI details (i.e., Gross wages, Number of working days and ESI Contribution for each employee) should be furnished. To generate Form 6, follow the steps given below:

Go to **Gateway of Tally > Display > Payroll Reports > Statutory Reports > Employee State Insurance > Form 6**

In the **Payroll Statutory Print Configuration** screen

- Type **01-04-2009** in the **From** field
- Type **30-09-2009** in the **To** field
- Select **All Items** in the **Employee Category** field
- Select **All Items** in the **Employee/Group** field
- Select **Account Number** as the **Sorting Method**

The completed **Payroll Statutory Print Configuration** screen is displayed as shown:

<b>Printer</b> : Printer 1 (Ne02:) <b>No. of Copies</b> : 1 <b>Print Language</b> : English <b>Method</b> : Neat Mode <b>Page Range</b> : All	<b>Paper Type</b> : A4 <i>(Printing Dimensions)</i> <b>Paper Size</b> : (8.27" x 11.69") or (210 mm x 297 mm) <b>Print Area</b> : (8.27" x 11.69") or (210 mm x 297 mm)	
<u>Report Titles</u>  <b>Form 6</b>  (with Print Preview)		
<b>From (blank for beginning)</b> : 1-4-2009 <b>To (blank for end)</b> : 30-9-2009 <b>Employee Category</b> : ↓ All Items <b>Employee/Group</b> : ↓ All Items <b>Sorting Method</b> : Account Number	<table border="1" style="margin-left: auto; margin-right: auto;"> <tr> <td style="padding: 5px;"> <b>Print ?</b>            Yes or No         </td> </tr> </table>	<b>Print ?</b> Yes or No
<b>Print ?</b> Yes or No		

Figure 10.88 Payroll Statutory Print Configuration for ESI Form 6

- Press **Enter** to Print.

The printed **Form 6** is displayed as shown:

Page 1

**Spectrum Software Solutions**  
14, Mysore Road,  
Bangalore

**FORM 6**  
REGISTER OF EMPLOYEES  
EMPLOYEES' STATE INSURANCE CORPORATION  
(Regulation 32)

Contribution Period : From **1-Apr-2009** to **30-Sep-2009**

Sl. No	Insurance No.	Name of the insured person	* Name of dispensary to which attached	Occupation	Rate of wages etc., in the first wage period	Deptt. and shift, if any	If appointed or left service during the contribution period, date of appointment /	No. of days for which wages paid	Month: April	Employees' share of contribution
1	2	3	3(A)	4	5	6	7	8	9	10
1	KA/ESI/234/3353	Rajesh	Koramangala	Junior Executive	307.29	Sales	10-Sep-2009	0		
2	KA/ESI/345/2224	Suresh	Koramangala	Executive	205.77	Administration	1-Jun-2009	0		
<b>Total</b>										
Employer's Share										
Grand Total										
Paid On										

Note: The Figure in Columns 7 to 24 shall be in respect of wage periods ending in a particular calendar month.

Figure 10.89 Printed Form 6 - Page 1

The Page 2 of **Form 6** is displayed as shown:

Page 2

**Spectrum Software Solutions**  
14, Mysore Road,  
Bangalore

**FORM 6**  
REGISTER OF EMPLOYEES  
EMPLOYEES' STATE INSURANCE CORPORATION  
(Regulation 32)

Contribution Period : From **1-Apr-2009** to **30-Sep-2009**

Sl. No	Month: May		Month: June		Month: July		Employees' share of contribution
	No. of days for which wages paid/payable	Total amount of wages paid /payable	No. of days for which wages paid/payable	Total amount of wages paid /payable	No. of days for which wages paid/payable	Total amount of wages paid /payable	
1	11	0	14	6,453.00	17	6,184.00	108.00
2	0	0	21	6,173.00	20	5,689.00	100.00
			23	108.00	21	11,873.00	208.00
<b>Total</b>			<b>Total</b>	<b>12,626.00</b>	<b>Total</b>	<b>11,873.00</b>	<b>564.00</b>
		Employer's Share		Employer's Share		Employer's Share	
		Grand Total		Grand Total		Grand Total	
		Paid On		Paid On		Paid On	
				30-Jun-2009		31-Jul-2009	
				821.00		772.00	

Note: The Figure in Columns 7 to 24 shall be in respect of wage periods ending in a particular calendar month.

Figure 10.90 Printed Form 6 - Page 2

The Page 3 of **Form 6** is displayed as shown:

Page 3

**Spectrum Software Solutions**  
14, Mysore Road,  
Bangalore

**FORM 6**  
REGISTER OF EMPLOYEES  
EMPLOYEES' STATE INSURANCE CORPORATION  
(Regulation 32)

Contribution Period : From **1-Apr-2009** to **30-Sep-2009**

Sl. No	Month: August		No. of days for which wages paid/payable	Month: September		Summary			R-emarks		
	No. of days for which wages paid/payable	Total amount of wages paid /payable		Total amount of wages paid /payable	Employees' share of contribution	Total No. of days for which wages paid /payable in Contribution	Total amount of wages paid /payable in Contribution Period (Rs)	Total Employee's share of Contribution		Daily wages (27/26) (Rs.)	
1	20	21	22	23	24	25	26	27	28	29	30
2	26	7,800.00	137.00	10			67	20,437.00	358.00	305.03	
	26	6,900.00	121.00	30			70	18,762.00	329.00	268.03	
	Total	14,700.00	258.00	Total				39,199.00	687.00	573.06	
		Employer's Share	699.00		Employer's Share						
		Grand Total	957.00		Grand Total						
		Paid On	31-Aug-2009		Paid On						

Note: The Figure in Columns 7 to 24 shall be in respect of wage periods ending in a particular calendar month.

Figure 10.91 Printed Form 6 - Page 3



## Professional Tax Reports

As discussed earlier, Professional Tax is applicable to those individuals or professionals in India who are involved in any profession or trade. The state government of each state governs and administers the levy and collection of Professional Tax in the respective State. The state is empowered with the responsibility of structuring as well as formulating the professional tax criteria for the respective state. Professional tax is charged on the incomes of Individuals, profits of business or gains in vocations as per the list II of the Indian Constitution.

In India, the professional tax slabs vary from state to state and some of the states have formulated different professional tax slabs for men, women and the senior citizens of the respective states. The rates depend upon the profession, years in the profession and the amount of income or turnover and so on.

In Tally.ERP 9, the Professional Tax Report is generated based on the Slab Rates defined in the Professional Tax Ledger and it captures the amount of Professional Tax deducted under each slab rate.

### i. Professional Tax Computation Report

The Professional Tax Computation Report provides the summary of Amount deducted as Professional Tax from the Earnings of the Employees exceeding the prescribed threshold limits, in accordance with the Slab rates applicable for the particular state.

Go to **Gateway of Tally > Display > Payroll Reports > Statutory Reports > Professional Tax > Computation Report**

- From the **List of Ledgers** drop down, select **Professional Tax** and press **Enter**, the Payroll Statutory Print Configuration screen appears
- In the **Payroll Statutory Print Configuration** screen,
  - Specify **01-08-2009** and **31-08-2009** in the **From** and **To** fields respectively
  - Select **All Items** in the **Employee Category** field
  - Select **All Items** in the **Employee/Group** field
  - Type **Bangalore** in the **Place** field
  - Specify **31-08-2009** in the **Date of Printing** field

The completed **Payroll Statutory Print Configuration** screen is displayed as shown:

Payroll Statutory Print Configuration	
Printer	: Printer 1 (Ne02:)
No. of Copies	: 1
Print Language	: English
Method	: Neat Mode
Page Range	: All
Paper Type	: A4
	<i>(Printing Dimensions)</i>
Paper Size	: (8.27" x 11.69") or (210 mm x 297 mm)
Print Area	: (8.27" x 11.69") or (210 mm x 297 mm)
Report Titles	
PROFESSIONAL TAX PAYABLE BY EMPLOYER	
(with Print Preview)	
From (blank for beginning)	: 1-8-2009
To (blank for end)	: 31-8-2009
Employee Category	: <input checked="" type="checkbox"/> All Items
Employee/Group	: <input checked="" type="checkbox"/> All Items
Place	: Bangalore
Date of Printing	: 31-3-2010
Authorised Signatory Name	: Mr. Ram
<div style="border: 1px solid black; padding: 5px; display: inline-block;"> <b>Print ?</b>                      Yes or No                 </div>	

Figure 10.92 Payroll Statutory Print Configuration screen

- Press **Enter** to Print.

The printed **Professional Tax Computation** report for the month of August 2009 will appear as shown:

<b>PROFESSIONAL TAX PAYABLE BY EMPLOYER</b>						
Return of Tax payable for the period : <b>August, 2009</b>						
Name of the Employer		: <b>Spectrum Software Solutions</b>				
Address		: 14, Mysore Road, Bangalore				
Registration Certificate No.		: <b>KAPT/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	5,000.00	0.00	
2	Rs	5,000.00	to	8,000.00	60.00	120.00
3	Rs	8,000.00	to	10,000.00	100.00	
4	Rs	10,000.00	to	15,000.00	150.00	150.00
5	Rs	15,000.00	and above		200.00	600.00
<b>TOTAL</b>				<b>6.00</b>		<b>870.00</b>
Amount Paid : <b>870.00</b>						
Amount in Words : <b>Rs. Eight Hundred Seventy 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 Mr. Ram solemnly declare that above statements are true to the best of my knowledge and belief.						
Place		: Bangalore				
Date		: 31-Aug-2009				
						Signature of Employer

Figure 10.93 Printed PT Computation Report

**ii. Professional Tax Statement**

The Professional Tax Statement provides the summary of Employee wise Gross Wages paid, No. of Working Days and the amount of Professional Tax deducted during the selected period. To generate the Professional Tax Statement for a month,

Go to **Gateway of Tally > Display > Payroll Reports > Statutory Reports > Professional Tax > Statement**

- From the **List of Ledgers** drop down, select **Professional Tax** and press **Enter**, the Payroll Statutory Print Configuration screen appears
- In the **Payroll Statutory Print Configuration** screen,
  - Specify **01-08-2009** and **31-08-2009** in the **From** and **To** fields respectively
  - Select **All Items** in the **Employee Category** field
  - Select **All Items** in the **Employee/Group** field
  - Select **Employee Name** as the **Sorting Method**

The completed **Payroll Statutory Print Configuration** screen will appear as shown:

Payroll Statutory Print Configuration			
Printer	: Printer 1 (Ne02:)	Paper Type :	A4
No. of Copies	: 1		
Print Language	: English		<i>(Printing Dimensions)</i>
Method	: Neat Mode	Paper Size :	(8.27" x 11.69") or (210 mm x 297 mm)
Page Range	: All	Print Area :	(8.27" x 11.69") or (210 mm x 297 mm)
<u>Report Titles</u>			
Professional Tax			
Professional Tax Monthly Statement			
(with Print Preview)			
From (blank for beginning) :	1-8-2009		
To (blank for end) :	31-8-2009		
Employee Category :	↓ All Items		
Employee/Group :	↓ All Items		
Sorting Method :	Employee Name		
			<b>Print ?</b> <span style="color: red;">Yes or No</span>

Figure 10.94 Payroll Statutory Print Configuration screen

- Press **Enter** to Print.

The printed **Professional Tax Statement** for August 2009 is displayed as shown:

<b>PROFESSIONAL TAX - Monthly Statement (Professional Tax)</b>					
Name & Address of the Factory or Establishment : <b>Spectrum Software Solutions</b> 14, Mysore Road, Bangalore					
Statement for the Period : 1-Aug-2009 to 31-Aug-2009					
Sl.No	Employee No.	Employee Name	Worked Days	Gross Wages	Value
1	551	Ajay	26	16,300.00	200.00
2	550	Mahesh	25	69,308.00	200.00
3	552	Rahul	22	23,692.00	200.00
4	554	Rajesh	26	7,800.00	60.00
5	553	Suresh	26	6,900.00	60.00
6	549	Vijay Kumar	26	14,800.00	150.00
		<b>Total</b>		<b>1,38,800.00</b>	<b>870.00</b>

Figure 10.95 Printed Professional Tax Statement



You can view **PT Computation Report** from **Gateway of Tally > Display > Payroll Reports > Statutory Reports > Computation** menu, detailing Professional Tax collected and paid during a given period in the manner as discussed in **Provident Fund Computation Report** section.

## Gratuity Report

The Gratuity Report displays the provisional liability of an employer towards his employee in respect of gratuity payable at the time of cessation of employment either by resignation, death, retirement or termination.

The Gratuity Summary Report displays the gratuity amount payable in accordance with the pay components and formulae defined in the ledger master, as discussed earlier. In Tally.ERP 9, the Gratuity amount is calculated proportionately for eligible days in a year to the extent of completed months of service.

You can view the Gratuity Report either from Statutory Reports menu or Payroll Reports menu i.e., **Gateway of Tally > Display > Payroll Reports > Statutory Reports** or **Gateway of Tally > Display > Statutory Reports > Payroll Reports**.

Go to **Gateway of Tally > Display > Payroll Reports > Statutory Reports > Gratuity Report**

The **Gratuity Report** for the Employees eligible for Gratuity is displayed as shown:

Gratuity Summary		Spectrum Software Solutions		Ctrl + M	
For All Employees		1-Aug-2009 to 31-Aug-2009			
Particulars	Date of Joining	Date of Leaving	Gratuity Eligible Salary	Gratuity Amount	
<b>Primary Cost Category</b>			<b>1,00,500.00</b>	<b>7,764.00</b>	
<b>Administration</b>			<b>14,500.00</b>	<b>697.00</b>	
Suresh	1-6-2009		4,500.00	216.00	
Vijay Kumar	1-4-2009		10,000.00	481.00	
<b>Contract Employees</b>					
<b>R&amp;D</b>			<b>20,000.00</b>	<b>962.00</b>	
Rahul	1-4-2009		20,000.00	962.00	
<b>Sales</b>			<b>66,000.00</b>	<b>6,106.00</b>	
Ajay	1-4-2009		11,000.00	1,058.00	
Mahesh	1-4-2009		50,000.00	4,808.00	
Rajesh	10-6-2009	10-9-2009	5,000.00	240.00	
<b>Grand Total</b>				<b>7,764.00</b>	

Figure 10.96 Gratuity Summary Report

The above report displays the Gratuity Amount computed for each month for each Employee.



*In order to ascertain the **Gratuity** payable amount, set **Use for Gratuity** to **Yes** in the Pay Head master (i.e. Basic Pay, Dearness Allowance etc.)*

**Button Options in the Gratuity Report:**



- **F5: Employee Wise** – Allows you to display the Employee-wise Gratuity report.
- **F6: Till Date** – Allows to actual gratuity payable for each employee. The Gratuity Amount will be displayed only for those Employees who have completed the eligibility duration in the organisation.
- **F7: Employee Filters** – This option (**Ctrl+F7**) allows you to display the Gratuity report for a particular Employee Category with the required Group or Employee.

The above report displays the details of all employees along with the Date of Birth, Date of Joining and the Gratuity Eligible Salary, besides commenting on the total Gratuity liability as on date.

Press **F12: Configure** to configure for additional options

<u>Configuration</u>	
Show Employee Number	? Yes
Show Date of Birth	? Yes
Show Zero Valued Employees also	? <b>No_</b>

Figure 10.97 F12: Configuration screen

Tally.ERP 9 allows you to drill down to the **Gratuity Details report** from the above display.

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



The **Gratuity Details** screen is displayed as shown:

Months From		Months To	Eligibility days for Gratuity per year	Gratuity Amount
1	60		0	216.00
<b>Total</b>				<b>216.00</b>

Figure 10.98 Gratuity Details Report



*Once the employee is deactivated (i.e., when the date of leaving is filled in the Employee master), Tally.ERP 9 stops computing Gratuity for the deactivated employee. If the tenure of service of such an employee falls below the eligible slab for gratuity calculation, he/she will not be entitled for any gratuity amount. However, in cases where the tenure of service is spread over more than one eligible slab(s), he/she will be entitled to the sum total of all the slabs.*

The above report displays the detailed Gratuity computation for all the slabs entered during the Gratuity Pay Head Creation.



**POWER OF SIMPLICITY**

**Implementation of  
Payroll in Tally.ERP 9**

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## Introduction

The term **Payroll** refers to a series of accounting transactions involved in the process of paying employees for the services rendered after taking all the statutory and non-statutory deductions into account, in conformance with the terms of employment, company policy and the law of the land i.e., payment of payroll taxes, insurance premiums, employee benefits and other deductions.

An efficient payroll system facilitates an error-free, accurate and timely employee payment while ensuring that the employment is well within the valid work permit.

---

# Lesson 1: Configuring Payroll in Tally.ERP 9

## Lesson Objectives

On completion of this lesson, you will have learnt:

- The features of Payroll in Tally.ERP 9
- How to enable Payroll in Tally.ERP 9

Payroll in Tally.ERP 9 is easy to use and can handle all the functional, accounting and statutory requirements of the payroll department.

## Salient Features of Payroll in Tally.ERP 9

The key features of the Payroll functionality in Tally.ERP 9 are as follows:

- It is fully integrated with accounts to give you the benefits of simplified Payroll processing and accounting.
- It has user defined classifications and sub-classifications for comprehensive reporting. This may be related to the employees, employee groups, pay components, departments etc.
- It provides the facility to create user-defined earnings and deductions Pay Heads.
- It allows flexible and User-definable criteria for simple or complex calculations.
- It allows unlimited grouping of Payroll Masters.
- It supports user-defined production units i.e., attendance/ production/ time based remuneration units.
- It provides a flexible payroll processing period.
- It provides comprehensive Cost Centre as well as employee-wise costing reports
- It ensures an accurate & timely Salary Processing, Employee Statutory Deductions & Employer Statutory Contributions with the help of predefined processes.
- It provides auto-fill facility to expedite the Attendance, Payroll & Employer Contributions processes.

- It facilitates an accurate computation and deduction of ESI, EPF, Professional Tax, Gratuity etc.
- It helps in the generation of Statutory Forms & Challans for EPF & ESI, as prescribed.
- It allows to drill-down to voucher level for any kind of alteration.
- It facilitates computation of arrears pertaining to prior period(s).
- It helps in tracking employee loan details.

## **Enabling Payroll in Tally.ERP 9**

In Tally.ERP 9 activation of Payroll requires a one time simple setup. Create a new company in Tally.ERP 9 and follow the steps given below to enable Payroll.

### **Case Study Company**

M/s. Spectrum Software Solutions is engaged in the Software services Business. It is a Bangalore-based company with the following three major departments:

- Sales
- Administration
- R & D

### **Step 1: Company Setup**

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

In the Company Creation screen,

- Select **India** in the field **Statutory compliance for** from the List of Countries provided
- Type **1-4-2009** as the **Financial Year from date** and press **Enter**



The completed **Company Creation** screen is displayed as shown:

Company Creation		Ctrl + M	
Directory	: AData		
Name	: Spectrum Software Solutions		
<b>Mailing &amp; Contact Details</b>		<b>Company Details</b>	
Mailing Name	: Spectrum Software Solutions	Currency Symbol	: Rs.
Address	: 14, Mysore Road, Bangalore	Maintain	: Accounts with Inventory
		Financial Year from	: 1-4-2009
		Books beginning from	: 1-4-2009
		<b>Security Control</b>	
Statutory compliance for	: India	Disallow opening in Educational mode ?	No
State	: Karnataka	TallyVault Password (if any)	:
PIN Code	: 560022	Repeat Password	:
Telephone No.	: 080-22587457	<i>(WARNING: forgetting your TallyVault password will render your data unusable!)</i>	
E-Mail	: sales@spectrum.com	Use Security Control	? No
		<i>(Enable Security to avail Tally.NET Features)</i>	
<b>Base Currency Information</b>			
Base Currency Symbol	: Rs.	Show Amounts in Millions	? No
Formal Name	: Indian Rupees	Put a SPACE between Amount and Symbol	? Yes
Number of Decimal Places	: 2	Decimal Places for Printing Amounts in V	
Is Symbol SUFFIXED to Amounts ?	No		
Symbol for Decimal Portion	: paise		
			<b>Accept ?</b>
			Yes or No

Figure 1.1 Company Creation screen

- Press **Enter** to **Accept** the completed Company Creation screen

## Step 2: Enable Payroll

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

In the **F11: Accounting Features** screen:

- Set **Maintain Payroll** to **Yes**
- Set **More than ONE Payroll / Cost Category** to **Yes**

The completed **F11: Accounting Features** screen is displayed as shown:

Company: <u>Spectrum Software Solutions</u>			
<u>Accounting Features</u>			
<b>General</b>		<b>Invoicing</b>	
Integrate Accounts and Inventory	? <b>Yes</b>	Allow Invoicing	? <b>Yes</b>
Income/Expense Statement instead of P & L	? <b>No</b>	Enter Purchases in Invoice Format	? <b>Yes</b>
Allow Multi-Currency	? <b>No</b>	Use Debit/Credit Notes	? <b>No</b>
<b>Outstandings Management</b>		Use Invoice mode for Credit Notes	? <b>No</b>
Maintain Bill-wise Details (for Non-Trading A/cs also)	? <b>Yes</b>	Use Invoice mode for Debit Notes	? <b>No</b>
Activate Interest Calculation (use advanced parameters)	? <b>No</b>	<b>Budgets &amp; Scenario Management</b>	
<b>Cost/Profit Centres Management</b>		Maintain Budgets and Controls	? <b>No</b>
Maintain Payroll	? <b>Yes</b>	Use Reversing Journals & Optional Vouchers	? <b>No</b>
Maintain Cost Centres	? <b>No</b>	<b>Other Features</b>	
Use Cost Centre for Job Costing	? <b>No</b>	Enable Cheque Printing	? <b>No</b>
More than ONE Payroll / Cost Category	? <b>Yes</b>	Set/Alter Cheque Printing Configuration	? <b>No</b>
Use Pre-defined Cost Centre Allocations during Entry	? <b>No</b>	Allow Zero valued entries	? <b>No</b>
F1: Accounts    F2: Inventory    F3: Statutory    F5: Audit			

Figure 1.2 F11: Accounting Features screen

- Press **Enter** to **Accept** the **F11: Accounting Features** screen



*The option **More than ONE Payroll / Cost Category** is set to **Yes**, when separate cost categories are created to allocate Employee cost. In cases, where only one cost category i.e., primary cost category is used to allocate multiple cost centres, this option may be set to **No**.*

Once the **Payroll** feature is activated in Tally.ERP 9, the following two new options get activated in the **F11: Statutory & Taxation Master**

### Step 3: Enable Payroll Statutory Features

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

In **F11: Statutory & Taxation Features** screen:

- Set **Enable Payroll Statutory** to **Yes**

□ **Set Set/Alter Payroll Statutory Details to Yes**

Company: Spectrum Software Solutions

**Statutory & Taxation**

Enable Excise	? No	Enable Tax Deducted at Source (TDS)	? No
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)	? No	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	? <b>Yes</b>
		Set/Alter Payroll Statutory Details	? <b>Yes</b>

**Tax Information**

Local Sales Tax Number :  
 Inter-state Sales Tax Number :  
 PAN / Income - Tax No. :

F1: Accounts    F2: Inventory    F3: Statutory    F5: Audit

Figure 1.3 F11: Statutory & Taxation Features screen

□ **Press Enter**

In the **Payroll Statutory Details** screen:

- Enter the **Provident Fund & Employee State Insurance** details of the company as shown:

**Payroll Statutory Details**

**Provident Fund**

Company Code : KA/BN/12345/00129  
 Company Account Group Code : KA/BN/12345/00009  
 Company Security Code : KA/BN/12345/54321

**Employee State Insurance**

Company Code : KA/BN/12345/234234  
 ESI Branch Office : Koramangala  
 Standard Working Days (per month) : **26 Days**

Figure 1.4 Payroll Statutory Details screen

### **Provident Fund**

**Company Code:** This field denotes the Provident Fund Code of the Company allotted by the Department.

**Company Account Group Code:** This field denotes the Provident Fund Group Code of the Company allotted by the Department.

**Company Security Code:** This field denotes the Security Code of the Company allotted by the Department.



### **Employee State Insurance**

**Company Code:** This field denotes the ESI Code of the Company allotted by the Department.

**ESI Branch Office:** This field denotes the nearest ESI office under whose jurisdiction, the company is situated.

**Standard Working days (per month):** This field denotes the consistent Pay Period to be considered for ESI Calculation. If this field is left blank, the calculation is done based on the Calendar days in each month.

- Press **Enter** to **Accept** the screen and go back to **F11: Statutory & Taxation Features** screen
- Press **Ctrl+A** to **Accept** the screen.

## Lesson 2: Creation of Payroll Masters

### Lesson Objectives

On completion of this lesson, you will have learnt how to:

- Create Payroll Masters in Tally.ERP 9

The Payroll feature in Tally.ERP 9 requires minimal effort for accurate payroll processing. It takes five easy steps to process payroll & generate Pay Slip in Tally.ERP 9.

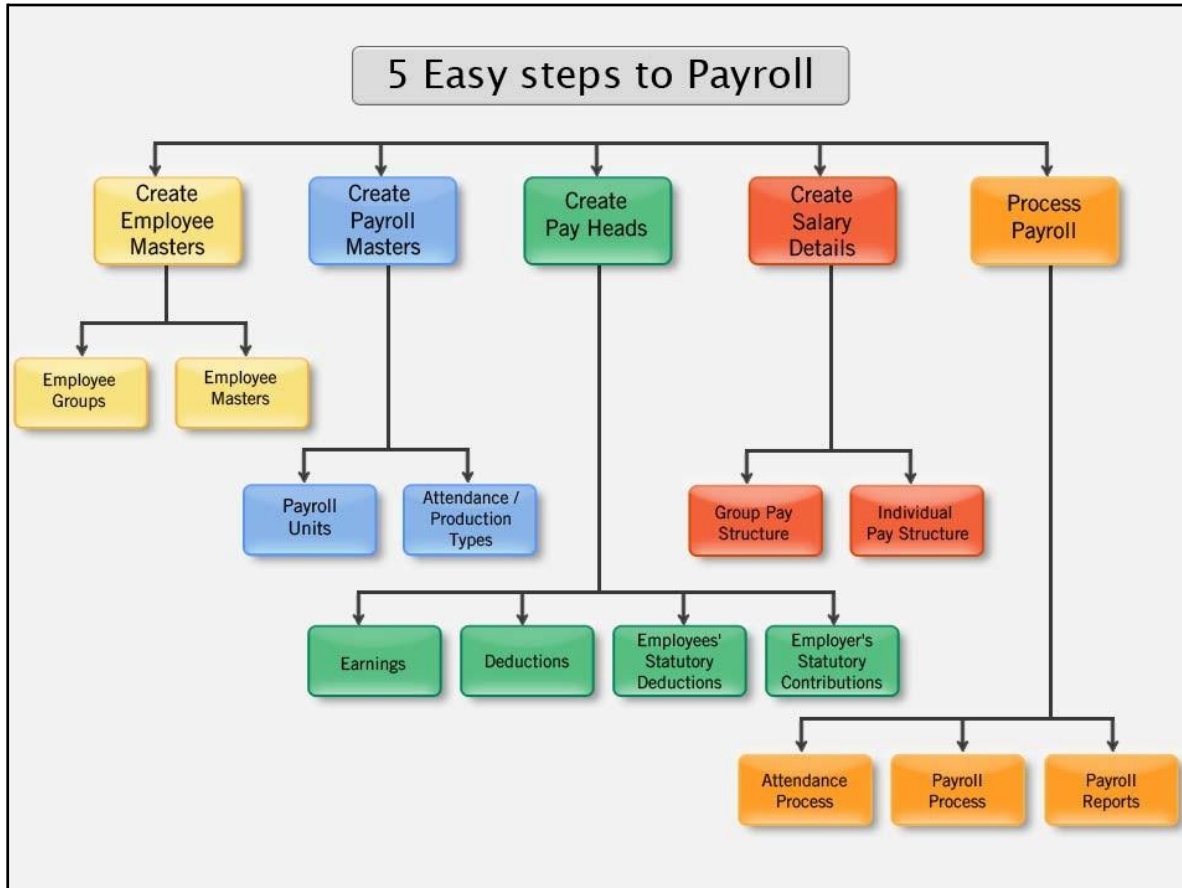


Figure 2.1 Payroll Cycle

Essentially, Payroll involves the calculation of amounts due for an employee on the following basis:

- Pay on Hourly wages
- Pay on a fixed basis such as certain amount per week, per month and so on
- Pay to sales persons on commission
- Reimbursement of expenses such as travel expenses, either as paid by the employee or based on per item rate
- Pay on the basis of number of pieces produced/ manufactured/ sold

It is therefore essential to quantify the following payroll information for the purpose of computation of payments to employees. For this purpose, the following Payroll masters have to be created in Tally.ERP 9 in the manner as discussed:

- Employee Masters
- Payroll Masters
- Pay Heads

- Salary Details

## Employee Setup

The Employee Master records employee information – department, date of joining, date of leaving, ID number, designation, location, function, employee bank details, statutory details, Passport and Visa details, and so on.

Tally.ERP 9 provides the flexibility to create the Employees and Group them under specific Employee Group which in turn can be created under specific Employee Categories.

The following masters can be created in Tally.ERP 9 to successfully record the Employee Details:

- Employee Category
- Employee Groups
- Employees



*The **Employee Category** will provide an additional level to classify the Employees in a logical manner. In the case study, in this book all the Employee Groups are created under Primary Cost Category, hence creation of an additional Category is not shown.*

## Employee Groups

Businesses with multiple departments, divisions, functions or activities may create the required employee groups and classify individual employees under a specified group i.e., Production, Sales, Marketing, Stores, Support or a particular group of employees such as managers, supervisors, sub-staff and so on.

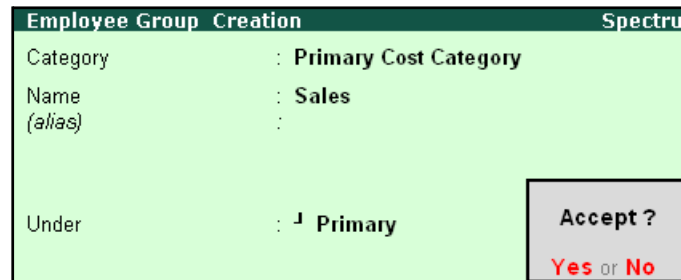
To create **Sales** as an **Employee Group**:

Go to **Gateway of Tally > Payroll Info. > Employee Groups > Create**

In the **Employee Group Creation** screen,

1. Select **Primary Cost Category** as the **Category** (You can also create a separate cost category to segregate Employee Cost based on respective categories)
2. Type **Sales** as the **Name** of the Employee Group
3. Select the group as **Primary** (Tally.ERP 9 allows an unlimited grouping of Employee Groups)

The **Employee Group Creation** screen is displayed as shown:



Employee Group Creation		Spectrum
Category	: Primary Cost Category	
Name	: Sales	
(alias)	:	
Under	: Primary	
		Accept ?
		Yes or No

Figure 2.2 Employee Group Creation screen

4. Press **Enter** to **Accept** the **Employee Group Creation** screen

Similarly, create the other Employee Groups such as **Administration** and **R&D**.

### Employee Master

After creating the Employee Groups, create individual Employee Masters, with or without grouping them, under the Employee Group Master.

In Tally.ERP 9, you can record all the necessary information of the employees in the Employee Masters. Tally.ERP 9 also allows you to enter the Statutory, Expat and Contract details of the employees.

To display the options for entering the Statutory, Expat and Contract details enable these options from the Company Configuration screen as explained below:

Go to **Gateway of Tally > F12:Configure > Payroll Configuration**

Set the following options:

- Show Statutory Details to Yes**
- Show Passport & Visa Details to Yes**
- Show Contact Details to Yes**



The **F12: Payroll Configuration** screen is displayed as shown:

<u>Payroll Configuration</u>	
Show Statutory Details	? <b>Yes</b>
Show Passport & Visa Details	? <b>Yes</b>
Show Contract Details	? <b>Yes</b>
Show Deactivated Employees	? <b>No</b>
Information in Payment Advice	: Please make the payroll transfer from above account number to the below mentioned account numbers towards employee salaries:
Pay Slip Note	: This is a Computer Generated Pay Slip
Pay Slip Message	: <b>Happy New Year!!!!</b>

Figure 2.3 F12: Payroll Configuration screen

- Press **Enter** to **Accept**



*Tally.ERP 9 allows you to configure the above settings from the **Employee Creation** screen by pressing **F12: Configure**.*

- *The information to be printed in the Payment Advice is automatically pre-filled in Tally.ERP 9. However, you can also modify the same as per your requirements.*
- ***Pay Slip Note** will be printed if you does not want the Authorised details to be printed while emailing or printing the Pay Slips if set to **Yes** in the **F12: Configuration**.*
- *A customised message for specific occasion can be entered as Pay Slip Message and will be printed if set to yes ion **F12** screen while emailing or printing.*

Create the following Employee Masters:

Employee Name	Department	Date of Joining
Vijay Kumar	Administration	1-4-2009
Rahul	R&D	1-4-2009
Mahesh	Sales	1-4-2009
Ajay	Sales	1-4-2009

Go to **Gateway of Tally > Payroll Info. > Employees > Create**

In the **Employee Creation** screen,

1. Select the **Primary Cost Category** as the **Category**
2. Type the **Name** of the Employee as **Vijay Kumar**
3. Specify the Name of the Employee Group as **Administration** in the field '**Under**'

4. Specify the **Date of Joining** as **01-04-2009**
5. Type the other details of the employee as shown:

Employee Creation		Spectrum Software Solutions		Ctrl + M	
Category	: Primary Cost Category				
Name	: Vijay Kumar				
(alias)	:				
Under	: Administration				
	( <sup>J</sup> Primary)				
Date of Joining	: 1-Apr-2009				
<b>General Info</b>		<b>Payment Details</b>		<b>Passport &amp; Visa Details</b>	
Employee Number	: 549	Bank Name	: HDFC Bank	Passport Number	: IND/BN/PASS130/005
Designation	: Manager	Branch	: Koramangala	Country of Issue	: India
Function	: Administration	Bank A/c Number	: 001254624565	Passport Expiry Date	: 31-Dec-2010
Location	: Bangalore	<b>Statutory Details</b>		Visa Number	:
Gender	: Male	Income Tax Number (PAN)	: APD192D4D	Visa Expiry Date	:
Date of Birth	: 24-May-1968	EPS Account Number	: KA/BN/18184/563	<b>Contract Details</b>	
Blood Group	: O Positive	PF Account Number	: KA/BN/18184/563	Work Permit Number	:
Father / Mother Name	: Mr. Suresh Kumar	PF Date of Joining	: 1-Apr-2009	Contract Start Date	:
Spouse Name	: Anjali	ESI Number	:	Contract Expiry Date	:
Address	: 15, Woods Street, Bangalore	ESI Dispensary Name	:		
Contact Numbers	: 080-55669878				<b>Accept ?</b> Yes or No
E-Mail ID	: vijay@spectrum.com				

Figure 2.4 Employee Creation screen

6. Press **Enter** to **Accept** the screen



The option **Date of Leaving** and **Reason for Leaving** will be available only in the Alteration mode.

Similarly, create the Employee Masters for other employees with their respective departments.

## Payroll Masters

As discussed in the above section Pay components are computed based on the Payroll Units. Therefore, create the following Payroll masters in Tally.ERP 9:

- Payroll Units
- Attendance / Production Types

### Payroll Units

A payroll unit refers to a unit of measurement based on which pay heads are calculated. Payroll units can be classified into two types viz., Simple Payroll Units and Compound Payroll Units. Simple Payroll Units refer to individual units such as Day, Week, Month, Hours, Pcs, Box, Nos etc., Whereas, Compound Payroll Units refer to Units which are combination of two simple units, i.e., an Hour of 60 Minutes, Month of 26 days, Day of 8 Hrs.

Usually, the Pay components are computed based on a single or compound payroll units. Sometimes an employee may be paid on the basis of a combination of two or more units. For

example, an employee is paid a regular salary and an hourly rate for the overtime hours. In this case, the two likely units are **Calendar Month** and **Hours**. In Tally.ERP, you can create simple as well as compound units.

By default, Tally.ERP 9 contains four preset **Calculation Periods – Days, Fortnights, Months & Weeks**. However, you can also create new Payroll Units based on your business requirements.

Name	Type	Symbol
Hours	Simple	Hrs
Minutes	Simple	Mins
Hrs of 60 Mins	Compound	Hrs of 60 Mins

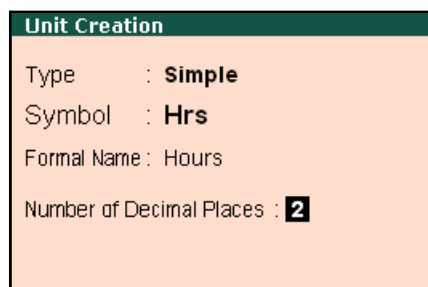
### i. Simple Payroll Units

Go to **Gateway of Tally > Payroll Info. > Units (Work) > Create**

In the **Unit Creation** screen,

1. **Simple** is defaulted as the **Type of Unit**
2. Specify **Hrs** as the **Symbol**
3. Type **Hours** as the **Formal Name**
4. Specify **2** as the **Number of Decimal Places**

The completed **Unit Creation** screen is displayed as shown:



**Unit Creation**

Type : **Simple**

Symbol : **Hrs**

Formal Name : Hours

Number of Decimal Places : **2**

Figure 2.5 Simple Unit Creation screen

5. Press **Enter** to **Accept** the **Unit Creation** screen. Similarly, create **Minutes** as another Simple Unit.

### ii. Compound Payroll Units

Create **Hrs of 60 Mins** as a Compound Unit.

In the **Unit Creation** screen:

1. Press **Backspace** and select **Compound** as the **Type** of Unit
2. Specify **Hrs** as the **First Unit**
3. Enter **60** as the **Conversion**

4. Specify **Mins** as the **Second Unit**

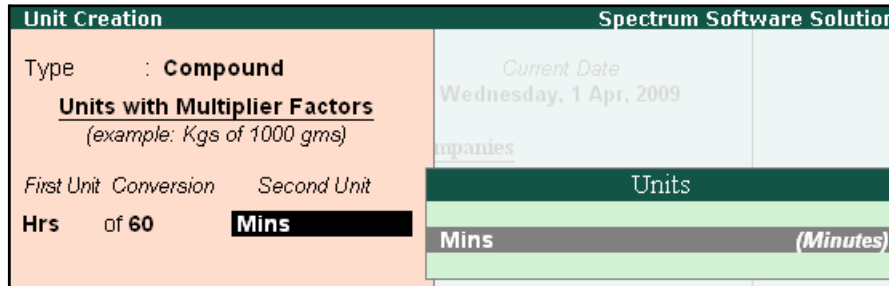


Figure 2.6 Compound Unit Creation screen

5. Press **Enter** to Accept the Unit Creation screen.

**Types of Units:**



- **Simple Units** are individual units with no relationship with other units i.e., Hrs, Nos, Pieces and so on.
- **Compound Units** are a combination of two simple units, where the two units have an arithmetical relationship with each other. For example, an Hour of 60 Minutes.

**Attendance/ Production Types**

Attendance/Production Type masters are used to record the nature of attendance/ production i.e., time and work rate. In Tally.ERP 9, you can create Attendance types based on time such as **Present** and **Absent** or based on work based production units such as **Piece productions**, **Sales performance** and so on.

Create the following Attendance Types for M/s. Spectrum Software Solutions.

Name	Under	Attendance/Production Type	Period Type
Present	Primary	Attendance/ Leave with Pay	Days
Absent	Primary	Leave without Pay	Days
Overtime	Primary	Production	Hrs of 60 Mins

**i. Present Attendance Type**

Go to **Gateway of Tally > Payroll Info. > Attendance / Production Types > Create**

In the **Attendance Type Creation** screen,

1. Type **Present** as the **Name** of the **Attendance type**
2. Specify the group as **Primary** in the field '**Under**'. By default primary is selected.

3. Select **Attendance/ Leave with Pay** as the **Attendance Type** and the **Period Type** appears as **Days**, by default.

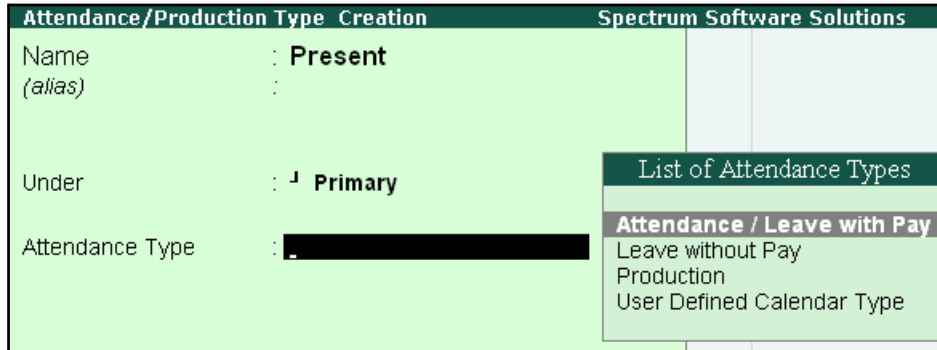


Figure 2.7 Attendance/ Production Type Creation screen

The completed **Attendance Type Creation** screen is displayed as shown:

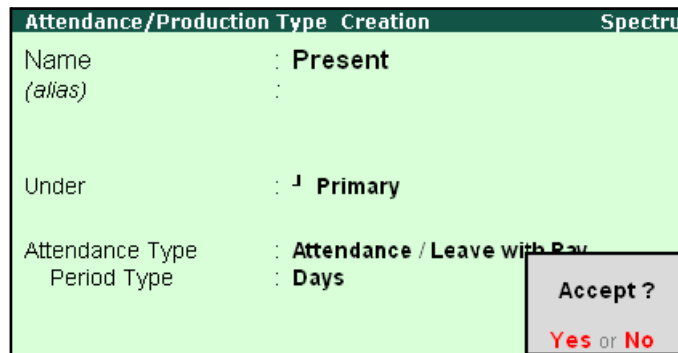


Figure 2.8 Attendance/Production Type Creation Screen

4. Press **Enter** to Accept the **Attendance Type** Creation screen. Similarly, create another Attendance Type as **Absent**. Enter **Leave without Pay** in the field **Attendance Type**.

**ii. Absent Attendance Type**

The completed **Attendance Type Creation** screen is displayed as shown:

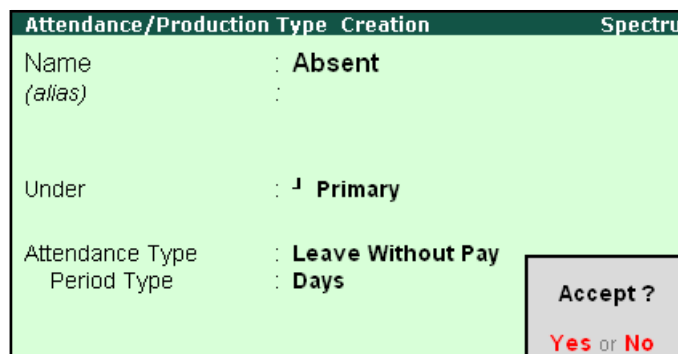


Figure 2.9 Attendance/ Production Type Creation screen

- Press **Enter** to **Accept** the **Attendance Type** Creation screen.

In the same way, create **Overtime** as the **Production Type** with **Production** as the **Attendance Type**.

### iii. Overtime Production Type

The completed **Overtime - Production Type Creation** screen is displayed as shown below:

Attendance/Production Type Creation		Spectrum
Name	: Overtime	
(alias)	:	
Under	: Primary	
Attendance Type	: Production	
Unit	: Hrs of 60 Mins	
		Accept ? Yes or No

Figure 2.10 Overtime - Production Type Creation screen

- Press **Enter** to **Accept** the **Production Type** Creation screen.

#### *Attendance/Production Types details:*



- **Present Attendance Type** may be used when the pay value is measured on the basis of positive attendance units, i.e. number of days present.
- **Absent Attendance Type** may be used when the pay value is measured on the basis of negative attendance units, i.e. number of days absent.
- **Production Attendance Type** may be used when the pay value is measured on the basis of units produced, for e.g., number of boxes produced.
- **User Defined Calendar Type** may be used to allow the per day pay value calculation when the user want to have different number of working days in each month by considering the Holidays and Sundays etc..  
*in January 23 days, in Febraury 24 days, in March 25 days etc.*

## Pay Heads

Pay Heads may be broadly considered as Earnings and Deductions from an employee's point of view. However, these pay heads would still be Expense and Liability from the employer's view point.

Some examples of Earnings Pay Heads are Basic Salary, Dearness Allowance, City Compensatory Allowance, House Rent Allowance, Night Shift Allowance, Uniform Allowance, Sales Commission and so on. Some examples of Deductions pay heads are Employees' Provident Fund (EPF), Employees' State Insurance (ESI), Professional Tax, Income Tax, TDS, Advance (if any).

In Tally.ERP 9, each pay head is to be created as an individual ledger account and grouped under its respective group i.e., all Earnings pay heads under Indirect Expenses group or Direct

Expenses group and all Deductions pay heads under Current Liabilities, Current Assets and Duties & Taxes group.

The preset Pay Head types in Tally.ERP 9 are:

1. Earnings for Employees
2. Deductions from Employees
3. Employees' Statutory Deductions
4. Employer's Statutory Contributions
5. Employer's Other Charges
6. Bonus
7. Gratuity
8. Loans and Advances
9. Reimbursements to Employees

The pay heads marked with the above pay head types will be available during payroll processing, and if the Pay Head Type is marked as **Not Applicable**, it will not be available. The Salary Payable, PF Payable, ESI Payable ledgers should be created by selecting Not Applicable as the Pay Head Type.

Create the following pay heads in the books of M/s. Spectrum Software Solutions.

### Earning Pay Heads

Create the following Earnings Pay Heads:

Pay Head Name	Pay Head Type	Under	Affect Net Salary	Name to Appear in Pay Slip	Use for Gratuity	Calculation Type	Calculation Period/ Production Type
Basic Pay	Earnings for Employees	Indirect Expenses	Yes	Basic	Yes	On Attendance	Months
House Rent Allowance	Earnings for Employees	Indirect Expenses	Yes	HRA	No	As Computed Value	—
Conveyance	Earnings for Employees	Indirect Expenses	Yes	Conveyance	No	Flat Rate	Months
Overtime Pay	Earnings for Employees	Indirect Expenses	Yes	Overtime	No	On Production	Overtime
Variable Pay	Earnings for Employees	Indirect Expenses	Yes	Variable Pay	No	As User Defined Value	—

#### i. Basic Pay Head Creation

Go to **Gateway of Tally > Payroll Info. > Pay Heads > Create**

In the **Pay Heads** Creation screen,

1. Type **Basic Pay** as the **Name** of the Pay Head
2. Select **Earnings for Employees** in the field **Pay Head Type**.

The Pay Head Creation screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions																																					
Name	: Basic Pay	Total Op. Bal.																																					
(alias)	:																																						
<table border="1"> <thead> <tr> <th colspan="2">Pay Head Info</th> </tr> </thead> <tbody> <tr> <td>Pay Head Type</td> <td>: <b>Earnings for Employees</b></td> </tr> <tr> <td>Under</td> <td>: Direct Expenses</td> </tr> <tr> <td>Affect Net Salary</td> <td>? Yes</td> </tr> <tr> <td>    Name to appear in Payslip</td> <td>: Basic Pay</td> </tr> <tr> <td>Use for Gratuity</td> <td>? No</td> </tr> <tr> <td>Calculation Type</td> <td>: As User Defined Value</td> </tr> </tbody> </table>		Pay Head Info		Pay Head Type	: <b>Earnings for Employees</b>	Under	: Direct Expenses	Affect Net Salary	? Yes	Name to appear in Payslip	: Basic Pay	Use for Gratuity	? No	Calculation Type	: As User Defined Value	<table border="1"> <thead> <tr> <th colspan="2">List of Pay Head Types</th> </tr> </thead> <tbody> <tr> <td>↓</td> <td>Not Applicable</td> </tr> <tr> <td></td> <td>Bonus</td> </tr> <tr> <td></td> <td>Deductions from Employees</td> </tr> <tr> <td></td> <td><b>Earnings for Employees</b></td> </tr> <tr> <td></td> <td>Employees' Statutory Deductions</td> </tr> <tr> <td></td> <td>Employer's Other Charges</td> </tr> <tr> <td></td> <td>Employer's Statutory Contributions</td> </tr> <tr> <td></td> <td>Gratuity</td> </tr> <tr> <td></td> <td>Loans and Advances</td> </tr> <tr> <td></td> <td>Reimbursements to Employees</td> </tr> </tbody> </table>		List of Pay Head Types		↓	Not Applicable		Bonus		Deductions from Employees		<b>Earnings for Employees</b>		Employees' Statutory Deductions		Employer's Other Charges		Employer's Statutory Contributions		Gratuity		Loans and Advances		Reimbursements to Employees
Pay Head Info																																							
Pay Head Type	: <b>Earnings for Employees</b>																																						
Under	: Direct Expenses																																						
Affect Net Salary	? Yes																																						
Name to appear in Payslip	: Basic Pay																																						
Use for Gratuity	? No																																						
Calculation Type	: As User Defined Value																																						
List of Pay Head Types																																							
↓	Not Applicable																																						
	Bonus																																						
	Deductions from Employees																																						
	<b>Earnings for Employees</b>																																						
	Employees' Statutory Deductions																																						
	Employer's Other Charges																																						
	Employer's Statutory Contributions																																						
	Gratuity																																						
	Loans and Advances																																						
	Reimbursements to Employees																																						
Opening Balance ( on 1-Apr-2009) :																																							

Figure 2.11 Basic Pay Head Creation – Pay Head Type Selection

3. Specify the group as **Indirect Expenses** in the field **Under** and press **Enter**
4. Set **Affect Net Salary** to **Yes**
5. Specify **Basic** in the field **Name to appear in Pay Slip**
6. Set **Use for Gratuity** to **Yes**
7. Select **On Attendance** in the field **Calculation Type** and press **Enter**

*Description of general parameters in Pay Head creation:*



**Affect Net Salary** – If this option is set to **Yes**, then the Pay Head will appear in the Salary Slip for calculation of Net salary.

**Name to appear in the Pay Slip** – If **Affect Net Salary** is set to **Yes**, then the required name for the Pay Head that appears in the Pay Slip should be specified against this field.

**Use for Gratuity** – This parameter should be set to **Yes**, for the Pay Head components that will be used for the Gratuity calculation (e.g. Basic and DA



The **Pay Head Creation** screen with the **List of Calculation** is displayed as shown:

Pay Head Creation		Spectrum Software Solutions													
Name	: Basic Pay	<u>Total Op. Bal.</u>													
(alias)	:														
<b>Pay Head Info</b>															
Pay Head Type	: Earnings for Employees	<table border="1"> <thead> <tr> <th colspan="2">List of Calculation</th> </tr> </thead> <tbody> <tr> <td>As Computed Value</td> <td></td> </tr> <tr> <td>As User Defined Value</td> <td></td> </tr> <tr> <td>Flat Rate</td> <td></td> </tr> <tr> <td><b>On Attendance</b></td> <td></td> </tr> <tr> <td>On Production</td> <td></td> </tr> </tbody> </table>		List of Calculation		As Computed Value		As User Defined Value		Flat Rate		<b>On Attendance</b>		On Production	
List of Calculation															
As Computed Value															
As User Defined Value															
Flat Rate															
<b>On Attendance</b>															
On Production															
Under	: Indirect Expenses														
Affect Net Salary	? Yes														
Name to appear in Payslip	: Basic														
Use for Gratuity	? Yes														
Calculation Type	: <b>On Attendance</b>														
Opening Balance ( on 1-Apr-2009) :															

Figure 2.12 Basic Pay Head Creation - Calculation Type

**Calculation Type** refers to the method of computation of pay components. In Tally.ERP 9, there are basically 5 calculation types.

**As Computed Value** – This method is used when the pay value is computed based on certain predefined factors i.e., slab rates, pay heads and so on.

**As User-Defined Value** – This method is used when the value of pay is not fixed and does not depend upon any pay components.

**Flat Rate** – This method is used when the value of the pay heads is fixed for the given month. This calculation type is not dependant upon attendance/production. For example, conveyance of Rs. 800 per month.

**On Attendance** — This calculation type depends upon Attendance records and is used along with rate per unit of attendance. For example, Overtime of Rs. 25 per hour.

**On Production** — This method is used when the pay value is measured based on work done i.e., pieces or numbers produced/manufactured.



8. Select **Present** in the field **Attendance/ Leave with Pay**.

The **Pay Head Creation** screen with the **List of Attendance Types** is displayed as shown below:

Pay Head Creation		Spectrum Software Solutions							
Name	: Basic Pay	Total Op. Bal.							
(alias)	:								
<b>Pay Head Info</b>		<table border="1"> <thead> <tr> <th colspan="2">List of Attendance Types</th> </tr> </thead> <tbody> <tr> <td>Not Applicable</td> <td></td> </tr> <tr> <td>Present</td> <td>Primary</td> </tr> </tbody> </table>		List of Attendance Types		Not Applicable		Present	Primary
List of Attendance Types									
Not Applicable									
Present	Primary								
Pay Head Type	: Earnings for Employees								
Under	: Indirect Expenses								
Affect Net Salary	? Yes								
Name to appear in Payslip	: Basic								
Use for Gratuity	? Yes								
Calculation Type	: On Attendance								
Attendance / Leave with Pay	: Present								
<b>Rounding Info</b>									
Rounding Method	: Not Applicable								
Opening Balance ( on 1-Apr-2009 ) :									

Figure 2.13 Pay Head Creation screen with List of Attendance Types



*If the user intends to record **Negative Attendance** viz., **Absent** (i.e if the pay value is measured on the basis of negative attendance units), select **Not Applicable** in the **Attendance/ Leave with Pay** field and press Enter & then select **Absent** in the **Leave without Pay** field. In the above example we are selecting **Positive Attendance** unit i.e **Present**.*

**9. Select Months in Calculation period field and press Enter**

The **Pay Head Creation** screen with the **List of Calculation Periods** is displayed as shown:

Pay Head Creation		Spectrum Software Solutions			
Name	: Basic Pay	<u>Total Op. Bal.</u>			
(alias)	:				
<b>Pay Head Info</b>					
Pay Head Type	: Earnings for Employees	<div style="border: 1px solid black; padding: 5px;"> <b>List of Calculation Periods</b>  Days  Fortnights  <b>Months</b>  Weeks </div>			
Under	: Indirect Expenses				
Affect Net Salary	? Yes				
Name to appear in Payslip	: Basic				
Use for Gratuity	? Yes				
Calculation Type	: On Attendance				
Attendance / Leave with Pay	: Present				
Calculation Period	: <b>Months</b>				
<b>Rounding Info</b>					
Rounding Method	: Not Applicable				
Opening Balance ( on 1-Apr-2009 ) :					

Figure 2.14 Pay Head Creation - Calculation Period selection



*Tally.ERP 9 contains four predefined Calculation periods – **Days, Fortnights, Months and Weeks.***

10. Select **User defined** in the **Per Day Calculation Basis** field

Pay Head Creation		Spectrum Software Solutions		Total Op. Bal.
Name	: Basic Pay			
(alias)	:			
<p><b>Pay Head Info</b></p> <p>Pay Head Type : Earnings for Employees Under : Indirect Expenses</p> <p>Affect Net Salary ? Yes Name to appear in Payslip : Basic Use for Gratuity ? Yes Calculation Type : On Attendance Attendance / Leave with Pay : Present</p> <p>Calculation Period : Months Per Day Calculation Basis : <b>User defined</b></p>				
<p><b>Calculation Basis</b></p> <p>As per Calendar Period <b>User defined</b> User Defined Calendar Type</p>				
<p><b>Rounding Info</b></p>				

Figure 2.15 Pay Head Creation screen - Calculation Basis Selection

11. Press **Enter** to **Accept**

**Calculation Basis** refers to the periodicity of the given calculation period.

- **As per Calendar Period** refers to the perpetual calendar month, i.e. if the payroll process is carried out for the month of March, then the attendance records will be entered for 31 days.
- **User Defined** Value refers to the consistent payroll period irrespective of calendar month, i.e. If an employee's salary is based on a standard month of 30 days irrespective of the calendar month, then you can select **User Defined** as the **Calculation Basis** and define the periodicity of the specified period or month.



For example, an employee's monthly salary is Rs. 3,000 and the calculation basis is defined as a month of 30 days. If he takes 3 days leave in January (which consists of 31 days), then the salary per day is computed as (Rs. 3000/30 days, i.e. 100). The net salary after deducting the leave salary [i.e. Rs. 300 (3 days x Rs. 100)] amounts to Rs. 2,700.

- **User Defined Calendar Type** will provide flexibility to change the per day salary for the Employee based on the User Defined Calendar days.

For example, for Basic salary of 3000 if the number of days in a month are defined as 30 then per days salary will be Rs. 100. In the next month if the number of days is 25 then per day salary will be Rs. 120.

12. Specify the **Months of 26 Days** and press **Enter**

Pay Head Creation		Spectrum Software Solutions	Total Op. Bal.
Name	: Basic Pay		
(alias)	:		
<b>Pay Head Info</b>			
Pay Head Type	: Earnings for Employees		
Under	: Indirect Expenses		
Affect Net Salary	? Yes		
Name to appear in Payslip	: Basic		
Use for Gratuity	? Yes		
Calculation Type	: On Attendance		
Attendance / Leave with Pay	: Present		
Calculation Period	: Months		
Per Day Calculation Basis	: User Defined		
	Months of <b>26</b> Days		
<b>Rounding Info</b>			
Rounding Method	: <b>Not Applicable</b>		
Opening Balance ( on 1-Apr-2009) :			

Figure 2.16 Pay Head Creation screen - Calculation period

13. Select **Normal Rounding** as the **Rounding Method** and press **Enter**.

Pay Head Creation		Spectrum Software Solutions	Total Op. Bal.
Name	: Basic Pay		
(alias)	:		
<b>Pay Head Info</b>			
Pay Head Type	: Earnings for Employees		
Under	: Indirect Expenses		
Affect Net Salary	? Yes		
Name to appear in Payslip	: Basic		
Use for Gratuity	? Yes		
Calculation Type	: On Attendance		
Attendance / Leave with Pay	: Present		
Calculation Period	: Months		
Per Day Calculation Basis	: User Defined		
	Months of 26 Days		
<b>Rounding Info</b>			
Rounding Method	: <b>Normal Rounding</b>		
Opening Balance ( on 1-Apr-2009) :			

Rounding Methods

- ⌵ Not Applicable
- ⌵ Downward Rounding
- Normal Rounding**
- ⌵ Upward Rounding

Figure 2.17 Pay Head Creation screen – Rounding Method selection

14. Specify **1** as the rounding **Limit** (The Rounding limit allows the value to be in multiples of the limit specified and is based on the Rounding Method selected)

There are 4 methods of **Rounding Off** in Tally.ERP 9 which are as follows:



- **Not Applicable** – The decimal points will be taken into consideration, and the amount will not be rounded off.
- **Downward Rounding** – The decimal points will not be taken in to consideration and the amount will be rounded off to the lower value.
- **Normal Rounding** – The amount will be rounded off to the nearest currency value.
- **Upward Rounding** – The amount will be rounded off to the higher value.

The completed **Basic Pay Head Creation** screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions	
Name	: Basic Pay	<u>Total Op. Bal.</u>	
(alias)	:		
<b>Pay Head Info</b>			
Pay Head Type	: Earnings for Employees		
Under	: Indirect Expenses		
Affect Net Salary	? Yes		
Name to appear in Payslip	: Basic		
Use for Gratuity	? Yes		
Calculation Type	: On Attendance		
Attendance / Leave with Pay	: Present		
Calculation Period	: Months		
Per Day Calculation Basis	: User Defined		
	Months of 26 Days		
<b>Rounding Info</b>			
Rounding Method	: Normal Rounding	Limit	: 1
Opening Balance ( on 1-Apr-2009 ) :			<b>Accept ?</b> Yes or No

Figure 2.18 Completed Basic Pay Head Creation screen

15. Press **Enter** to **Accept** the screen.

**ii. House Rent Allowance Pay Head Creation**

In the **Pay Head Creation** screen,

1. Type **House Rent Allowance** as the **Name** of the Pay Head
2. Select **Earnings for Employees** in the field **Pay Head Type**
3. Specify the group as **Indirect Expenses** in the field **Under** and then press **Enter**
4. Set **Affect Net Salary** to **Yes**
5. Specify **HRA** as the **Name to appear in Pay Slip**
6. Set **Use for Gratuity** to **No**
7. Select **As Computed Value** in the **Calculation Type** field and press **Enter**

Pay Head Creation		Spectrum Software Solutions							
Name	: House Rent Allowance	Total Op. Bal.							
(alias)	:								
<b>Pay Head Info</b>									
Pay Head Type	: Earnings for Employees	<table border="1"> <thead> <tr> <th>List of Calculation</th> </tr> </thead> <tbody> <tr> <td><b>As Computed Value</b></td> </tr> <tr> <td>As User Defined Value</td> </tr> <tr> <td>Flat Rate</td> </tr> <tr> <td>On Attendance</td> </tr> <tr> <td>On Production</td> </tr> </tbody> </table>		List of Calculation	<b>As Computed Value</b>	As User Defined Value	Flat Rate	On Attendance	On Production
List of Calculation									
<b>As Computed Value</b>									
As User Defined Value									
Flat Rate									
On Attendance									
On Production									
Under	: Indirect Expenses								
Affect Net Salary	? Yes								
Name to appear in Payslip	: House Rent Allowance								
Use for Gratuity	? No								
Calculation Type	: <b>As Computed Value</b>								
Opening Balance ( on 1-Apr-2009 ) :									

Figure 2.19 HRA Pay Head Creation screen - Calculation Type selection

8. Select **Normal Rounding** as the **Rounding Method** and **1** as the rounding **Limit** and press **Enter**

9. In the **Computation Info** screen, select **On Specified Formula** in the **Compute** field

Pay Head Creation		Spectrum Software Solutions		Total Op. Bal.																				
Name : House Rent Allowance (alias) :																								
<b>Pay Head Info</b> Pay Head Type : Earnings for Employees Under : Indirect Expenses  Affect Net Salary ? Yes Name to appear in Payslip : House Rent Allowance Use for Gratuity ? No Calculation Type : As Computed Value  Calculation Period : Months		<b>Computation Info</b> Compute : <b>On Specified Formula</b> <table border="1"> <thead> <tr> <th>Effective From</th> <th>Fi Am</th> <th>Computation On</th> <th>Value Basis</th> </tr> </thead> <tbody> <tr> <td>1-Apr-2009</td> <td></td> <td>On Current Deductions Total</td> <td></td> </tr> <tr> <td></td> <td></td> <td>On Current Earnings Total</td> <td></td> </tr> <tr> <td></td> <td></td> <td>On Current SubTotal</td> <td></td> </tr> <tr> <td></td> <td></td> <td><b>On Specified Formula</b></td> <td></td> </tr> </tbody> </table>			Effective From	Fi Am	Computation On	Value Basis	1-Apr-2009		On Current Deductions Total				On Current Earnings Total				On Current SubTotal				<b>On Specified Formula</b>	
Effective From	Fi Am	Computation On	Value Basis																					
1-Apr-2009		On Current Deductions Total																						
		On Current Earnings Total																						
		On Current SubTotal																						
		<b>On Specified Formula</b>																						
<b>Rounding Info</b> Rounding Method : Normal Rounding Limit : 1																								
Opening Balance ( on 1-Apr-2009) :																								

Figure 2.20 Pay Head Creation screen with Compute method

**Computation on details:**

**On Current Deductions Total** – This calculation type is used when the value of a pay head depends upon the total of the deductions pay heads previously defined.

**On Current Earnings Total** – This calculation type is used when the value of a pay head depends upon the total earnings pay heads previously defined.

**On Current Sub Total** – This calculation type is used when the value of a pay head depends upon the net totals of earnings and deductions previously defined.

**On Specified Formula** – This calculation type is used when the pay head value is computed on the value of one or more pay heads already defined in the pay structure. (Tally.ERP 9 allows the addition and subtraction of pay heads already defined in the pay structure and multiplication and divisions using attendance types. For example, HRA is computed as 40% of the basic salary.)





10. Press **Enter** and the **Compute** sub-screen is displayed
11. In the Sub-screen **Compute**:
  - Select **Basic Pay** as the **Add Pay Head** function and press **Enter**

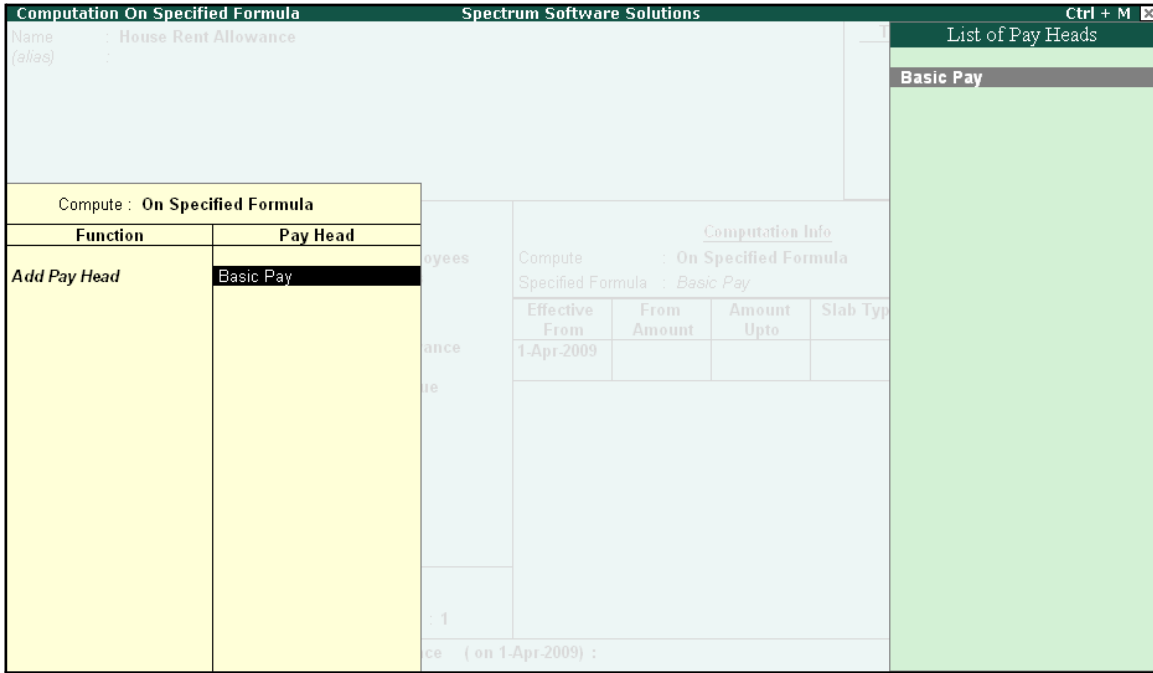


Figure 2.21 Compute sub-screen

The pay head drop-down box contains pay heads already created. If any pay head(s) is a component for the given Pay Head, you may create the required Pay Head by pressing **Alt+C** from the above Pay Head field and make the necessary alterations in the required pay head.

- **Select End of List**

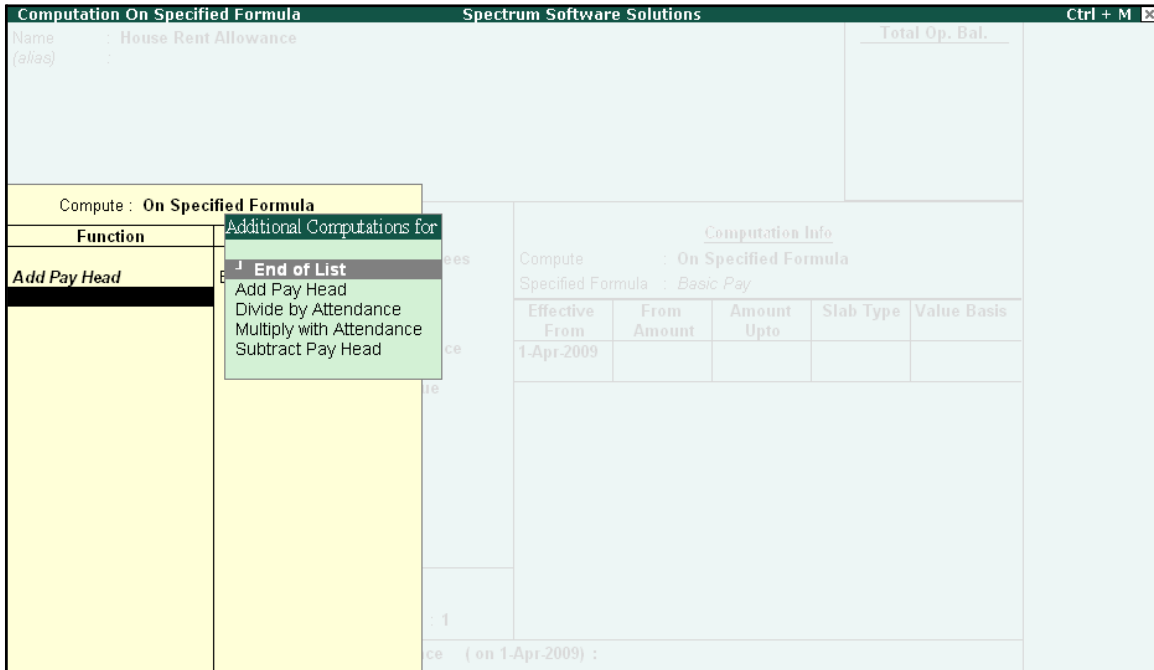


Figure 2.22 Compute: On Specified Formula sub-screen

- Press **Enter** to **Accept** the screen
12. Specify **1-4-2008** as the **Effective From** date (In case of a revision in pay structure, you can define the revised computation information for the given pay head, by giving the effective from date)
  13. The **From Amount** column is automatically skipped, assuming it to be zero. Press **Enter** to skip the **Amount Upto** column

14. Select **Percentage** as the **Slab Type** from the **List of Slabs**

Pay Head Creation				Spectrum Software Solutions		Total Op. Bal.		Ctrl + M	
Name : House Rent Allowance (alias) :									
<p><b>Pay Head Info</b></p> Pay Head Type : Earnings for Employees Under : Indirect Expenses  Affect Net Salary ? Yes Name to appear in Payslip : House Rent Allowance Use for Gratuity ? No Calculation Type : As Computed Value Calculation Period : Months				<p><b>Computation Info</b></p> Compute : On Specified Formula Specified Formula : Basic Pay					
				Effective From	From Amount	Amount Upto	Slab Type	Value Basis	
				1-Apr-2009			Percentage	List of Slabs	
							Percentage	Value	
<p><b>Rounding Info</b></p> Rounding Method : Normal Rounding      Limit : 1									
Opening Balance ( on 1-Apr-2009 ) :									

Figure 2.23 Pay Head Creation screen - Slab Type selection

**Slab Type Details:**



**Percentage** – This Slab rate is used when the amount is stated as a proportion of a whole.

**Value** – This Slab rate is used when the amount is stated as absolute value.

15. Specify **40%** in the **Value Basis** field and press **Enter**

Pay Head Creation		Spectrum Software Solutions					Total Op. Bal.
Name : House Rent Allowance (alias) :							
<b>Pay Head Info</b> Pay Head Type : Earnings for Employees Under : Indirect Expenses  Affect Net Salary ? Yes Name to appear in Payslip : House Rent Allowance Use for Gratuity ? No Calculation Type : As Computed Value  Calculation Period : Months			<b>Computation Info</b> Compute : On Specified Formula Specified Formula : Basic Pay				
			Effective From	From Amount	Amount Upto	Slab Type	Value Basis
			1-Apr-2009			Percentage	40%
<b>Rounding Info</b> Rounding Method : Normal Rounding      Limit : 1							
Opening Balance ( on 1-Apr-2009 ) :							

Figure 2.24 Pay Head Creation - Value Basis screen

The completed **House Rent Allowance (HRA) Pay Head Creation** screen is displayed as shown.

Pay Head Creation		Spectrum Software Solutions					Total Op. Bal.
Name : House Rent Allowance (alias) :							
<b>Pay Head Info</b> Pay Head Type : Earnings for Employees Under : Indirect Expenses  Affect Net Salary ? Yes Name to appear in Payslip : House Rent Allowance Use for Gratuity ? No Calculation Type : As Computed Value  Calculation Period : Months			<b>Computation Info</b> Compute : On Specified Formula Specified Formula : Basic Pay				
			Effective From	From Amount	Amount Upto	Slab Type	Value Basis
			1-Apr-2009			Percentage	40 %
<b>Rounding Info</b> Rounding Method : Normal Rounding      Limit : 1							
Opening Balance ( on 1-Apr-2009 ) :						Accept ? Yes or No	

Figure 2.25 Completed HRA Pay Head Creation screen

16. Press **Enter** to **Accept** the screen

### iii. Conveyance Pay Head Creation

Create the **Conveyance** Pay Head with **Calculation Type** as **Flat Rate**.

The completed **Conveyance Pay Head Creation** screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions	
Name	: Conveyance	<u>Total Op. Bal.</u>	
(alias)	:		
<p><b>Pay Head Info</b></p> Pay Head Type : Earnings for Employees Under : Indirect Expenses  Affect Net Salary ? Yes Name to appear in Payslip : Conveyance Use for Gratuity ? No Calculation Type : Flat Rate Calculation Period : Months		<div style="border: 1px solid black; padding: 5px; text-align: center;"> <b>Accept ?</b>            Yes or No         </div>	
<p><b>Rounding Info</b></p> Rounding Method : Normal Rounding    Limit : 1			
Opening Balance ( on 1-Apr-2009 ) :			

Figure 2.26 Conveyance Pay Head Creation

- Press **Enter** to **Accept** the screen

**iv. Overtime Pay Head Creation**

Create the **Overtime** Pay Head with **Calculation Type** as **Production**.

The completed **Overtime Pay Head Creation** screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions		Total Op. Bal.
Name	: Overtime Pay			
(alias)	:			
<p><b>Pay Head Info</b></p> Pay Head Type : Earnings for Employees Under : Indirect Expenses  Affect Net Salary ? Yes Name to appear in Payslip : Overtime Pay Use for Gratuity ? No Calculation Type : On Production Production Type ? Overtime				
<p><b>Rounding Info</b></p> Rounding Method : Normal Rounding    Limit : 1				
Opening Balance ( on 1-Apr-2009) :				Accept ? Yes or No

Figure 2.27 Overtime Pay Head Creation screen

- Press **Enter** to **Accept** the screen

### v. Variable Pay Head Creation

Similarly, create the **Variable Pay Head** with **Calculation Type** as **User Defined Value**.

Pay Head Creation		Spectrum Software Solutions	
Name	: Variable Pay	Total Op. Bal.	
(alias)	:		
<b>Pay Head Info</b>			
Pay Head Type	: Earnings for Employees		
Under	: Indirect Expenses		
Affect Net Salary	? Yes		
Name to appear in Payslip	: Variable Pay		
Use for Gratuity	? No	Accept ? Yes or No	
Calculation Type	: As User Defined Value		
Opening Balance ( on 1-Apr-2009 ) :			

Figure 2.28 Variable Pay Head Creation

### Deduction Pay Heads

Create the following Deduction Pay Heads.

Pay Head Name	Pay Head Type	Statutory Pay Type	Under	Affect Net Salary	Name to Appear in Pay Slip	Calculation Type	Computation Method
<b>Employees' PF Contribution @ 12%</b>	Employees' Statutory Deductions	PF Account (A/c No.1)	Current Liabilities	Yes	EPF @ 12%	As Computed Value	On Specified Formula
<b>Employees' ESI Contribution @ 1.75%</b>	Employees' Statutory Deductions	Employee State Insurance	Current Liabilities	Yes	ESI @ 1.75%	On Specified Formula	Basic Pay + House Rent Allowance + Conveyance + Overtime Pay (or Current Earnings - Variable Pay)
<b>Professional Tax</b>	Employees' Statutory Deductions	Professional Tax	Current Liabilities	Yes	Profession Tax	As Computed Value	On Current Earnings Total

**i. Employee's PF Contribution @ 12% Pay Head Creation**

Go to **Gateway of Tally > Payroll Info. > Pay Heads > Create**

In the **Pay Head Creation** screen,

1. Type **Employee's PF Contribution @ 12%** as the **Name** of the Pay Head
2. Select **Employees' Statutory Deductions** in the field **Pay Head Type** and press **Enter**

Pay Head Creation		Spectrum Software Solutions													
Name	: Employee's PF Contribution @ 12%	Total Op. Bal.													
(alias)	:														
		<table border="1"> <thead> <tr> <th colspan="2">List of Pay Head Types</th> </tr> </thead> <tbody> <tr><td>↓ Not Applicable</td></tr> <tr><td>Bonus</td></tr> <tr><td>Deductions from Employees</td></tr> <tr><td>Earnings for Employees</td></tr> <tr><td><b>Employees' Statutory Deductions</b></td></tr> <tr><td>Employer's Other Charges</td></tr> <tr><td>Employer's Statutory Contributions</td></tr> <tr><td>Gratuity</td></tr> <tr><td>Loans and Advances</td></tr> <tr><td>Reimbursements to Employees</td></tr> </tbody> </table>		List of Pay Head Types		↓ Not Applicable	Bonus	Deductions from Employees	Earnings for Employees	<b>Employees' Statutory Deductions</b>	Employer's Other Charges	Employer's Statutory Contributions	Gratuity	Loans and Advances	Reimbursements to Employees
List of Pay Head Types															
↓ Not Applicable															
Bonus															
Deductions from Employees															
Earnings for Employees															
<b>Employees' Statutory Deductions</b>															
Employer's Other Charges															
Employer's Statutory Contributions															
Gratuity															
Loans and Advances															
Reimbursements to Employees															
<b>Pay Head Info</b>															
Pay Head Type	: <b>Earnings for Employees</b>														
Under	: <b>Direct Expenses</b>														
Affect Net Salary	? <b>Yes</b>														
Name to appear in Payslip	: <b>Employee's PF Contribution @ 12%</b>														
Use for Gratuity	? <b>No</b>														
Calculation Type	: <b>As User Defined Value</b>														
Opening Balance ( on 1-Apr-2009) :															

Figure 2.29 Employees' PF Contribution @ 12% Pay Head Creation



3. Select **PF Account (A/c No. 1)** in the **Statutory Pay Type** field as shown:

Pay Head Creation		Spectrum Software Solutions		Total Op. Bal.
Name : Employee's PF Contribution @ 12%				
(alias) :				
<b>Pay Head Info</b>		<b>Employees' Statutory Deductions</b>		
Pay Head Type	: Employees' Statutory Deductions	Employee State Insurance	Total	
Statutory Pay Type	: <b>PF Account (A/c No. 1)</b>	<b>PF Account (A/c No. 1)</b>	Slab Type	Value Basis
Under	: Direct Expenses	Professional Tax		
		Voluntary PF (A/c No. 1)		
Affect Net Salary	? Yes			
Name to appear in Payslip	: Employee's PF Contribution @ 12%			
Calculation Type	: As Computed Value			
Calculation Period	: Months			
<b>Rounding Info</b>				
Rounding Method	: Not Applicable			
Opening Balance ( on 1-Apr-2009 ) :				

Figure 2.30 Employees' PF Contribution @ 12% Statutory Pay Type selection

4. Specify the group as **Current Liabilities** in the field '**Under**' and press **Enter** (In Tally.ERP 9, only relevant groups appear during selection, to reduce erroneous data inputs)
5. Set **Affect Net Salary** to **Yes**
6. Specify **EPF @ 12%** in the field **Name to appear in Pay Slip**
7. **As Computed Value** appears in the field **Calculation Type** by default
8. Select **Normal Rounding** as the **Rounding Method**. Specify **1** as the rounding **Limit** and press **Enter**
9. Select **On Specified Formula** as the **Compute** method and press **Enter**

- In the **Compute** sub-screen, select **Basic Pay** as the **Add Pay Head** function and press **Enter**

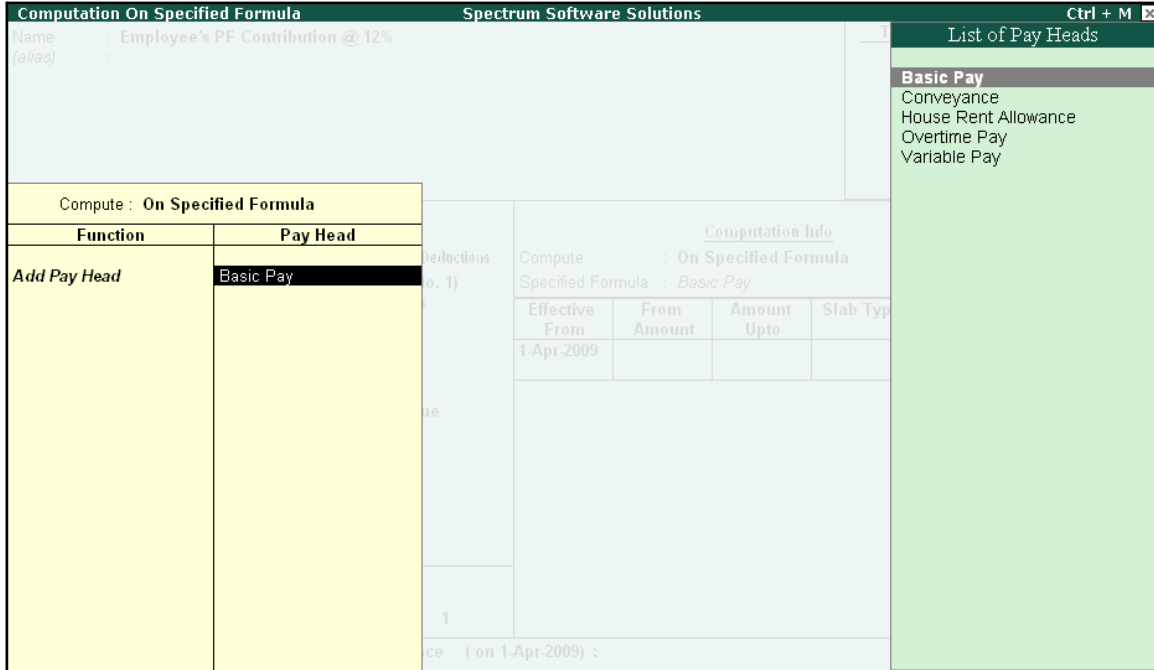


Figure 2.31 Deduction Pay Head Creation screen – Compute On selection

- Press **Enter** to **Accept** the screen
- Specify **1-4-2008** as the **Effective From** date
- The column **From Amount** is automatically skipped, with the assumption that the amount is zero

14. Specify **6500** in the **Amount Upto** column and press **Enter**

Pay Head Creation		Spectrum Software Solutions				
Name : <b>Employee's PF Contribution @ 12%</b> (alias) :					Total Op. Bal.	
<p><b>Pay Head Info</b></p> Pay Head Type : <b>Employees' Statutory Deductions</b> Statutory Pay Type : <b>PF Account (A/c No. 1)</b> Under : <b>Current Liabilities</b>			<p><b>Computation Info</b></p> Compute : <b>On Specified Formula</b> Specified Formula : <b>Basic Pay</b>			
Affect Net Salary ? <b>Yes</b> Name to appear in Payslip : <b>EPF @ 12%</b>			Effective From	From Amount	Amount Upto	Slab Type
Calculation Type : <b>As Computed Value</b> Calculation Period : <b>Months</b>			1-Apr-2009		<b>6,500.00</b>	
<p><b>Rounding Info</b></p> Rounding Method : <b>Normal Rounding</b> Limit : <b>1</b>						
Opening Balance ( on 1-Apr-2009) :						

Figure 2.32 Deduction Pay Head Creation – Computation Info.

15. Select **Percentage** as the **Slab Type** from the **List of Slabs**

16. Specify **12%** as the **Value Basis Percentage** and press **Enter** (the **From Amount** is defaulted as **6500**)

17. Press **Enter** to accept the upper level as **0** and select **Value** as the **Slab Type** from the **List of Slabs**

18. Specify Rs. 780 in the Value Basis field and then press Enter

Pay Head Creation		Spectrum Software Solutions				Total Op. Bal.
Name : Employee's PF Contribution @ 12%						
(alias) :						
<b>Pay Head Info</b>			<b>Computation Info</b>			
Pay Head Type : Employees' Statutory Deductions			Compute : On Specified Formula			
Statutory Pay Type : PF Account (A/c No. 1)			Specified Formula : Basic Pay			
Under : Current Liabilities						
Affect Net Salary ? Yes			Effective From	From Amount	Amount Upto	Slab Type
Name to appear in Payslip : EPF @ 12%			1-Apr-2009	6,500.00	6,500.00	Percentage Value
Calculation Type : As Computed Value						12 %
Calculation Period : Months						<b>780</b>
<b>Rounding Info</b>						
Rounding Method : Normal Rounding			Limit : 1			
Opening Balance ( on 1-Apr-2009) :						

Figure 2.33 Deduction Pay Head Creation screen with Value Basis

19. Press Enter twice

The completed **Employee's PF Contribution @ 12%** Pay Head Creation screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions					Total Op. Bal.
Name : Employee's PF Contribution @ 12%							
(alias) :							
<b>Pay Head Info</b>			<b>Computation Info</b>				
Pay Head Type : Employees' Statutory Deductions			Compute : On Specified Formula				
Statutory Pay Type : PF Account (A/c No. 1)			Specified Formula : Basic Pay				
Under : Current Liabilities							
Affect Net Salary ? Yes							
Name to appear in Payslip : EPF @ 12%							
Calculation Type : As Computed Value							
Calculation Period : Months							
<b>Rounding Info</b>							
Rounding Method : Normal Rounding Limit : 1							
Opening Balance ( on 1-Apr-2009 ) :						Accept ?	
						Yes or No	

Figure 2.34 Completed Employee's PF @ 12% Pay Head Creation screen

20. Press **Enter** to **Accept** the screen.

## ii. Employee's ESI Contribution @ 1.75% Pay Head Creation

Create **Employee's State Insurance (ESI) Pay Head** as discussed.

In the **Pay Head Creation** screen,

1. Type **Employee's ESI Contribution @ 1.75%** as the **Name** of the Pay Head
2. Select **Employees' Statutory Deductions** in the field **Pay Head Type**
3. Select **ESI** in the field **Statutory Pay Type**
4. Specify the group as **Current Liabilities** in the field **Under** and press **Enter**
5. Set **Affect Net Salary** to **Yes**
6. Specify **ESI @ 1.75%** in the field **Name to appear in Pay Slip**
7. **As Computed Value** appears by default in the field **Calculation Type**
8. Select the option **Normal Rounding** as the **Rounding Method**. Specify **1** as the rounding **Limit** and press **Enter**

9. Select **On Specified Formula** in the field **Compute** and press **Enter**

Pay Head Creation		Spectrum Software Solutions		Total Op. Bal.
Name : Employee's ESI Contribution @ 1.75%				
(alias) :				
<b>Pay Head Info</b>		<b>Computation Info</b>		
Pay Head Type	: Employees' Statutory Deductions	Compute	: <b>On Specified Formula</b>	
Statutory Pay Type	: Employee State Insurance	Specified Formula		
Under	: Current Liabilities	<b>Computation On</b>		
Affect Net Salary	? Yes	Effective From	From Ann	Value Basis
Name to appear in Payslip	: ESI @ 1.75%	1-Apr-2009		On Current Deductions Total
Calculation Type	: As Computed Value	On Current Earnings Total		
Calculation Period	: Months	On Current SubTotal		
		<b>On Specified Formula</b>		
		0 %		
<b>Rounding Info</b>				
Rounding Method	: Normal Rounding	Limit	: 1	
Opening Balance ( on 1-Apr-2009) :				

Figure 2.35 Employee's ESI Pay Head creation screen - Compute On Selection

In the **Compute On** Sub-screen, subscreen,

- Select **Basic Pay** as the **Add Pay Head** function and press **Enter**
- Select **House Rent Allowance** as the second Pay Head in the **Add Pay Head Function**

- Similarly, select **Conveyance** and **Overtime Pay** as the **Add Pay Head** function

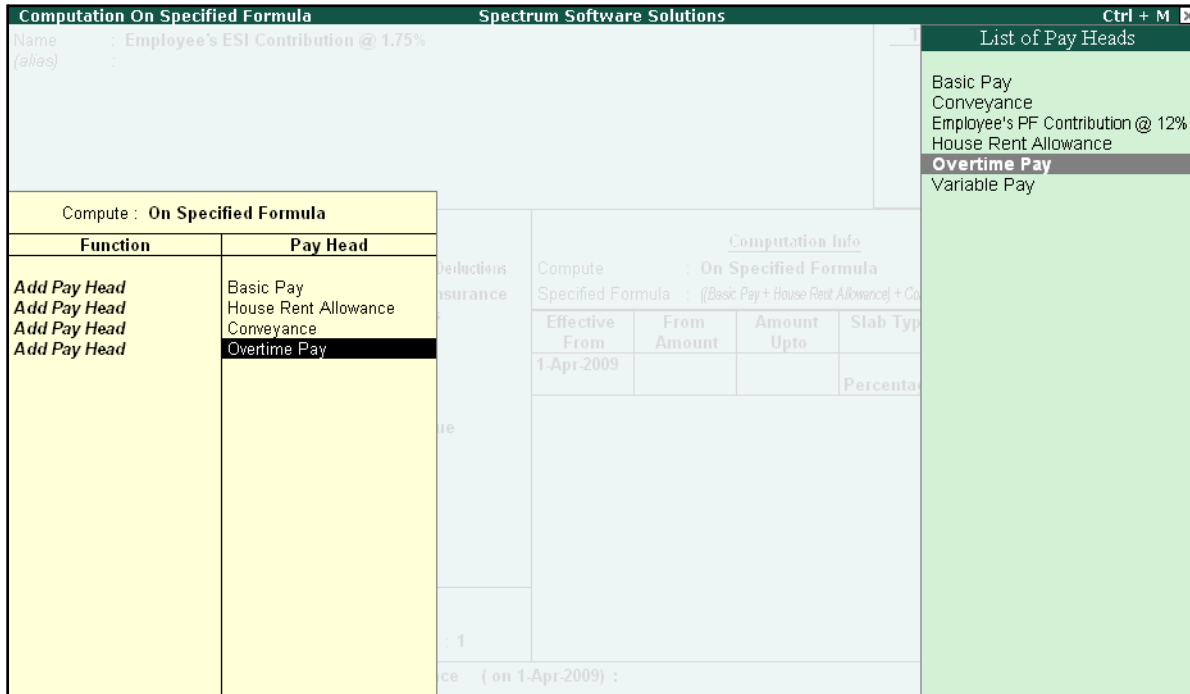


Figure 2.36 Employee's ESI Pay Head creation screen - Add Pay Head selection

- Select **End of List** and press **Enter**



*Any income of a regular nature will be subject to ESI calculation viz., Basic Pay, Dearness Allowance, House Rent Allowance, Conveyance, Overtime etc.,)*

- Specify **1-4-2008** as the **Effective From** date
- The **From Amount** and **Amount Upto** fields are skipped as the amount is already entered in the **Statutory & Taxation** screen
- Select **Percentage** as the **Slab Type** from the **List of Slabs**
- Specify **1.75%** as the **Value Basis Percentage** and press **Enter**

The Pay Head Creation screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions			Total Op. Bal.
Name : <b>Employee's ESI Contribution @ 1.75%</b> (alias) :					
<b>Pay Head Info</b>		<b>Computation Info</b>			
Pay Head Type	: <b>Employees' Statutory Deductions</b>	Compute : <b>On Specified Formula</b>			
Statutory Pay Type	: <b>Employee State Insurance</b>	Specified Formula : <i>((Basic Pay+ House Rent Allowance) + Conveyance) + Overtime Pay</i>			
Under	: <b>Current Liabilities</b>	<b>Effective From</b>	<b>From Amount</b>	<b>Amount Upto</b>	<b>Slab Type</b>
Affect Net Salary	? <b>Yes</b>	1-Apr-2009			<b>Percentage</b>
Name to appear in Payslip	: <b>ESI @ 1.75%</b>				<b>1.75%</b>
Calculation Type	: <b>As Computed Value</b>				
Calculation Period	: <b>Months</b>				
<b>Rounding Info</b>					
Rounding Method	: <b>Normal Rounding</b>	Limit	: <b>1</b>		
<b>Opening Balance ( on 1-Apr-2009) :</b>					

Figure 2.37 Employee's ESI Pay Head creation screen – Slab Rate



The completed **ESI – Employee’s Contribution Pay Head Creation** screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions					Total Op. Bal.
Name : Employee’s ESI Contribution @ 1.75%							
(alias) :							
<b>Pay Head Info</b>			<b>Computation Info</b>				
Pay Head Type : Employees’ Statutory Deductions			Compute : On Specified Formula				
Statutory Pay Type : Employee State Insurance			Specified Formula : ((Basic Pay + House Rent Allowance) + Conveyance) + Overtime Pay				
Under : Current Liabilities			<b>Effective From</b>	<b>From Amount</b>	<b>Amount Upto</b>	<b>Slab Type</b>	<b>Value Basis</b>
Affect Net Salary ? Yes			1-Apr-2009			Percentage	1.75 %
Name to appear in Payslip : ESI @ 1.75%							
Calculation Type : As Computed Value							
Calculation Period : Months							
<b>Rounding Info</b>							
Rounding Method : Normal Rounding			Limit : 1				
Opening Balance ( on 1-Apr-2009) :						<b>Accept ?</b>	
						<b>Yes or No</b>	

Figure 2.38 Completed ESI – Employee’s Contribution Pay Head Creation screen

14. Press **Enter** to **Accept** the screen.

### iii. Professional Tax Pay Head Creation

Create **Professional Tax Pay Head** with the following Slab rates.

From Amount	To Amount	Professional Tax Amount
0	5000	0
5000	8000	60
8000	10000	100
10000	15000	150
15000	-	200

The completed **Professional Tax Pay Head Creation** screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions		Total Op. Bal.																															
Name : Professional Tax (alias) :																																			
<p><b>Pay Head Info</b></p> Pay Head Type : Employees' Statutory Deductions Statutory Pay Type : Professional Tax Registration Number : KA/PT/12445308 Under : Current Liabilities Affect Net Salary ? Yes Name to appear in Payslip : Professional Tax Calculation Type : As Computed Value Calculation Period : Months		<p><b>Computation Info</b></p> Compute : On Current Earnings Total <table border="1"> <thead> <tr> <th>Effective From</th> <th>From Amount</th> <th>Amount Upto</th> <th>Slab Type</th> <th>Value Basis</th> </tr> </thead> <tbody> <tr> <td>1-Apr-2009</td> <td></td> <td>5,000.00</td> <td>Value</td> <td>0</td> </tr> <tr> <td></td> <td>5,000.00</td> <td>8,000.00</td> <td>Value</td> <td>60</td> </tr> <tr> <td></td> <td>8,000.00</td> <td>10,000.00</td> <td>Value</td> <td>100</td> </tr> <tr> <td></td> <td>10,000.00</td> <td>15,000.00</td> <td>Value</td> <td>150</td> </tr> <tr> <td></td> <td>15,000.00</td> <td></td> <td>Value</td> <td>200</td> </tr> </tbody> </table>				Effective From	From Amount	Amount Upto	Slab Type	Value Basis	1-Apr-2009		5,000.00	Value	0		5,000.00	8,000.00	Value	60		8,000.00	10,000.00	Value	100		10,000.00	15,000.00	Value	150		15,000.00		Value	200
Effective From	From Amount	Amount Upto	Slab Type	Value Basis																															
1-Apr-2009		5,000.00	Value	0																															
	5,000.00	8,000.00	Value	60																															
	8,000.00	10,000.00	Value	100																															
	10,000.00	15,000.00	Value	150																															
	15,000.00		Value	200																															
<p><b>Rounding Info</b></p> Rounding Method : Normal Rounding Limit : 1				Accept ? Yes or No																															
Opening Balance ( on 1-Apr-2009 ) :																																			

Figure 2.39 Profession Tax Pay Head Creation

- Press Enter to Accept

### Gratuity Pay Head

Apart from the above Pay Heads, create Gratuity Expenses (Provisional) Account in order to get provisional Gratuity liability report for the employer at any given period.

**Gratuity** refers to the monetary benefit given by the employer to the employee at the end of the employment for the services rendered over a period of employment either by law or otherwise. It is calculated provisionally at the end of each financial period to assess the possible liability of the company towards its employees. A Gratuity Provisional Account is created to capture the details required for the calculation of gratuity. Gratuity is calculated based on select salary components.

The formula used for Gratuity calculation is as follows:

$$\frac{\text{Latest eligible salary* for Gratuity}}{\text{Number of days in a month to be considered}} \times \text{Number of days pay eligible for the total months covered in the respective slab period} \times \text{Served period \# (in proportionate years) in the respective slabs}$$



\* **Eligible salary** refers to the sum of pay heads covered in the employee's latest pay structure, for the relevant period. The pay heads must be set to **Yes** for **Use for gratuity** and the Gratuity ledger should be part of the pay structure.

# **Served period** is computed from the date of joining to the end date of calculation period. Served period may be proportionate such as 11 years 10 months and 5 days.

When Served period covers more than one slab, the total of the calculations of all the slabs will constitute the gratuity provisional amount of the employee.

Ledger	Pay Head Type	Under
Gratuity Expenses (Provisional)	Gratuity	Provisions (Current Liabilities)

In the Pay Head Creation screen,

1. Type **Gratuity Expenses (Provisional)** as the **Name** of the Pay Head
2. Select **Gratuity** in the field **Pay Head Type**. The **Slab Rate details for Gratuity Calculation** screen are displayed.
3. In the **Gratuity Calculation** subscreen, specify the following details:
  - Specify **Gratuity Days of a Month** as **26**
  - Enter **1** and **60** (months) in the **From** and **To** fields under the **Number of Months** column
  - Specify **0** in the field **Eligibility days for Gratuity Calculation per year**
  - Similarly, select **61** and **120** in the **From** and **To** fields
  - Specify **15** in the **Eligibility days for Gratuity Calculation per year** field
  - Press **Enter** to accept **121** in the field **From**
  - Specify **15** in the field **Eligibility days for Gratuity Calculation per year**

The **Slab Rate Details for Gratuity calculation** screen is displayed as shown:

<b>Slab Rate details for Gratuity Calculation</b>		
Gratuity Days of a Month		: 26
<b>Number of Months</b>		<b>Eligibility days for Gratuity Calculation per year</b>
<b>From:</b>	<b>To:</b>	
1	60	0
61	120	15
121		15

Figure 2.40 Slab Rate Details for Gratuity Calculation screen

4. Press **Enter** to **Accept** the screen

*Gratuity parameter details:*



**Gratuity days of a Month** – The number of days per calendar month varies from 28 to 31. In this case, you can apply a consistent period of 26 days (excluding 4 Sundays) for all employees irrespective of their month of leaving. It can also be fixed by law.

**Number of months From and To** – This represents the months until which the eligible days are applicable in the Slab system, beginning from the date of joining.

**Eligibility days for Gratuity Calculation per year** – This refers to the Number of days’ pay given as gratuity for the entire slab. If the slab period has not ended, then the slab is applied based on the number of months covered in the previous slab. If the number of days eligible is zero (0), then the eligible days mentioned in the next slab are considered.

5. Specify the group as **Provisions (Current Liabilities)** in the field **Under** and press **Enter**

The completed **Gratuity Expenses (Provisional) Pay Head Creation** screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions	
Name : Gratuity Expenses (Provisional)			Total Op. Bal.
(alias) :			
<b>Pay Head Info</b>			
Pay Head Type	: Gratuity		
Under	: Provisions (Current Liabilities)		
<b>Rounding Info</b>			
Rounding Method	: Normal Rounding	Limit	: 1
Opening Balance ( on 1-Apr-2009) :			Accept ? Yes or No

Figure 2.41 Gratuity Expenses Ledger Creation screen

6. Press **Enter** to **Accept** the screen.

## Salary Details Setup

The Salary Details masters contain information on the Employee Group/ individual employee pay structure, comprising of both earnings and deductions pay components for the applicable period.

Businesses having a common pay structure for a particular department or division or set of employees can define salary details for an employee group and classify individual employees under the specified group to inherit the parent pay values. The Employee Group master prefills the parent group values to the individual employee masters created under them. It reduces the possibility of erroneous data entry and expedites data entry. This categorisation also helps in generation of Group-wise reporting.

Pay structure constituting the Pay Heads and basis of calculation should be similar for the employees falling under the same group, but pay values need not be the same.

Tally.ERP 9 also allows you to set up individual employee salary details with all parameters applicable for Employee groups. The individual employee masters with separate pay structures are usually created on a case-to-case basis.

To define **Salary Details** for employees,

Go to **Gateway of Tally > Payroll Info. > Salary Details > Create**

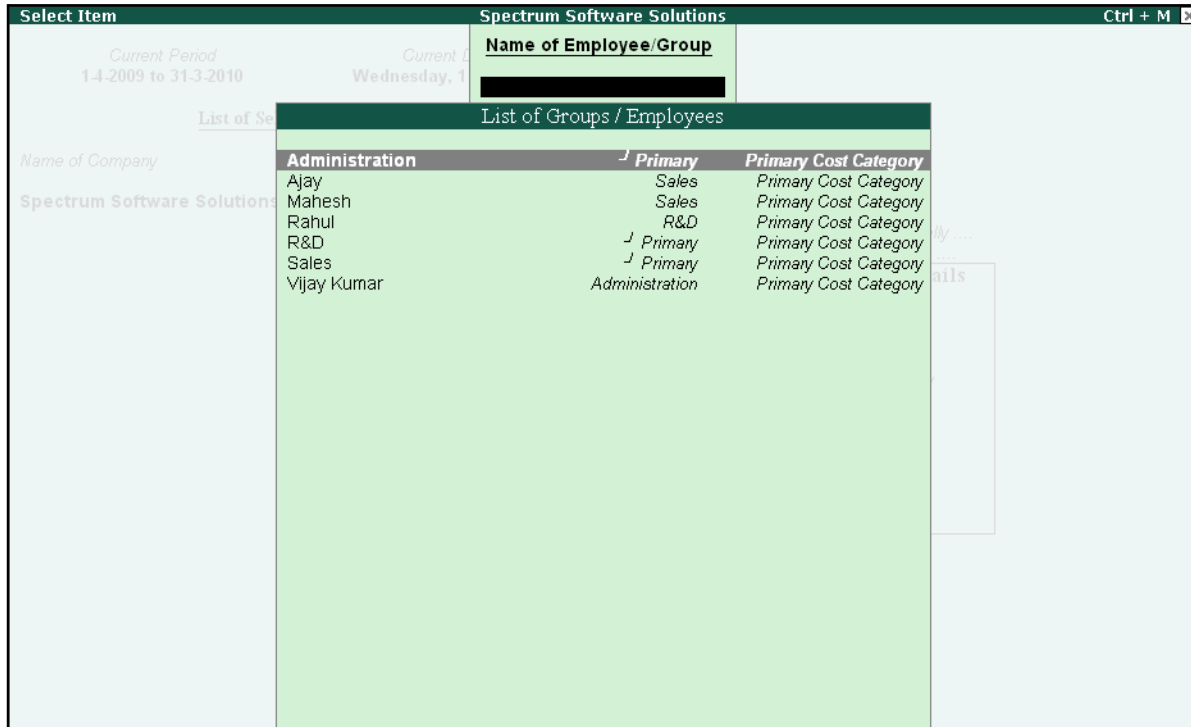


Figure 2.42 List of Employee Groups/ Employees screen

**1. Select Vijay Kumar from the List of Employees and press Enter**

In the **Salary Details** screen,

- The **Effective date** is entered as **01-04-2009** by default based on the **Date of Joining** entered in the Employee Master
- Select **Basic Pay** as the **Pay Head** from the **List of Pay Heads**
- Specify **10,000** as **Rate**
- The **Attendance units**, **Pay Head Type** and **Calculation Type** appear by default, based on the pay head definitions.

The **Salary Details Creation** screen is displayed as shown:

Salary Details Creation						
Spectrum Software Solutions						
Name : Vijay Kumar (549)						
Under : Administration ( <sup>1</sup> Primary)						
Salary Details						
Effective From	Pay Head	Rate	Per	Pay Head Type	Calculation Type	Computed On
1-Apr-2009	Basic Pay	10,000.00	Months	Earnings for Employees	On Attendance	

Figure 2.43 Salary Details Creation screen

2. Select **House Rent Allowance** as the second **Pay Head** and press **Enter**
3. Select **Conveyance** as the next **Pay Head**
4. Specify **800** as **Rate** and press **Enter**
5. Select **Overtime Pay** as the **Pay Head**
6. Specify **55** as the **Rate** and press **Enter**
7. Select **Variable Pay** as the **Pay Head** and press **Enter**
8. Select **Professional Tax** against the **Pay Head** and press **Enter**
9. Select **Employee's PF Contribution @ 12%, Employee's ESI Contribution @ 1.75%** as **Pay Head** and press **Enter**
10. Select the **Gratuity Expenses (Provisional)** ledger and press **Enter** (In case of Employees eligible for Gratuity, the Gratuity Expenses ledger should be included in the Salary details of the respective Employee for provisional assessment of Gratuity)

The completed **Salary Details Creation** screen for **Mr. Vijay Kumar** is displayed as shown:

Salary Details Creation						
Spectrum Software Solutions						
Name : Vijay Kumar (549)						
Under : Administration ( <sup>1</sup> Primary)						
Salary Details						
Effective From	Pay Head	Rate	Per	Pay Head Type	Calculation Type	Computed On
1-Apr-2009	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	
	Professional Tax			Employees' Statutory Deductions	As Computed Value	On Current Earnings Total
	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
	Gratuity Expenses (Provisional)			Gratuity		

Accept ?  
 Yes or No

Figure 2.44 Completed Salary Details screen



Tally.ERP 9 allows you to modify the pre-defined Slab rates by pressing **F12: Configure** and setting the option **Allow to Override Slab Percentage** to **Yes**.



In case a revision in pay structure is required for any subsequent period, define the latest pay structure by specifying the relevant **Effective from** date.



Similarly, create the pay structure for the other employees as per the details given in the following table:

<b>Pay Head</b>	<b>Rahul</b>	<b>Mahesh</b>	<b>Ajay</b>
Basic Pay	20,000	45,000	10,000
House Rent Allowance	40%	40%	20%
Conveyance	—	1,000	2,000
Overtime Pay	—	—	100
Variable Pay	User — defined		
Gratuity Expenses (Provisional)	Only for reporting purpose		
Employee's PF Contribution @ 12%	Applicable as Slab Rates		
Employee's ESI Contribution @ 1.75%	Applicable as Slab Rates		
Professional Tax	Applicable as Slab Rates		

Salary Details for Ajay can be created similar to the Salary Details creation for Vijay Kumar.

Since Ajay and Mahesh are in Sales Group, we can create the Salary Details for the Group and inherit the same for the Employees (Ajay and Mahesh) in that Group.

### **Salary Details creation for the Sales Group**

Go to **Gateway of Tally > Payroll Info. > Salary Details > Create**

1. From the **List of Group / Employees** select **Sales**
2. Select the **Pay Heads** from the **List of Pay Heads** which are applicable to this group.
3. Leave the **Rate** field empty if there is no standard rate.

The completed Salary structure for the **Sales** Group is as shown:

Salary Details Creation						
Spectrum Software Solutions						
Name : Sales						
Under : Primary						
Salary Details						
Effective From	Pay Head	Rate	Per	Pay Head Type	Calculation Type	Computed On
1-Apr-2009	Basic Pay			Earnings for Employees	On Attendance	Basic Pay
	House Rent Allowance			Earnings for Employees	As Computed Value	
	Conveyance			Earnings for Employees	Flat Rate	
	Overtime Pay			Earnings for Employees	On Production	
	Variable Pay			Earnings for Employees	As User Defined Value	
	Professional Tax			Employees' Statutory Deductions	As Computed Value	On Current Earnings Total
	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
	Gratuity Expenses (Provisional)			Gratuity		

Figure 2.45 Completed Salary Details for Sales Group

The Pay structure created above can be inherited for all the employees belonging to Sales Group. This feature helps in eliminating the repetitions while creating the Salary Details.

To define the **Salary Details** for **Mr. Ajay** belonging to **Sales Group**, follow the steps given below:

Go to **Gateway of Tally > Payroll Info. > Salary Details > Create**

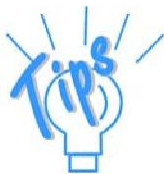
1. From the **List of Group / Employees** select **Ajay** and press **Enter**
2. Select **Copy From parent Value** from the **Start Type** options under **Pay Head**

The **Salary Details Creation** screen is displayed as shown:

Salary Details Creation							Spectrum Software Solutions		Ctrl + M
Name : Ajay (551)									
Under : Sales ( <sup>1</sup> Primary)									
Salary Details									
Effective From	Pay Head	Rate	Per	Pay Head Type	Calculation Type	Computed On			
1-Apr-2009	Copy From Parent Value			Start Type					
				Copy From Parent Value					
				Start Afresh					

Figure 2.46 Salary details Creation – Copy From Parent Value

**Start Type Details:**



**Copy From Parent Value** will copy the pay structure from the **Group** to which the Employee belongs. This will help you to save time in creating the Salary Details for large number of Employees.

**Start Afresh** will allow the user to start selecting the Pay Head from the List of pay Heads already created.

3. The Pay Structure (comprising of Earning & Deductions pay heads) defined for the Group is prefilled automatically.
4. Enter the values for each Pay Head for **Ajay** as per the details mentioned earlier.
5. Press **F12: Configure**
  - Set the option **Allow to Override Slab Percentage** to **Yes**, since the HRA calculation percentage is 20%.

The **Salary Details Configuration** screen is displayed as shown:

**Salary Details Configuration** - Spectrum Software Solutions - Ctrl + M

Name : Ajay (551)  
 Under : Sales (Primary)

**Salary Details**

Effective From	Pay Head	Rate	Per	Pay Head Type	Calculation Type	Computed On
1-Apr-2009	Copy From Parent Value					
	Basic Pay	10,000.00	Months	Earnings for Employees	On Attendance	Basic Pay
	House Rent Allowance			Earnings for Employees	As Computed Value	Basic Pay
	Conveyance				As Computed Value	Basic Pay
	Overtime Pay				As Computed Value	Basic Pay
	Variable Pay				As Computed Value	Basic Pay
	Professional Tax				As Computed Value	Basic Pay
	Employee's PF Contribution @ 12%				As Computed Value	Basic Pay
	Employee's ESI Contribution @ 1.75%				As Computed Value	Basic Pay
	Gratuity Expenses (Provisional)				As Computed Value	Basic Pay

**Salary Details Configuration**

Allow to Override Slab Percentage ? **Yes**

Show Pay Head Type ? Yes

Show Calculation Type ? Yes

Show Computed On ? Yes

Figure 2.47 Salary Details Configuration

- Press **Enter** to **Accept**

6. Now, you will be able to enter the user-defined pay rates to compute the HRA, specify **20%** and press **Enter**



*In the **Salary Details Configuration** screen, when the option **Allow to Override Slab Percentage** is set to **Yes**, the predefined slab rates for the Pay Heads can be modified as per user requirements.*

The completed **Salary Details** screen of Mr. Ajay is displayed as shown:

Salary Details Creation						
Spectrum Software Solutions <span style="float: right;">Ctrl + M</span>						
Name : Ajay (551)						
Under : Sales ( <i>Primary</i> )						
Salary Details						
Effective From	Pay Head	Rate	Per	Pay Head Type	Calculation Type	Computed On
1-Apr-2009	Copy From Parent Value					
	Basic Pay	10,000.00	Months	Earnings for Employees	On Attendance	Basic Pay
	House Rent Allowance	20.00	%	Earnings for Employees	As Computed Value	
	Conveyance	2,000.00	Months	Earnings for Employees	Flat Rate	
	Overtime Pay	100.00	Hrs	Earnings for Employees	On Production	
	Variable Pay			Earnings for Employees	As User Defined Value	
	Professional Tax			Employees' Statutory Deductions	As Computed Value	On Current Earnings Total
	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
	Gratuity Expenses (Provisional)			Gratuity		

Accept ?  
 Yes or No

Figure 2.48 Completed Salary Details screen

7. Press **Enter** to **Accept** the screen.

Similarly, you can create the Salary Details for **Mahesh** and others employees.

## Lesson 3: Processing Payroll in Tally.ERP 9

On completion of this lesson, you will have learnt

- To process Payroll in Tally.ERP 9

Typically, Payroll Processing comprises of the following activities:

- Recording of Attendance and Production details (on time / work)
- Processing Payroll Vouchers
- Payment of Salaries

There are three types of Payroll Vouchers namely **Attendance Voucher**, **Payroll Voucher** and **Payment Voucher**, which are by default preset in Tally.ERP 9 to record above Payroll transactions.

Payroll Vouchers are used for the purposes of operating your payroll and also records the attendance of the employees for a given period. These vouchers are basically used to input information pertaining to Payroll processing.

### **Attendance Vouchers**

An Attendance Voucher is used to record employees' attendance data, based on Attendance/ Production types (i.e., present or absent days, overtime hours and so on).

An Attendance Voucher allows you to record the attendance/ production units for employees. Tally.ERP 9 gives you the flexibility to enter the attendance records through a single attendance voucher for a payroll period, or through multiple attendance vouchers as and when required within a payroll period. You also have the option of recording one attendance/ production voucher per employee per day or collectively for a month or any other variation thereof for all the employees.

In Tally.ERP 9, the auto-fill facility (**Alt+A**) is used to prefill the required Attendance/Production types data for the selected employee group/ employee for the specified period.

**Example 1:**

*On 30th April, 2009 the attendance records of M/s. Spectrum Solutions displayed the following details:*

Attendance/ Production Types	Vijay Kumar	Rahul	Mahesh	Ajay
Present Days	26	22	15	17
Overtime hours	900 Min (15hr x 60min)			720 Min (12hr x 60min)

In the above scenario, separate attendance vouchers are required to be entered for recording Present days and Overtime hours.

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

1. Press **Ctrl+F5** for **Attendance Voucher**

The **Attendance Voucher Creation** screen is displayed as shown:

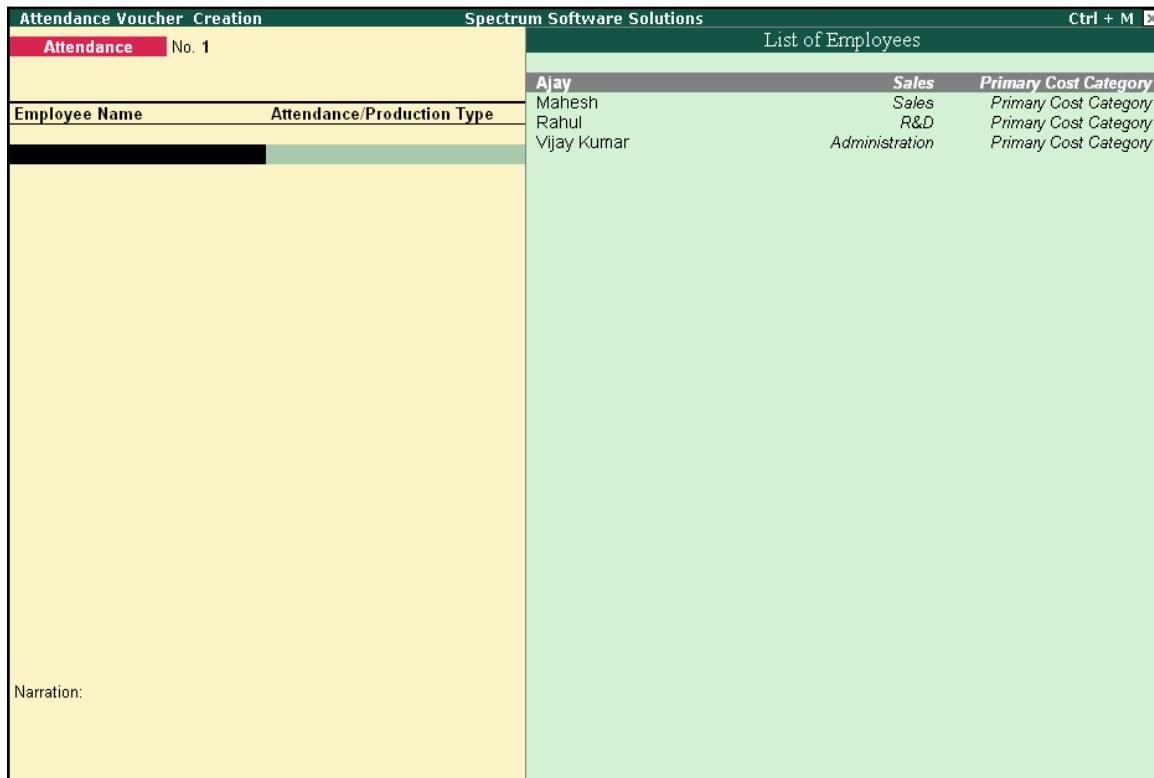


Figure 3.1 Attendance Voucher Creation screen

2. Press **F2** and specify the date as **30-4-2009**

3. Press **Enter**

4. Press **Alt+A** (Attendance Auto Fill) to prefill employee payroll details

The **Attendance Auto Fill** screen is displayed as shown:

Attendance Auto Fill

Voucher Date : **30-4-2009**

Employee Category : **Primary Cost Category**

Employee/Group : **All Items**

Auto Fill Values

Attendance/Production Type :

Default Value to Fill : **0**

*(Value entered above will be prefilled for all the Employees)*

Figure 3.2 Attendance Auto Fill screen

In the **Attendance Auto Fill** screen,

- Specify the **Voucher Date** as **30-04-2009** if not specified earlier
- Select **Primary Cost Category** as **Employee Category** (If separate cost categories are used to capture employee cost, then select the respective Employee category)

Attendance Auto Fill
Spectrum Software Solutions
Ctrl + M

Attendance No. 3

Employee Name	Attendance/Production Type

List of Categories

All Items

**Primary Cost Category**

Attendance Auto Fill

Voucher Date : 30-4-2009

Employee Category : **Primary Cost Category**

Employee/Group : **All Items**

Auto Fill Values

Attendance/Production Type :

Default Value to Fill : **0**

*(Value entered above will be prefilled for all the Employees)*

Figure 3.3 Attendance Auto Fill - Employee Category selection

- Select **All Items** as **Employee/ Group** (if you want to generate payroll voucher for individual employee/ group, select the respective employee or group)



The **Attendance Auto Fill with Employee Filters** screen is displayed as shown:

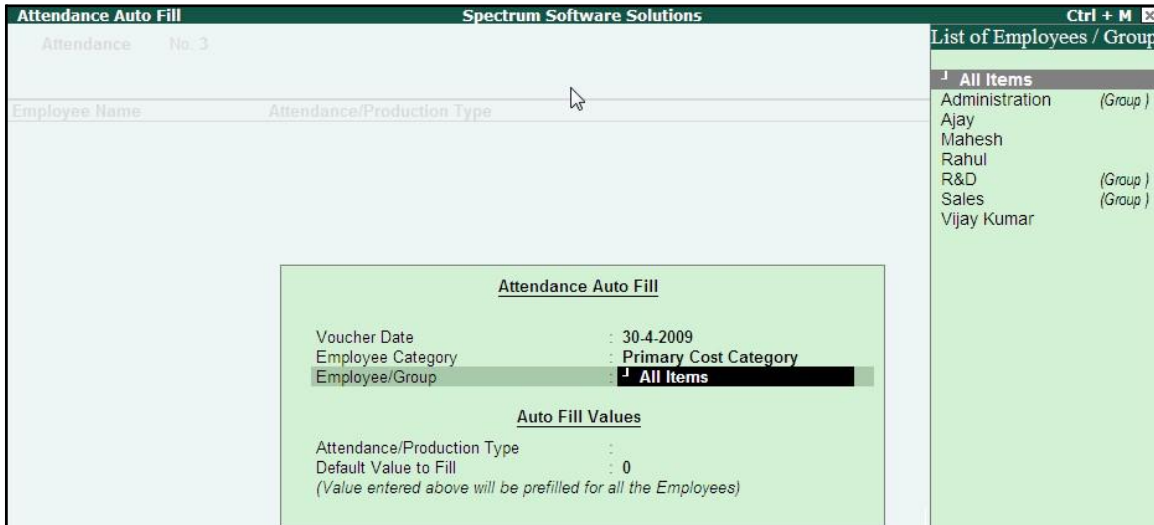


Figure 3.4 Attendance Auto Fill with Employee List

- Select **Present** as **Attendance Type** in the **Attendance/ Production Type** field

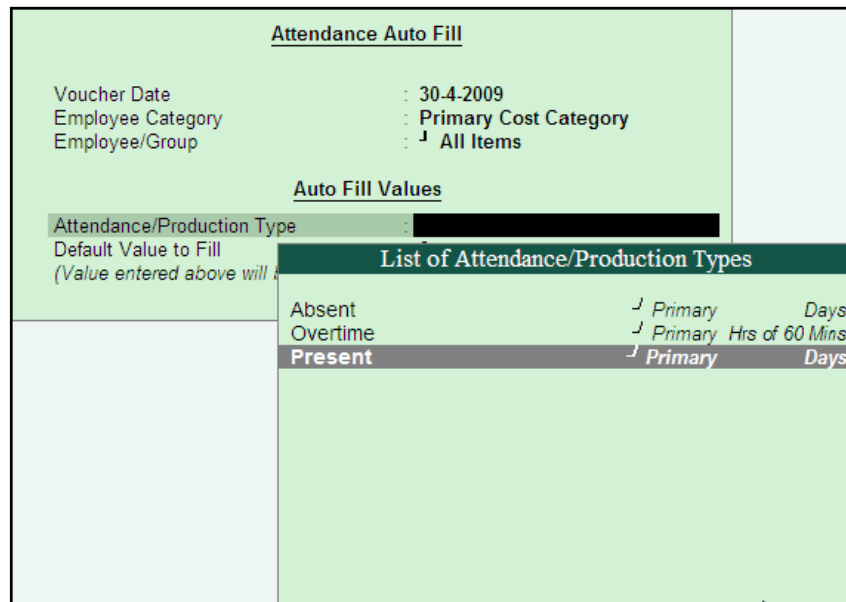


Figure 3.5 Attendance Auto Fill with List of Attendance Type

- Specify the require value that should be prefilled for all Employees e.g. **26**
- Press **Enter** to accept the screen



Separate Attendance vouchers are required for recording attendance on **Work and Production**.

If you opt for **Absent** as **Attendance Type**, then you need to record the negative attendance of the employees. This minimises data entry time and manages the data entry by exception.

5. Employees pertaining to the respective Employee Groups are displayed automatically

Attendance Voucher Creation		Spectrum Software Solutions		Ctrl + M
Attendance No. 2				30-Apr-2009 Thursday
Employee Name	Attendance/Production Type		Value	Unit
Ajay	Present	Cur Bal: 120 Days	26	Days
Mahesh	Present	Cur Bal: 119 Days	26	Days
Rahul	Present	Cur Bal: 113 Days	26	Days
Vijay Kumar	Present	Cur Bal: 129 Days	26	Days
Narration:				

Figure 3.6 Attendance Voucher

6. Alter the attendance details as given in the table above

The **Attendance Voucher Creation** screen with the attendance details screen is displayed as shown:

Attendance Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Attendance</b> No. 1				30-Apr-2009 Thursday
Employee Name	Attendance/Production Type	Value	Unit	
Ajay	Present	Cur Bal: 17 Days	17 Days	
Mahesh	Present	Cur Bal: 15 Days	15 Days	
Rahul	Present	Cur Bal: 22 Days	22 Days	
Vijay Kumar	Present	Cur Bal: 0 Days	26 Days	
Narration:				

Figure 3.7 Attendance Voucher

7. Press **Enter**
8. Enter the details of the transaction in the **Narration** field

The completed **Attendance Voucher Creation** for **Present Attendance** is displayed as shown:

Attendance Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Attendance</b> No. 1				30-Apr-2009 Thursday
Employee Name	Attendance/Production Type	Value	Unit	
Ajay	Present	Cur Bal: 17 Days	17 Days	
Mahesh	Present	Cur Bal: 15 Days	15 Days	
Rahul	Present	Cur Bal: 22 Days	22 Days	
Vijay Kumar	Present	Cur Bal: 26 Days	26 Days	
Narration: Attendance for April 2009				Accept? Yes or No

Figure 3.8 Completed Attendance Voucher Screen

9. Press **Enter** to accept the completed Attendance Voucher screen.



*Days with **Loss of Pay (LOP)** are treated as a Deductible with respect to the **Earnings Pay Head type** and as a Payable with respect to the **Deductions Pay Head type**. For example, LOP is deducted from the Basic salary (Earnings Pay Head) and Canteen expenses (Deductions Pay Head) are treated as a payable.*

In the same way, create an Attendance Voucher for **Overtime Hours**.

The completed **Attendance Voucher** for **Overtime Hours** is displayed as shown:

Attendance Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Attendance</b> No. 2				30-Apr-2009 Thursday
Employee Name	Attendance/Production Type	Value	Unit	
Ajay	Overtime	Cur Bal: 12- 0.00 Hrs	720 mins	
Mahesh	Overtime	Cur Bal: 0- 0.00 Hrs		
Rahul	Overtime	Cur Bal: 0- 0.00 Hrs		
Vijay Kumar	Overtime	Cur Bal: 15- 0.00 Hrs	900 mins	
Narration:				Accept ? Yes or No

Figure 3.9 Attendance Voucher Screen - Overtime

- Press **Enter** to accept.



*You can also record Overtime in hours, provided the Unit of Measurement for the Payroll unit is defined as Hrs.*

After creating the Attendance Voucher, you can change any attendance value for a particular employee, if required, in the Voucher Alteration mode.

## Payroll Vouchers

A payroll voucher is used to record all employee-related transactions. It enables you to compute all the values for the respective Pay Heads (Earnings and Deductions).

The calculations are made on the basis of the definitions specified in the pay head masters, pay structure and attendance entries. In Tally.ERP 9, you can pass payroll vouchers manually for individual employee as well as for the entire group/ organisation by using the Auto Fill facility (**Alt+A**).

In Tally.ERP 9, the disbursement of salaries can be effected in any of the following modes.

- **Direct Remittance** – in cash or by cheque
- **Bank Transfer** – a direct transfer is made to an employee’s bank account and the list of disbursement is printed separately

### Cash Remittance

#### Example 2:

*On 30th April, 2009, M/s. Spectrum Solutions processes Payroll for all the employees and entitled the following employees for Variable Pay.*

Particulars	Vijay Kumar	Rahul	Mahesh	Ajay
Variable Pay	1500	-	1000	-

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

1. Press **Ctrl+F4** for **Payroll Voucher**
2. Press **F2**, specify the date as **30-4-2009** and press **Enter**
3. Press **Alt+A** (Payroll Auto Fill) to prefill employee payroll details  
In the **Payroll Auto Fill** screen,

- Select **Salary** in the **Process for** field

Payroll Auto Fill		Process List
Process for	: <b>Salary</b>	ESI Contribution
From (blank for beginning)	: 1-4-2009	PF Contribution
To (blank for end)	: 30-4-2009	<b>Salary</b>
Employee Category	: Primary Cost Category	
Employee/Group	: All Items	
Payroll Ledger	:	

Figure 3.10 Payroll Autofill with Process List

In Tally.ERP 9, the following processes are preset for faster processing of Payroll:



- **Salary:** This process is used for processing salaries for a specified period, wherein Salaries are disbursed through Cash or a bank transfer.
- **ESI Contribution:** This process is used for processing Employer's contributions towards ESI for a specified period.
- **PF Contribution:** This process is used for processing Employer's Provident Fund (PF) contributions for a specified period.

- Specify **1-4-2009** in the **From** field
- Specify **30-4-2009** in the **To** field
- Select **All Items** as **Employee/Group**

Figure 3.11 Payroll Autofill with List of Employees

- Select **Cash** in the **Payroll Ledger** field

The completed **Payroll Auto Fill** screen is displayed as shown:

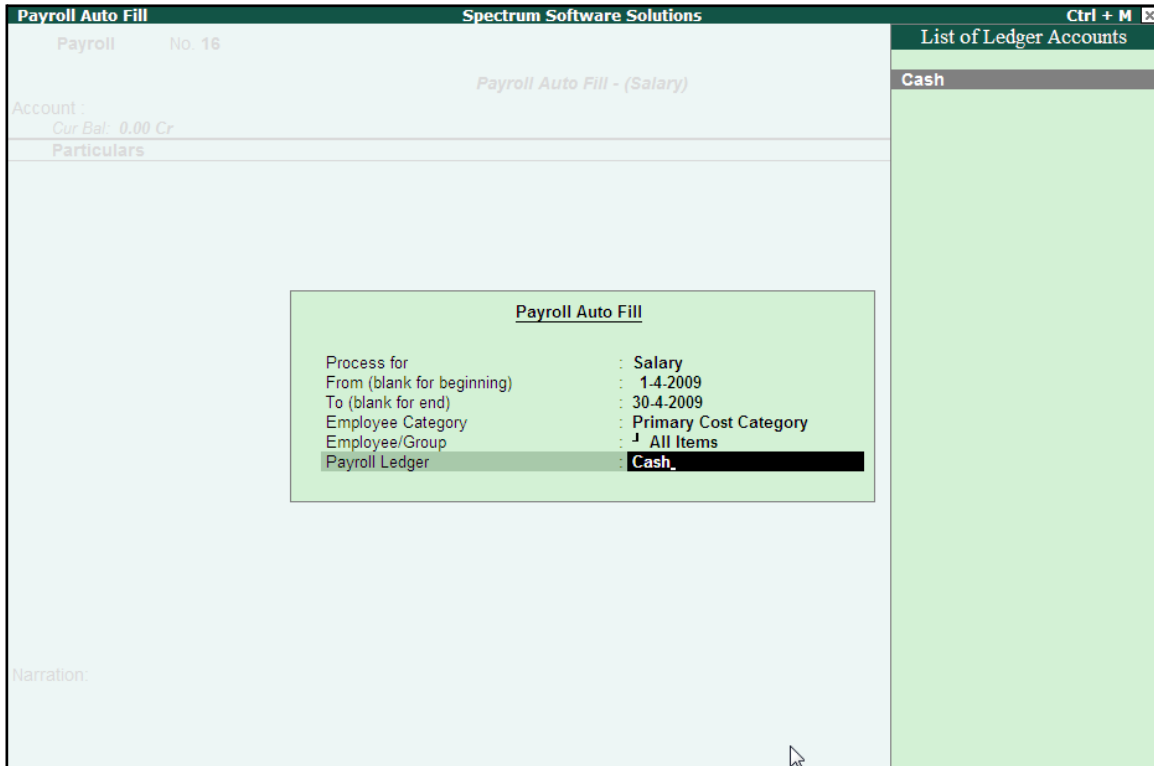


Figure 3.12 Payroll Autofill with payment Ledger list

- Press **Enter** to accept the screen (the **Cash** ledger is prefilled in the **Account** field)

All the pay values are calculated for the applicable pay heads for each employee grouped under the selected group.



The **Payroll Voucher Creation** screen is displayed as shown:

Payroll Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Payroll</b> No. 1				30-Apr-2009 Thursday
<i>Payroll Auto Fill - (Salary)</i>				
Account : <b>Cash</b> Cur Bal: 2,00,000.00 Dr				
Particulars				Amount
<b>Primary Cost Category</b>				<b>83,840.00 Dr</b>
<b>Ajay</b>				<b>10,116.00 Dr</b>
Basic Pay	6,538.00	Dr	Cur Bal: 6,538.00 Dr	
House Rent Allowance	1,308.00	Dr	Cur Bal: 1,308.00 Dr	
Conveyance	2,000.00	Dr	Cur Bal: 2,000.00 Dr	
Overtime Pay	1,200.00	Dr	Cur Bal: 1,200.00 Dr	
Variable Pay		Dr	Cur Bal:	
Professional Tax	150.00	Cr	Cur Bal: 150.00 Cr	
Employee's PF Contribution @ 12%	780.00	Cr	Cur Bal: 780.00 Cr	
Employee's ESI Contribution @ 1.75%		Cr	Cur Bal:	
				<u>36,367.00 Dr</u>
<b>Mahesh</b>				
Basic Pay	25,962.00	Dr	Cur Bal: 25,962.00 Dr	
House Rent Allowance	10,385.00	Dr	Cur Bal: 10,385.00 Dr	
Conveyance	1,000.00	Dr	Cur Bal: 1,000.00 Dr	
Overtime Pay		Dr	Cur Bal:	
Variable Pay		Dr	Cur Bal:	
Professional Tax	200.00	Cr	Cur Bal: 200.00 Cr	
Employee's PF Contribution @ 12%	780.00	Cr	Cur Bal: 780.00 Cr	
Employee's ESI Contribution @ 1.75%		Cr	Cur Bal:	
				<u>22,712.00 Dr</u>
<b>Rahul</b>				
Basic Pay	16,923.00	Dr	Cur Bal: 16,923.00 Dr	
House Rent Allowance	6,769.00	Dr	Cur Bal: 6,769.00 Dr	
				<u>15 more ... ↓</u>
Narration:				<u>83,840.00 Dr</u>
Pay Period : 1-Apr-2009 to 30-Apr-2009				

Figure 3.13 Payroll Voucher Creation

4. Press **Enter** and specify the pay values for the pay heads defined as user-definable values against each employee (in this case, define the **Variable Pay**)

- Specify 1000 as Variable Pay for Mahesh

Payroll Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Payroll</b> No. 1				30-Apr-2009 Thursday
<i>Payroll Auto Fill - (Salary)</i>				
Account : <b>Cash</b> Cur Bal: 2,00,000.00 Dr				
Particulars				Amount
<b>Primary Cost Category</b>				<b>83,840.00 Dr</b>
<b>Ajay</b>				<b>10,116.00 Dr</b>
Basic Pay	6,538.00	Dr	Cur Bal: 6,538.00 Dr	
House Rent Allowance	1,308.00	Dr	Cur Bal: 1,308.00 Dr	
Conveyance	2,000.00	Dr	Cur Bal: 2,000.00 Dr	
Overtime Pay	1,200.00	Dr	Cur Bal: 1,200.00 Dr	
Variable Pay		Dr	Cur Bal:	
Professional Tax	150.00	Cr	Cur Bal: 150.00 Cr	
Employee's PF Contribution @ 12%	780.00	Cr	Cur Bal: 780.00 Cr	
Employee's ESI Contribution @ 1.75%		Cr	Cur Bal: 0.00 Cr	
				<b>36,367.00 Dr</b>
<b>Mahesh</b>				
Basic Pay	25,962.00	Dr	Cur Bal: 25,962.00 Dr	
House Rent Allowance	10,385.00	Dr	Cur Bal: 10,385.00 Dr	
Conveyance	1,000.00	Dr	Cur Bal: 1,000.00 Dr	
Overtime Pay		Dr	Cur Bal:	
<b>Variable Pay</b>	<b>1000</b>	<b>Dr</b>	<b>Cur Bal:</b>	
Professional Tax	200.00	Cr	Cur Bal: 200.00 Cr	
Employee's PF Contribution @ 12%	780.00	Cr	Cur Bal: 780.00 Cr	
Employee's ESI Contribution @ 1.75%		Cr	Cur Bal:	
				<b>22,712.00 Dr</b>
<b>Rahul</b>				
Basic Pay	16,923.00	Dr	Cur Bal: 16,923.00 Dr	
House Rent Allowance	6,769.00	Dr	Cur Bal: 6,769.00 Dr	
				<b>16 more ... ↓</b>
Narration:				<b>83,840.00 Dr</b>
Pay Period : 1-Apr-2009 to 30-Apr-2009				

Figure 3.14 Payroll Voucher - adding Variable pay

- Similarly, specify 1500 as Variable Pay for Vijay Kumar and press Enter

The completed **Payroll Voucher Creation** screen is displayed as shown:

Payroll Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Payroll</b> No. 1				30-Apr-2009 Thursday
<i>Payroll Auto Fill - (Salary)</i>				
Account : <b>Cash</b> Cur Bal: 2,00,000.00 Dr				
Particulars				Amount
↑ ... 16 more				
Professional Tax	200.00	Cr	Cur Bal: 200.00 Cr	
Employee's PF Contribution @ 12%	780.00	Cr	Cur Bal: 780.00 Cr	
Employee's ESI Contribution @ 1.25%		Cr	Cur Bal: 0.00 Cr	
<b>Rahul</b>				<u>22,712.00 Dr</u>
Basic Pay	16,923.00	Dr	Cur Bal: 16,923.00 Dr	
House Rent Allowance	6,769.00	Dr	Cur Bal: 6,769.00 Dr	
Conveyance		Dr	Cur Bal: 0.00 Dr	
Overtime Pay		Dr	Cur Bal: 0.00 Dr	
Variable Pay		Dr	Cur Bal:	
Professional Tax	200.00	Cr	Cur Bal: 200.00 Cr	
Employee's PF Contribution @ 12%	780.00	Cr	Cur Bal: 780.00 Cr	
Employee's ESI Contribution @ 1.25%		Cr	Cur Bal: 0.00 Cr	
<b>Vijay Kumar</b>				<u>16,145.00 Dr</u>
Basic Pay	10,000.00	Dr	Cur Bal: 10,000.00 Dr	
House Rent Allowance	4,000.00	Dr	Cur Bal: 4,000.00 Dr	
Conveyance	800.00	Dr	Cur Bal: 800.00 Dr	
Overtime Pay	825.00	Dr	Cur Bal: 825.00 Dr	
Variable Pay	1,500.00	Dr	Cur Bal: 1,500.00 Dr	
Professional Tax	200.00	Cr	Cur Bal: 200.00 Cr	
Employee's PF Contribution @ 12%	780.00	Cr	Cur Bal: 780.00 Cr	
Employee's ESI Contribution @ 1.25%		Cr	Cur Bal: 0.00 Cr	
Narration:				98,349.00 Dr
Pay Period : 1-Apr-2009 to 30-Apr-2009				<input type="button" value="Accept?"/>
				Yes or No

Figure 3.15 Completed Payroll Voucher

5. Press **Enter** to accept.



Press **Alt+S** to pass the above voucher in the Voucher mode. This can be used to keep track of **Bill References**. e.g. if there are more than one Salary Advances, then the to track the recovered Amount from Employee's salary against the respective Advance given, this feature should be used.

### Bank Transfer

Bank transfer refers to disbursement of Salaries directly into the Employee Bank Accounts by intimating the Bank through a Payment advice. Tally.ERP 9 facilitates processing salaries through Bank transfer with the help of predefined Salary process.

#### Example 3:

**On 31st May, 2009 M/s. Spectrum Solutions disbursed Salaries payable for the month of May 2009 through Bank Transfer. The attendance records displayed the following details:**

Attendance/Production Types	Vijay Kumar	Rahul	Mahesh	Ajay
Present Days	25	20	26	21
Overtime Hours	-			120 Min (2hr x 60min)

*On 31st May 2009, M/s. Spectrum Solutions processes Payroll for all the employees and entitled the following employees for Variable Pay.*

Particulars	Vijay Kumar	Rahul	Mahesh	Ajay
Variable Pay	500		-	1200

**Step 1: Create Attendance Voucher**

Create Attendance Vouchers for **Present days** and **Overtime hours** for May 2009 as per the details given in the above table.

The completed **Attendance Voucher for Present days** is displayed as shown:

Employee Name	Attendance/Production Type	Value	Unit
Ajay	Present	21	Days
Mahesh	Present	26	Days
Rahul	Present	20	Days
Vijay Kumar	Present	25	Days

Narration:  
Attendance for May 2009.

Accept ?  
Yes or No

Figure 3.16 Attendance Voucher for Present days

- Press **Enter** to accept

In the same way, create an Attendance Voucher for **Overtime Hours**.

The completed **Attendance Voucher for Overtime Hours** is displayed as shown:

Employee Name	Attendance/Production Type	Value	Unit
Ajay	Overtime	Cur Bal: 14- 0.00 Hrs	120 mins
Mahesh	Overtime	Cur Bal: 0- 0.00 Hrs	
Rahul	Overtime	Cur Bal: 0- 0.00 Hrs	
Vijay Kumar	Overtime	Cur Bal: 15- 0.00 Hrs	

Narration:  
Being Overtime details for May 2009.

Accept?  
Yes or No

Figure 3.17 Attendance Voucher for Overtime Hours

- Press **Enter** to accept.

### Step 2: Create Salary Payable Ledger

Before passing the Salary payment voucher, create the following ledger:

Ledger	Pay Head Type	Under
Salary Payable	Not Applicable	Current Liabilities

Go to **Gateway of Tally > Payroll Info. > Pay Heads > Create**

The completed Salary Payable Ledger creation screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions	
Name	: Salary Payable	Total Op. Bal.	
(alias)	:		
<b>Pay Head Info</b> Pay Head Type : <input type="checkbox"/> Not Applicable Under : Current Liabilities		Accept ? Yes or No	
Opening Balance ( on 1-Apr-2009 ) :			

Figure 3.18 Salary Payable Ledger Creation

- Press **Enter** to accept

### Step 3: Create Payroll Voucher

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

1. Press **Ctrl+F4** for **Payroll Voucher**
2. Press **F2**, specify the date as **31-05-2009** and press **Enter**
3. Press **Alt+A** (Payroll Auto Fill) to prefill employee payroll details
4. In the **Payroll Auto Fill** screen,
  - Select **Salary** in the **Process for** field as shown

Payroll Auto Fill		Process List
Process for	: <b>Salary</b>	ESI Contribution
From (blank for beginning)	: 1-5-2009	PF Contribution
To (blank for end)	: 31-5-2009	<b>Salary</b>
Employee Category	: Primary Cost Category	
Employee/Group	: <input type="checkbox"/> All Items	
Payroll Ledger	:	

Figure 3.19 Payroll Autofill with List of Processes

5. Specify **01-05-2009** in the **From** field
6. Specify **31-05-2009** in the **To** field

7. Select **All Items** as **Employee/Group**
8. Select **Salary Payable** in the **Payroll Ledger** field as shown

Payroll Auto Fill

Process for : Salary  
 From (blank for beginning) : 1-5-2009  
 To (blank for end) : 31-5-2009  
 Employee Category : Primary Cost Category  
 Employee/Group : All Items  
 Payroll Ledger : **Salary Payable**

Figure 3.20 Payroll Autofill - Payroll Ledger selection

9. Press **Enter** (All the pay values are calculated for the applicable pay heads for each employee grouped under the selected group).
10. Press **Enter** and specify the pay values for the pay heads defined as user-definable values against each employee
  - Specify **1200** as **Variable Pay** for **Ajay**
  - Specify **500** as **Variable Pay** for **Vijay Kumar**

The completed **Payroll Voucher** for the month of May 2009 is displayed as shown:

Payroll Voucher Creation		Spectrum Software Solutions		Ctrl + M	
<b>Payroll</b> No. 2				31-May-2009 Sunday	
<i>Payroll Auto Fill - (Salary)</i>					
Account : <b>Salary Payable</b> <i>Cur Bal: 0.00 Cr</i>					
Particulars					Amount
↑ ... 16 more					
Professional Tax	200.00	Cr	Cur Bal: 400.00	Cr	
Employee's PF Contribution @ 12%	780.00	Cr	Cur Bal: 1,560.00	Cr	
Employee's ESI Contribution @ 1.75%		Cr	Cur Bal: 0.00	Cr	
					<b>20,559.00</b> Dr
<b>Rahul</b>					
Basic Pay	15,385.00	Dr	Cur Bal: 32,308.00	Dr	
House Rent Allowance	6,154.00	Dr	Cur Bal: 12,923.00	Dr	
Conveyance		Dr	Cur Bal: 0.00	Dr	
Overtime Pay		Dr	Cur Bal: 0.00	Dr	
Variable Pay		Dr	Cur Bal:		
Professional Tax	200.00	Cr	Cur Bal: 400.00	Cr	
Employee's PF Contribution @ 12%	780.00	Cr	Cur Bal: 1,560.00	Cr	
Employee's ESI Contribution @ 1.75%		Cr	Cur Bal: 0.00	Cr	
					<b>13,831.00</b> Dr
<b>Vijay Kumar</b>					
Basic Pay	9,615.00	Dr	Cur Bal: 19,615.00	Dr	
House Rent Allowance	3,846.00	Dr	Cur Bal: 7,846.00	Dr	
Conveyance	800.00	Dr	Cur Bal: 1,600.00	Dr	
Overtime Pay		Dr	Cur Bal: 825.00	Dr	
Variable Pay	500.00	Dr	Cur Bal: 2,000.00	Dr	
Professional Tax	150.00	Cr	Cur Bal: 350.00	Cr	
Employee's PF Contribution @ 12%	780.00	Cr	Cur Bal: 1,560.00	Cr	
Employee's ESI Contribution @ 1.75%		Cr	Cur Bal: 0.00	Cr	
					<b>1,00,570.00</b> Dr
Narration: Pay Period : 1-May-2009 to 31-May-2009					
					<div style="border: 1px solid black; padding: 5px; display: inline-block;">                     Accept ?                      Yes or No                 </div>

Figure 3.21 Completed Payroll Voucher

11. Press **Enter** to accept

After passing the above entry, the salaries payable for the month of May 2009 are transferred to the Salary Payable Ledger, at the time of payment of salaries, the amount is reversed.

### Payment of Salaries (Salary Disbursement)

In Tally.ERP 9, a Payment voucher can be used to effect salary disbursement to employees. The payment voucher for the salaries payable may be passed through regular payment voucher or automated using the preset Salary Payment process available in Tally.ERP 9 for error free data input during Payroll Payment entry with the help of Auto Fill facility.

#### Example 4:

*On 31st May 2009, M/s. Spectrum Solutions paid the salaries due for the month of May 2009.*

Before passing the payment voucher, necessary Bank Accounts should be created. To make the Salary payment, follow the steps given below:

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

1. Press **F5** for **Payment Voucher**
2. Press **F2**, specify the date as **31-05-2009** and press **Enter**
3. Press **Alt+A** (Payroll Auto Fill) to prefill employee payroll details

In the **Payment Auto Fill** screen,

- Select **Salary Payment** in the **Process for** field as shown.

Payment Auto Fill		Process List
Process for	: <b>Salary Payment</b>	ESI Challan
From (blank for beginning)	: 1-5-2009	PF Challan
To (blank for end)	: 31-5-2009	Professional Tax Payment
Voucher Date	:	<b>Salary Payment</b>
Employee Category	: Primary Cost Category	
Employee/Group	: All Items	
Bank / Cash Ledger	:	
Payroll Ledger	:	

Figure 3.22 Payment Auto Fill - Payment Process Selection

- Specify **01-05-2009** as **From** period
- Specify **31-05-2009** as **To** period
- Specify **Voucher Date** as **31-05-2009**
- Select **Primary Cost Category** in the **Employee Category** field
- Select **All Items** in the **Employee/Group** field
- Select **HDFC Bank** in the **Bank / Cash Ledger** field as shown.
- Select **Salary Payable** in the **Payroll Ledger** field



The completed **Payment Auto Fill** screen is displayed as shown:

Payment Auto Fill	
Process for	: Salary Payment
From (blank for beginning)	: 1-5-2009
To (blank for end)	: 31-5-2009
Voucher Date	: 31-5-2009
Employee Category	: Primary Cost Category
Employee/Group	: All Items
Bank / Cash Ledger	: HDFC Bank
Payroll Ledger	: <b>Salary Payable</b>

Figure 3.23 Payment Auto Fill screen

4. Press **Enter** and the employee payroll details will appear by default.
5. Enter the details of the transactions in the **Narration** field

The completed **Payroll Payment Entry** screen is displayed as shown:

Accounting Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Payment</b>	No. 6			31-May-2009 Sunday
<i>Payroll Auto Fill - (Salary Payment)</i>				
Account : <b>HDFC Bank</b> Cur Bal: 5,69,571.98 Dr				
Particulars				Amount
<b>Salary Payable</b>				1,09,572.00
Cur Bal: 1,09,572.00 Dr				
Primary Cost Category				
Ajay	12,162.00 Dr			
Mahesh	63,020.00 Dr			
Rahul	20,559.00 Dr			
Vijay Kumar	13,831.00 Dr			
Narration:				1,09,572.00
Ch. No. :245356, Salary Payment for the month of May 2009				
				Accept ? Yes or No

Figure 3.24 Payment Voucher

6. Press **Enter** to accept.

If a partial payment of salaries is made to a particular group of employees, then generate a separate payroll voucher for their payables and pass a separate payment entry based on the settlement. However, Tally.ERP 9 also allows you to modify the payment amount to the Employees.

The unpaid salary will remain as outstanding in the Salary payable account and can be auto-filled in the payment voucher as and when the actual payments are made.



- *If any cash disbursements are made prior to the payment voucher entry, after using the Auto-Fill facility, select the unpaid salaries and enter zero (0) in the amount payable.*
- *If salaries are disbursed by cheque, select individual employee in the Auto Fill Employee Filter and print the cheque for the payment voucher. You have to create separate payroll payment entries for each employee.*

## Lesson 4: Accounting for Employer PF Contributions

On completion of this lesson, you will be able to

- Process Employer's Contributions to Provident Fund (PF)
- Payment of Provident Fund Contributions
- Generate the PF Combined Challan

The Employees' Provident Funds and Miscellaneous Provisions Act is a social security legislation which administers provident fund, family pension and insurance to employees. The Act covers three schemes, namely; **PF** (Provident Fund scheme), **EPS** (Employees' Pension Fund Scheme), **EDLI** (Employees Deposit Linked Insurance scheme).

Under the Employees' Provident Fund scheme, both the employees and employer contribute to the fund at the rate of 12% of the basic wages, dearness allowance, cash value of food concession and retaining allowance (if any), payable to employees per month. The contribution rate is 10% in the case of the following establishments:

- Any covered establishment with less than 20 employees
- Any sick industrial company as specified in the relevant section of Sick Industrial Companies (Special Provisions) Act, 1985 and which has been declared as such by the Board for Industrial and Financial Reconstruction
- Any establishment which has at the end of any financial year accumulated losses equal to or exceeding its entire net worth and
- Any establishment engaged in manufacturing of (a) jute (b) Breed (d) coir and (e) Guar gum Industries/ Factories.

The Contribution payable by the Employer is not to be deducted from the wages of the employee. However, the employer has to deduct employee's share from their Salaries and pay the same in EPF scheme. The deduction can be made only from the wages pertaining to a period for which contribution is paid. However, if there is an accidental omission, the amount can be recovered later.

Out of the employer's contribution of 12% or 10%, the Employer's contribution of 8.33% is diverted to Employees' Pension Scheme and the balance is retained in the EPF scheme. On retirement, the employee gets his full share plus the balance of Employer's share retained to his credit in the EPF account.

Once an establishment is covered under PF, all its departments and branches are covered, irrespective of where they are located.

#### **i. Employees' Pension Scheme:**

As discussed above, the employer's contribution of 8.33% is diverted to the fund of the Pension Scheme and the balance 3.67% (1.67%, if the contribution is 10%) is credited in employee's name in Provident Fund account. The contribution of 8.33% is on maximum salary of Rs. 6,500. However, if some employers are paying contribution on salary in excess of Rs. 6,500, the excess contribution will be credited to Provident Fund account and not to Pension scheme.

#### **Benefits under the Scheme**

Members will get pension on superannuation or retirement from service and upon disablement during employment. Family pension will be available to the widow/widower for life or till he/she remarries. In addition, children will be entitled to pension, upto 25 years of their age. In case of orphans, pension at enhanced rate is available upon death of widow/widower or ceasing payment of widow pension. Benefit of pension to children or orphan is restricted to two children/orphans. If the person is unmarried or has no family, pension is available to the nominee for a specified period.

#### **ii. Employees Deposit Linked Insurance Scheme:**

The purpose of the scheme is to provide life insurance benefits to employees who are already covered under PF/EPF. The employer has to pay a contribution equal to 0.50% of the total wages of the employee. Additionally, administrative charges of 0.01% of total wages have also to be paid by the employer. The employee does not have to contribute any amount to this scheme. The salary limit for coverage of employees is the same as that of the Provident Fund.

#### **Benefit to nominee of employee**

In case of death of an employee during employment, his nominee or family member gets an amount equal to average balance in the Provident Fund Account of the deceased employee during the last 12 months.

As discussed earlier, the statutory features viz., EPF & ESI etc., are required to be configured in **F11: Statutory & Taxation** Features. In this section, we will discuss, recording of transactions related to computation and contribution of Provident Fund.

**Illustration 1:**

*On 30th April, 2009 M/s. Spectrum Software Solutions processed Provident Fund contributions for the month of April 2009 and paid the amount in full to EPFO.*

**The same is accounted as shown:**

In Tally.ERP 9, follow the steps given below to process Employer contribution towards Provident Fund:

- Create Employer PF Contribution Masters
- Alter/Modify Salary Details
- Processing Employer PF Contribution
- Processing PF Admin Expenses
- Payment of Provident Fund

**Creation of Employer PF Contribution Masters**

In Tally.ERP 9, Employer contribution towards Employees’ Pension Fund (Employees’ Pension Scheme), Provident Fund, Admin Charges and other PF related ledgers are required to be created separately for appropriate Accounting and reporting. Create the following ledgers in Tally.ERP 9,

1. Employer Contributions Pay Head
2. Employer PF Admin Charges
3. PF Payable Ledger
4. Creation of PF Admin Expenses Ledger

**I. Employer Contributions Pay Head**

Pay Head Name	Pay Head Type	Statutory Pay Type	Under	Affect Net Salary	Calculation Type
Employer EPS @ 8.33%	Employer’s Statutory Contributions	EPS Account (A/c No.10)	Indirect Expenses	No	As computed value
Employer EPF @ 3.67%	Employer’s Statutory Contributions	PF Account (A/c No.1)	Indirect Expenses	No	As computed value

**i. Employer Contribution EPS @ 8.33% Pay Head Creation**

Go to **Gateway of Tally > Payroll Info. > PayHeads > Create**

In the **Pay Heads** Creation screen,

1. Type **Employer EPS @ 8.33%** as the **Name** of the Pay Head
2. Select **Employer’s Statutory Contributions** in the field **Pay Head Type**

3. In the field **Statutory Pay Type**, select **EPS Account (A/c No. 10)** as shown

Pay Head Creation		Spectrum Software Solutions		Total Op. Bal.
Name	: Employer EPS @ 8.33%			
(alias)	:			
<b>Pay Head Info</b>		Employer's Statutory Contributions		
Pay Head Type	: Employer's Statutory Contributions	Employee State Insurance		
Statutory Pay Type	: <b>EPS Account (A/c No. 10)</b>	<b>EPS Account (A/c No. 10)</b>		
Under	: Direct Expenses	Slab Type	Value Basis	
Affect Net Salary	? No			
Calculation Type	: As Computed Value			
Calculation Period	: Months			
<b>Rounding Info</b>				
Rounding Method	: Not Applicable			
Opening Balance (on 1-Apr-2009) :				

Figure 4.1 Employer EPS @ 8.33% Pay Head Creation

4. Specify the **Group** as **Indirect Expenses** in the **Under** field and press **Enter**
5. Set **Affect Net Salary** to **No**
6. By default the **Calculation Type** is set to **As Computed Value** and **Calculation Period** as **Months**
7. Select **Normal Rounding** as the **Rounding Method** and **1** as the rounding **Limit** and press **Enter**
  - In the **Computation Info** section,
    - Select **On Specified Formula** in the **Compute** field
    - Press **Enter**, the **Compute** subscreen appears
    - In the **Compute** Sub screen,

- Select **Basic Pay** as the **Add Pay Head** function from the **list of Pay Heads** as shown.

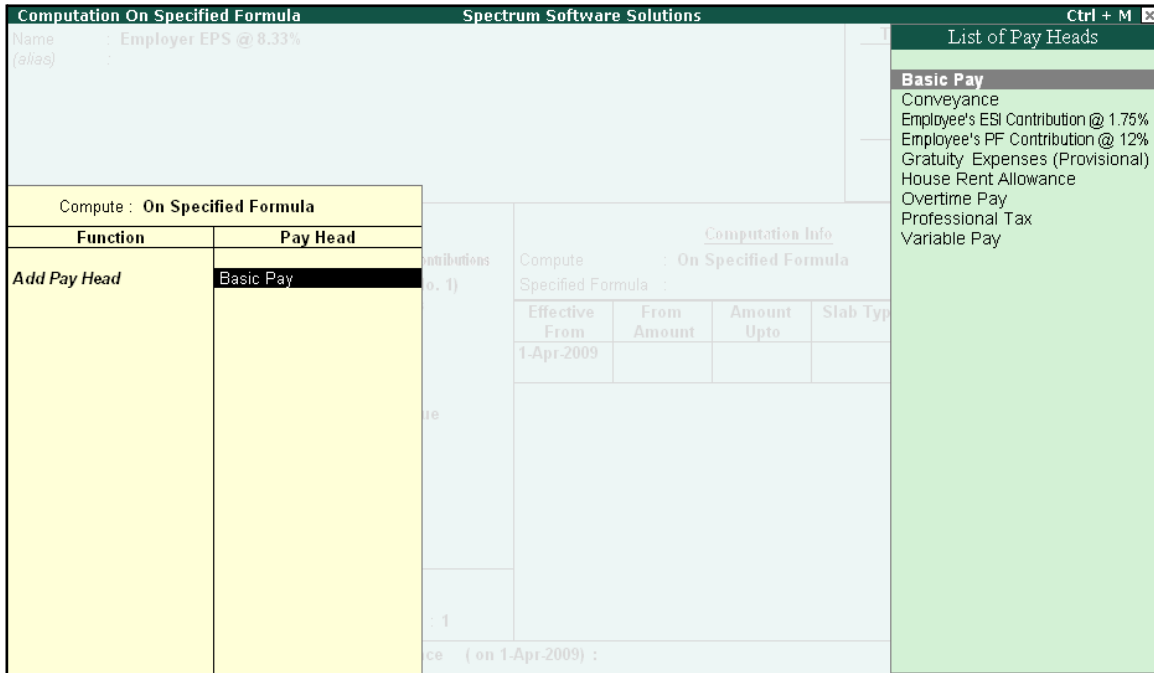


Figure 4.2 Compute Subscreen

- Select **End of List**
  - Specify **1-4-2009** as the **Effective From** date
  - Specify **6500** in the **Amount Upto** column
  - Select **Percentage** as the **Slab Type** from the **List of Slabs** and specify **8.33%** in the **Value Basis** field and press **Enter**
  - The **From Amount** is prefilled as **6500**, press **Enter** to skip the **Amount Upto** field
  - Select **Value** as the **Slab Type** from the **List of Slabs**
  - Specify **541** in the **Value Basis** field and press **Enter**

The completed **Employer EPS @ 8.33% Pay Head Creation** screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions				Total Op. Bal.	
Name : <b>Employer EPS @ 8.33%</b> (alias) :							
<b>Pay Head Info</b> Pay Head Type : <b>Employer's Statutory Contributions</b> Statutory Pay Type : <b>EPS Account (A/c No. 10)</b> Under : <b>Indirect Expenses</b>  Affect Net Salary : <b>? No</b>  Calculation Type : <b>As Computed Value</b> Calculation Period : <b>Months</b>			<b>Computation Info</b> Compute : <b>On Specified Formula</b> Specified Formula : <b>Basic Pay</b>				
			Effective From	From Amount	Amount Upto	Slab Type	Value Basis
			1-Apr-2009	6,500.00	6,500.00	Percentage Value	8.33 % 541
<b>Rounding Info</b> Rounding Method : <b>Normal Rounding</b> Limit : <b>1</b>							Accept ? <b>Yes or No</b>
Opening Balance ( on 1-Apr-2009 ) :							

Figure 4.3 Completed Employer EPS Pay Head Creation Screen

8. Press **Enter** to accept

**ii. Employer Contribution EPF @ 3.67% Pay Head**

Go to **Gateway of Tally > Payroll Info > PayHeads > Create**

In the **Pay Heads Creation** screen,

1. Type **Employer EPF @ 3.67%** as the **Name** of the Pay Head
2. Select **Employer's Statutory Contributions** in the field **Pay Head Type**
3. In **Statutory Pay Type** filed select **PF Account (A/c No. 1)**



The Pay Head Creation screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions		Total Op. Bal.
Name	: Employer EPF @ 3.67%			
(alias)	:			
<b>Pay Head Info</b>		<b>Employer's Statutory Contributions</b>		
Pay Head Type	: Employer's Statutory Contributions	Employee State Insurance		
Statutory Pay Type	: PF Account (A/c No. 1)	EPS Account (A/c No. 10)		
Under	: Direct Expenses	Slab Type	Value Basis	
Affect Net Salary	? No	PF Account (A/c No. 1)		
Calculation Type	: As Computed Value			
Calculation Period	: Months			
<b>Rounding Info</b>				
Rounding Method	: Not Applicable			
Opening Balance (on 1-Apr-2009) :				

Figure 4.4 Employer EPF @ 3.67% Pay Head Creation

4. Specify the **group** as **Indirect Expenses** in the **Under** field and press **Enter**
5. Set **Affect Net Salary** to **No**
6. The **Calculation Type** is defaulted automatically as **As Computed Value** and **Calculation Period** as **Months**
7. Select **Normal Rounding** as the **Rounding Method** and **1** as the rounding **Limit** and press **Enter**
8. In the **Computation Info** section,
  - Select **On Specified Formula** in the **Compute** field
  - Press **Enter** and the **Compute On** subscreen displays
  - In the **Compute** sub-screen,
    - Select **Employee's PF Contribution @ 12%** from the **List of Pay Heads** as the **Add Pay Head** function and press **Enter**
    - Select **Subtract Pay Head** in **Function** and under **Pay Head** select **Employer EPS @ 8.33%** from the **List of Pay Heads**.

The Compute sub-screen is displayed as shown:

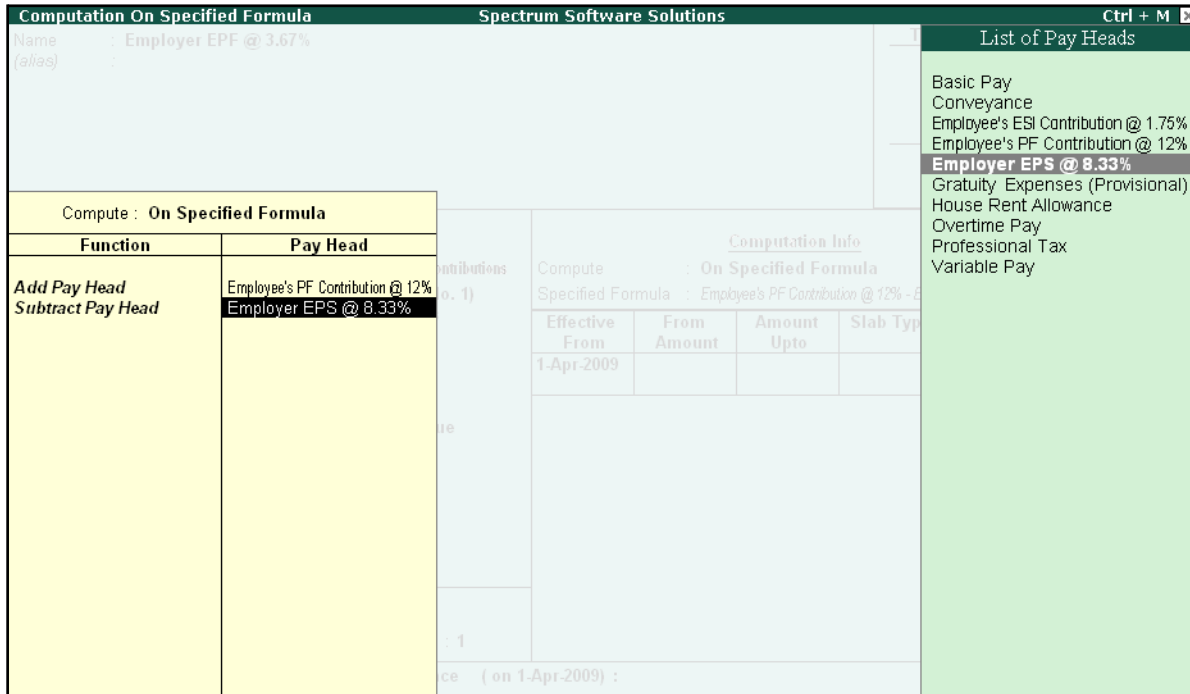


Figure 4.5 Compute Subscreen

- **Select End of List**
  - Specify **1-4-2009** as the **Effective From** date
  - Press **Enter** to skip the **Slab** fields
  - Select **Percentage** as the **Slab Type** from the **List of Slabs**
  - Specify **100%** in the **Value Basis** field and press **Enter**

The completed **Employer EPF @ 3.67% Pay Head Creation** screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions		Total Op. Bal.	
Name : <b>Employer EPF @ 3.67%</b> (alias) :					
<b>Pay Head Info</b>		<b>Computation Info</b>			
Pay Head Type	: <b>Employer's Statutory Contributions</b>	Compute : <b>On Specified Formula</b>			
Statutory Pay Type	: <b>PF Account (A/c No. 1)</b>	Specified Formula : <b>Employee's PF Contribution @ 12% - Employer EPS @ 8.33%</b>			
Under	: <b>Indirect Expenses</b>	<b>Effective From</b>	<b>From Amount</b>	<b>Amount Upto</b>	<b>Slab Type</b>
Affect Net Salary	? <b>No</b>	1-Apr-2009			<b>Percentage</b>
Calculation Type	: <b>As Computed Value</b>				<b>Value Basis</b>
Calculation Period	: <b>Months</b>				<b>100 %</b>
<b>Rounding Info</b>					
Rounding Method	: <b>Normal Rounding</b>	Limit	: <b>1</b>		
Opening Balance ( on 1-Apr-2009 ) :					<b>Accept ?</b>
					<b>Yes or No</b>

Figure 4.6 Completed Employer EPF Pay Head Creation Screen

9. Press **Enter** to accept.



*Alternatively, you can also define the criteria for computation of Employer PF Contribution @ 3.67% Pay head, by selecting Basic Pay in the Compute sub-screen. and defining the percentage as 3.67%.*

## II. Employer PF Admin Charges

Pay Head Name	Pay Head Type	Statutory Pay Type	Under	Affect Net Salary	Calculation Type
PF Admin Charges @ 1.10%	Employer's Other Charges	Admin Charges (A/c No.2)	Current Liabilities	No	As computed value
EDLI Contribution @ 0.5%	Employer's Other Charges	EDLI Contribution (A/c No.21)	Current Liabilities	No	As computed value
EDLI Admin Charges @ 0.01%	Employer's Other Charges	EDLI Admin Charges (A/c No.22)	Current Liabilities	No	As computed value

**i. PF Administrative Charges @ 1.10% Pay Head Creation**

Go to **Gateway of Tally > Payroll Info > PayHeads > Create**

In the **Pay Heads Creation** screen,

1. Type **PF Admin Charges @ 1.10%** as the **Name** of the Pay Head
2. Select **Employer's Other Charges** in the field **Pay Head Type**
3. In **Statutory Pay Type** field, select **Admin Charges (A/c No. 2)** as shown

Pay Head Creation		Spectrum Software Solutions				
Name	: PF Admin Charges @ 1.10%	<u>Total Op. Bal.</u>				
(alias)	:					
<b>Pay Head Info</b>		<b>Employer's Other Charges</b>				
Pay Head Type	: Employer's Other Charges	<table border="1"> <tr> <td><b>Admin Charges (A/c No. 2)</b></td> </tr> <tr> <td>EDLI Admin Charges (A/c No. 22)</td> </tr> <tr> <td>EDLI Contribution (A/c No. 21)</td> </tr> </table>		<b>Admin Charges (A/c No. 2)</b>	EDLI Admin Charges (A/c No. 22)	EDLI Contribution (A/c No. 21)
<b>Admin Charges (A/c No. 2)</b>						
EDLI Admin Charges (A/c No. 22)						
EDLI Contribution (A/c No. 21)						
Statutory Pay Type	: <b>Admin Charges (A/c No. 2)</b>					
Under	: Direct Expenses					
Affect Net Salary	? No					
Calculation Type	: As User Defined Value					
Opening Balance ( on 1-Apr-2009) :						

Figure 4.7 PF Admin Charges Pay Head creation

4. Specify the group as **Current Liabilities** in the **Under** field and press **Enter**
5. Set **Affect Net Salary** to **No**
6. The **Calculation Type** is defaulted automatically as **As Computed Value** and **Calculation Period** as **Months**
7. The **Rounding Method** is defaulted to **Normal Rounding** and **1** defaulted as the rounding **Limit**
8. In the **Computation Info** section,
  - **On PF Gross** is selected automatically in the **Compute** field
  - Specify **1-4-2009** as the **Effective From** date
  - Specify **6500** in the **Amount Upto** column
  - Select **Percentage** as the **Slab Type** and specify **1.10%** in the **Value Basis** field and press **Enter**

The completed **PF Admin Charges @ 1.10% Pay Head Creation** screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions				Total Op. Bal.	
Name : PF Admin Charges @ 1.10%							
(alias) :							
<b>Pay Head Info</b>			<b>Computation Info</b>				
Pay Head Type	: Employer's Other Charges		Compute : On PF Gross				
Statutory Pay Type	: Admin Charges (A/c No. 2)		<b>Effective From</b>	<b>From Amount</b>	<b>Amount Upto</b>	<b>Slab Type</b>	<b>Value Basis</b>
Under	: Current Liabilities		1-Apr-2009		6,500.00	Percentage	1.10 %
Affect Net Salary	? No						
Calculation Type	: As Computed Value						
Calculation Period	: Months						
<b>Rounding Info</b>							
Rounding Method	: Normal Rounding		Limit	: 1			
Opening Balance ( on 1-Apr-2009) :						<b>Accept ?</b> Yes or No	

Figure 4.8 Completed Pay Head Creation - PF Admin Charges

9. Press **Enter** to accept

**ii. EDLI Contribution @ 0.5% Pay Head Creation**

Go to **Gateway of Tally > Payroll Info > PayHeads > Create**

In the **Pay Heads Creation** screen:

1. Type **EDLI Contribution @ 0.5%** as the **Name** of the Pay Head
2. Select **Employer's Other Charges** in the field **Pay Head Type**.

3. In **Statutory Pay Type** filed select **EDLI Contribution (A/c No. 21)** as shown

Pay Head Creation		Spectrum Software Solutions	
Name	: EDLI Contribution @ 0.5%		
(alias)	:		
			Total Op. Bal.
<b>Pay Head Info</b>		<b>Employer's Other Charges</b>	
Pay Head Type	: Employer's Other Charges	Admin Charges (A/c No. 2)	
Statutory Pay Type	: <b>EDLI Contribution (A/c No. 21)</b>	EDLI Admin Charges (A/c No. 22)	
Under	: Direct Expenses	<b>EDLI Contribution (A/c No. 21)</b>	
Affect Net Salary	? No		
Calculation Type	: As User Defined Value		
Opening Balance ( on 1-Apr-2009 ) :			

Figure 4.9 EDLI Contribution Pay Head Creation

4. Specify the group as **Current Liabilities** in the field **Under** and press **Enter**

5. Set **Affect Net Salary** to **No**

6. In the **Computation Info** screen,

- In the **Compute** field, **On PF Gross** is selected by default.
- Specify **1-4-2009** as the **Effective From** date (In case of a revision in pay structure, you can define the revised computation information for the given pay head, by giving the effective from date)
- The **From Amount** column is automatically skipped, assuming it to be zero. Enter **6500** in the **Amount Upto** column.
- Select **Percentage** as the **Slab Type** from the **List of Slabs**
- Specify **0.5%** in the **Value Basis** field and press **Enter**

The completed **EDLI Contribution @ 0.5% Pay Head Creation** screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions					
Name : EDLI Contribution @ 0.5%					Total Op. Bal.		
(alias) :							
<b>Pay Head Info</b>			<b>Computation Info</b>				
Pay Head Type	: Employer's Other Charges		Compute : On PF Gross				
Statutory Pay Type	: EDLI Contribution (A/c No. 21)		<b>Effective From</b>	<b>From Amount</b>	<b>Amount Upto</b>	<b>Slab Type</b>	<b>Value Basis</b>
Under	: Current Liabilities		1-Apr-2009		6,500.00	Percentage	0.50 %
Affect Net Salary	? No						
Calculation Type	: As Computed Value						
Calculation Period	: Months						
<b>Rounding Info</b>							
Rounding Method	: Normal Rounding		Limit	: 1			
Opening Balance ( on 1-Apr-2009) :						<b>Accept ?</b>	
						<b>Yes or No</b>	

Figure 4.10 Completed Pay Head for EDLI Contribution

7. Press **Enter** to accept and save the Pay Head

### iii. EDLI Administrative Charges @ 0.01% Pay Head Creation

Go to **Gateway of Tally > Payroll Info > PayHeads > Create**

In the **Pay Heads** Creation screen,

1. Type **EDLI Admin Charges @ 0.01%** as the **Name** of the Pay Head
2. Select **Employer's Other Charges** in the field **Pay Head Type**
3. In **Statutory Pay Type** filed select **EDLI Admin Charges (A/c No. 22)**

The Pay Head Creation screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions	
Name	: EDLI Admin Charges @ 0.01%	Total Op. Bal.	
(alias)	:		
<b>Pay Head Info</b>		<b>Employer's Other Charges</b>	
Pay Head Type	: Employer's Other Charges	Admin Charges (A/c No. 2)	
Statutory Pay Type	: EDLI Admin Charges (A/c No. 22)	EDLI Admin Charges (A/c No. 22)	
Under	: Direct Expenses	EDLI Contribution (A/c No. 21)	
Affect Net Salary	? No		
Calculation Type	: As User Defined Value		
Opening Balance ( on 1-Apr-2009 ) :			

Figure 4.11 EDLI Admin Charges Pay Head Creation

- Set **Minimum Rs 2/Employee** to **Yes** if you want the EDLI Admin Charges to be minimum Rs. 2.

*When the option **Minimum Rs 2/Employee** is set to **Yes**, the **EDLI Admin Charges** for each employee is minimum Rs. 2 or actual value as calculated.*



*When this option is set to **No** the **EDLI Admin Charges** are calculated as per the **specified formula**.*

- Specify the group as **Current Liabilities** in the field **Under** and press **Enter**
- Set **Affect Net Salary** to **No**
- In the **Computation Info** screen,
  - On PF Gross** is selected in the **Compute** field, by default
  - Specify **1-4-2009** as the **Effective From** date
  - The **From Amount** column is automatically skipped, assuming it to be zero. Enter **6500** in the **Amount Upto** column
  - Select **Percentage** as the **Slab Type** from the **List of Slabs**
  - Specify **0.01%** in the **Value Basis** field and press **Enter**



The completed **EDLI Admin Charges @ 0.01% Pay Head Creation** screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions					Total Op. Bal.
Name : EDLI Admin Charges @ 0.01%							
(alias) :							
<b>Pay Head Info</b>			<b>Computation Info</b>				
Pay Head Type	: Employer's Other Charges		Compute : On PF Gross				
Statutory Pay Type	: EDLI Admin Charges (A/c No. 22)		Effective From	From Amount	Amount Upto	Slab Type	Value Basis
Minimum Rs 2/Employee	? Yes		1-Apr-2009		6,500.00	Percentage	0.01 %
Under	: Current Liabilities						
Affect Net Salary	? No						
Calculation Type	: As Computed Value						
Calculation Period	: Months						
<b>Rounding Info</b>							
Rounding Method	: Normal Rounding	Limit	: 1				Accept ? Yes or No
Opening Balance ( on 1-Apr-2009 ) :							

Figure 4.12 Completed pay Head for EDLI Admin Charges

7. Press **Enter** to accept and save the Pay Head.

### III. PF Payable Ledger

To process the Employer PF Contribution, create PF Payable Ledger as explained below:

Ledger	Pay Head Type	Under
PF Payable	Not Applicable	Current Liabilities

Go to **Gateway of Tally > Payroll Info. > Payheads > Create**

1. Type **PF Payable** in the **Name** field
2. In the **Pay Head Type** field select **Not Applicable**
3. Specify the Group as **Current Liabilities** in the **Under** field and press **Enter**

The completed **PF Payable** Ledger creation screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions	
Name	: PF Payable	Total Op. Bal.	
(alias)	:		
<b>Pay Head Info</b>			
Pay Head Type	: Not Applicable		
Under	: Current Liabilities		
Opening Balance ( on 1-Apr-2009 ) :			Accept ?
			Yes or No

Figure 4.13 Completed PF Payable Ledger Creation

4. Press **Enter** to accept.

#### IV. PF Admin Expenses Ledger

To process the Employer Other Charges (PF Admin, EDLI Contribution and EDLI Admin expenses), create PF Admin Expenses Ledger as explained below:

Ledger	Under
PF Admin Expenses	Indirect Expenses

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

1. In the **Name** field, type **PF Admin Expenses**
2. Specify the group as **Indirect Expenses** in the field **Under** and press **Enter**

The completed **PF Admin Expenses** Ledger creation screen is displayed as shown:

Ledger Creation		Spectrum Software Solutions		Ctrl
Name	: PF Admin Expenses			Total Op. Bal.
(alias)	:			
Under	: Indirect Expenses	Name	:	
Inventory values are affected	? No	Address	:	
		State	:	
		PIN Code	:	
		<b>Tax Information</b>		
		PAN / IT No.	:	
		Sales Tax No.	:	
Opening Balance ( on 1-Apr-2009) :				Accept ?
				Yes or No

Figure 4.14 PF Admin Expenses Ledger Creation

3. Press **Enter** to accept

## Salary Details setup

Once the required Employer Contribution Pay Heads and Admin Expenses ledgers are created, the salary details of the Employee should be altered to constitute the Employer Contribution pay head ledgers for automatic calculations based on the monthly payments made to the Employees.

### Create / Alter Salary Details Master

To update the salary details Master of the Employees, follow the steps given below:

Go to **Gateway of Tally > Payroll Info. > Salary Details > Alter**

1. Select the **Vijay Kumar** one by from the **List of Groups / Employees**
2. Add the Pay Heads **Employer EPS @ 8.33%** and **Employer EPF @ 3.67%**

The completed **Salary Details** screen is displayed as shown:

Salary Details Alteration							Spectrum Software Solutions		Ctrl + M
Name : Vijay Kumar (549)									
Under : Administration ( Primary)									
Salary Details									
Effective From	Pay Head	Rate	Per	Pay Head Type	Calculation Type	Computed On			
1-Apr-2009	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				
	Professional Tax			Employees' Statutory Deductions	As Computed Value	On Current Earnings Total			
	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			
	Gratuity Expenses (Provisional)			Gratuity					
	Employer EPS @ 8.33%			Employer's Statutory Contributions	As Computed Value	Basic Pay			
	Employer EPF @ 3.67%			Employer's Statutory Contributions	As Computed Value	Employee's PF Contribution @ 12% + Employer EPS @ 8.33%			

Accept ?  
Yes or No

Figure 4.15 Salary Details Alteration Screen

Similarly, include Employee Contribution Pay Heads in the Salary Details Masters of other employees.



- It is necessary to include **Employer Contribution Pay Heads** (i.e., **Employer PF and Employer Pension Fund Pay Heads** in the **Salary Structure** of the Employee, to automate the Computation of Employer PF Contribution on the basis of payments made to Employees.
- While, including the Employer Contribution Pay Heads in the Salary Details master, the order of precedence in which the Pay Heads are included must on the basis of their calculation criteria i.e.,
  - i. **Earning Pay Heads**
  - ii. **Deduction Pay Heads**
  - iii. **Professional Tax** or Income Tax Pay Heads (if any)
  - iv. **Employee PF Contribution Pay Heads**
  - v. **Employer PF Contribution Pay Heads**
  - vi. **Gratuity** (Gratuity is calculated on Basic Pay + DA, hence Gratuity Pay Head can be sequenced in the Salary details of an Employer in any order after Earnings Pay Heads).

## Processing Employer PF Contribution

In Tally.ERP 9, you are required to process Employer PF Contributions, PF Admin Charges separately and make the payment towards PF comprising of Employees' PF Contribution, Employer PF Admin Expenses through a combined challan.

Follow the steps explained below to process Provident Fund.

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

1. Press **Ctrl+F4** for **Payroll Voucher**
2. Press **F2**, specify the date as **30-04-2009** and press **Enter**
3. Press **Alt+A (Payroll Auto Fill)** to automate the employee payroll details
4. In the **Payroll Auto Fill** subscreen,
  - Select **PF Contribution** from the **Process List** drop down as shown

Payroll Auto Fill		Process List
Process for	: <b>PF Contribution</b>	ESI Contribution
From (blank for beginning)	: 1-8-2009	<b>PF Contribution</b>
To (blank for end)	: 31-8-2009	Salary
Employee Category	: Primary Cost Category	
Employee/Group	: All Items	
Payroll Ledger	:	

Figure 4.16 Payroll Auto Fill - Process List Selection

*Tally.ERP 9 provides the following predefined processes that will help in processing Payroll transactions:*



- i. **ESI Contribution:** This process is selected to automate computation of Employer ESI Contribution.
- ii. **PF Contribution:** This process is selected to automate computation of Employer PF Contribution
- iii. **Salary:** This process is selected to automate computation of Salaries payable to Employees.

- Specify **1-4-2009** and **30-4-2009** in the **From** and **To** Date fields respectively
- Select **Primary Cost Category** in the **Employee Category** field
- Select **All Items** as **Employee/ Group** field (To process, for a particular group / Employee select the respective Employee / group, as required)

- Select **PF Payable** Ledger from the list of Ledger Accounts drop down in the **Payroll Ledger** field as shown

The screenshot shows the 'Payroll Auto Fill' screen in Tally. The main window title is 'Spectrum Software Solutions'. The screen is divided into two main sections. On the left, the 'Payroll Auto Fill' form is visible, showing 'Payroll No. 16' and 'Payroll Auto Fill - (PF Contribution)'. The 'Account' field is empty, and the 'Cur Bal' is '0.00 Cr'. Below this is a table with 'Particulars' as the header. On the right, a 'List of Ledger Accounts' dropdown menu is open, showing a list of accounts: 'Cash', 'ESI Payable', 'HDFC Bank', 'PF Payable' (which is highlighted in grey), and 'Salary Payable'. In the center of the main form, a smaller dialog box titled 'Payroll Auto Fill' is open, displaying the following pre-filled values:

Process for	: PF Contribution
From (blank for beginning)	: 1-4-2009
To (blank for end)	: 30-4-2009
Employee Category	: Primary Cost Category
Employee/Group	: All Items
Payroll Ledger	: [Redacted]

Figure 4.17 Employee Filters screen – Payroll Ledger Selection

The values for the Employer PF contributions are pre-filled in the Payroll Voucher for PF Contribution process.

The Payroll Voucher for **Employer PF Contribution** is displayed as shown:

Payroll Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Payroll</b> No. 2				30-Apr-2009 Thursday
<i>Payroll Auto Fill - (Salary)</i>				
Account : <b>PF Payable</b> Cur Bal: 0.00 Cr				
Particulars				Amount
<b>Primary Cost Category</b>				<b>3,120.00 Cr</b>
<b>Ajay</b>				<b>780.00 Dr</b>
Employer EPS @ 8.33%	541.00	Dr	Cur Bal: 541.00 Dr	
Employer EPF @ 3.67%	239.00	Dr	Cur Bal: 239.00 Dr	
<b>Mahesh</b>				<b>780.00 Dr</b>
Employer EPS @ 8.33%	541.00	Dr	Cur Bal: 541.00 Dr	
Employer EPF @ 3.67%	239.00	Dr	Cur Bal: 239.00 Dr	
<b>Rahul</b>				<b>780.00 Dr</b>
Employer EPS @ 8.33%	541.00	Dr	Cur Bal: 541.00 Dr	
Employer EPF @ 3.67%	239.00	Dr	Cur Bal: 239.00 Dr	
<b>Vijay Kumar</b>				<b>780.00 Dr</b>
Employer EPS @ 8.33%	541.00	Dr	Cur Bal: 541.00 Dr	
Employer EPF @ 3.67%	239.00	Dr	Cur Bal: 239.00 Dr	
Narration:				<b>3,120.00 Cr</b>
Pay Period : 1-Apr-2009 to 30-Apr-2009				

Figure 4.18 Payroll Voucher Creation - PF Contribution

5. Press **Enter** to accept

The completed Payroll Voucher for **Employer PF Contribution** is displayed as shown:

Payroll Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Payroll</b>	No. 2			30-Apr-2009 Thursday
<i>Payroll Auto Fill - (Salary)</i>				
Account : <b>PF Payable</b> Cur Bal: 0.00 Cr				
Particulars				Amount
<b>Primary Cost Category</b>				<b>3,120.00 Dr</b>
<b>Ajay</b>				<b>780.00 Dr</b>
Employer EPS @ 8.33%	541.00	Dr	Cur Bal: 541.00 Dr	
Employer EPF @ 3.67%	239.00	Dr	Cur Bal: 239.00 Dr	
<b>Mahesh</b>				<b>780.00 Dr</b>
Employer EPS @ 8.33%	541.00	Dr	Cur Bal: 541.00 Dr	
Employer EPF @ 3.67%	239.00	Dr	Cur Bal: 239.00 Dr	
<b>Rahul</b>				<b>780.00 Dr</b>
Employer EPS @ 8.33%	541.00	Dr	Cur Bal: 541.00 Dr	
Employer EPF @ 3.67%	239.00	Dr	Cur Bal: 239.00 Dr	
<b>Vijay Kumar</b>				<b>780.00 Dr</b>
Employer EPS @ 8.33%	541.00	Dr	Cur Bal: 541.00 Dr	
Employer EPF @ 3.67%	239.00	Dr	Cur Bal: 239.00 Dr	
Narration:				<b>3,120.00 Dr</b>
Pay Period : 1-Apr-2009 to 30-Apr-2009				<b>3,120.00 Dr</b>
				<b>3,120.00 Dr</b>

Accept ?  
Yes or No

Figure 4.19 Completed PF Contribution screen

6. Press **Enter** to accept.

## Processing PF Admin Expenses

To process the PF Admin Charges, follow the steps given below:

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

1. Press **F7** for **Journal Voucher**
2. Press **F2**, specify the date as **30-04-2009** and press **Enter**
3. Press **Alt+A** (Payroll Auto Fill) to prefill Employer's Other Charges details
  - Specify **1-4-2009** and **30-4-2009** in the **From** and **To** Date fields respectively
  - Select **Primary Cost Category** in the **Employee Category** field
  - Select **All Items** in the **Employee/ Group** field



- Select **PF Admin Expenses** Ledger in the **Expense Ledger** field

The screenshot shows the 'Other Charges Auto Fill' window in Tally. The window title is 'Spectrum Software Solutions' and it includes a 'Ctrl + M' icon. The main area is divided into 'Particulars' and 'Narration' sections. A central dialog box titled 'Other Charges Auto Fill' displays the following configuration:

From (blank for beginning)	: 1.4-2009
To (blank for end)	: 30.4-2009
Employee Category	: Primary Cost Category
Employee/Group	: All Items
Expense Ledger	: <b>PF Admin Expenses</b>
Admin Charges (A/c No. 2)	:
EDLI Contribution (A/c No. 21)	:
EDLI Admin Charges (A/c No. 22)	:

On the right side of the window, a 'List of Ledger Accounts' panel is visible, with 'PF Admin Expenses' selected and highlighted in a dark grey bar.

Figure 4.20 Employer's Other Charges screen – Expenses Ledger Selection

- Select **PF Admin Charges @ 1.10%** Ledger in the **Admin Charges (A/c No. 2)** field as shown

The screenshot shows the 'Other Charges Auto Fill' window in Tally. The window title is 'Spectrum Software Solutions' and 'Ctrl + M'. The left pane shows 'Journal No. 6' and 'Particulars' with 'Dr' and 'Dr' entries. A central dialog box titled 'Other Charges Auto Fill' displays the following configuration:

From (blank for beginning)	: 1.4-2009
To (blank for end)	: 30.4-2009
Employee Category	: Primary Cost Category
Employee/Group	: ↓ All Items
Expense Ledger	: PF Admin Expenses
Admin Charges (A/c No. 2)	: <b>PF Admin Charges @ 1.10%</b>
EDLI Contribution (A/c No. 21)	:
EDLI Admin Charges (A/c No. 22)	:

The right-hand pane, titled 'List of Admin Charges Ledgers', shows '↓ Not Applicable' and 'PF Admin Charges @ 1.10%'.

Figure 4.21 Employer's Other Charges screen – Admin Charges Ledger Selection

- Similarly, select **EDLI Contribution @ 0.5%** and **EDLI Admin Charges @ 0.01%** in the **EDLI Contribution (A/c No. 21)** and **EDLI Admin Charges (A/c No. 22)** fields respectively.

The completed Employer's Other Charges subscreen is displayed as shown:

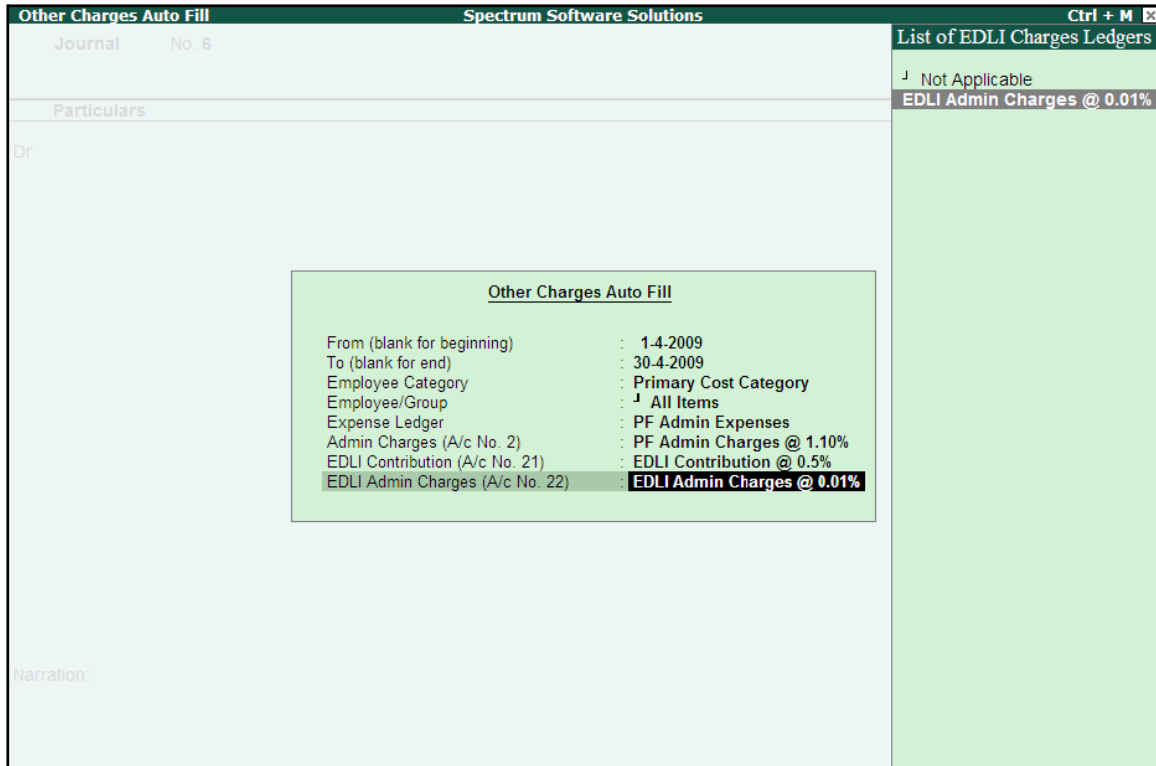


Figure 4.22 Completed Employer's Other Charges screen

- Press **Enter**
4. Type the details of the transaction in the **Narration** field

The completed **Employer PF Expenses Voucher** is displayed as shown:

Accounting Voucher Creation		Spectrum Software Solutions	Ctrl + M
<b>Journal</b> No. 1			30-Apr-2009 Thursday
Account: <b>PF Admin Expenses</b> Cur Bal: 424.00 Dr		Payroll Auto Fill - (Other Charges)	
Particulars		Amount	
<b>PF Admin Charges @ 1.10%</b>		286.00	
Cur Bal: 286.00 Cr			
Primary Cost Category			
Ajay	71.50 Cr		
Mahesh	71.50 Cr		
Rahul	71.50 Cr		
Vijay Kumar	71.50 Cr		
<b>EDLI Contribution @ 0.5%</b>		130.00	
Cur Bal: 130.00 Cr			
Primary Cost Category			
Ajay	32.50 Cr		
Mahesh	32.50 Cr		
Rahul	32.50 Cr		
Vijay Kumar	32.50 Cr		
<b>EDLI Admin Charges @ 0.01%</b>		8.00	
Cur Bal: 8.00 Cr			
Primary Cost Category			
Ajay	2.00 Cr		
Mahesh	2.00 Cr		
Rahul	2.00 Cr		
		1 more ... ↓	
Narration: PF Admin Expenses, EDLI Contribution and EDLI Admin expenses for April 2009.		424.00	
		<input type="button" value="Accept?"/>	
		<input type="button" value="Yes or No"/>	

Figure 4.23 Completed PF Expenses Voucher screen

5. Press **Enter** to accept and save.

## Payment of Provident Fund

In Tally.ERP 9, once the process for Employee and Employer contributions to Provident Fund is implemented in the manner as discussed in earlier sections, the total amount payable to EPFO is accumulated separately in three Ledger Accounts, PF Payable Account (Employer Contributions), Employee PF Contributions and the PF Admin Charges Ledger. At the time of making the payment to EPFO, a payment voucher is required to be passed.

To process the payment of Provident Fund, follow the steps given below:

### Step 1: Create PF Payment Voucher

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

1. Press **F5** for **Payment Voucher**
2. Press **F2**, specify **30-04-2009** as the **Voucher Date** and press **Enter**
3. Press **Alt+A** (Payment Auto Fill) to prefill PF details

- Select **PF Challan** in the **Process for** field from the **Process List** screen

Payment Auto Fill		Process List
Process for	: <b>PF Challan</b>	ESI Challan
From (blank for beginning)	: 1-4-2009	<b>PF Challan</b>
To (blank for end)	: 30-4-2009	Professional Tax Payment
Voucher Date	:	Salary Payment
Employee Category	: Primary Cost Category	
Employee/Group	: All Items	
Bank / Cash Ledger	: HDFC Bank	
Payroll Ledger	:	

Figure 4.24 Employee Filters screen - Process Selection

- Enter **1-4-2009** and **30-4-2009** in the **From** and **To** Date fields respectively
- Specify **30-4-2009** in the **Voucher Date** field (This field is prefilled, if the voucher date is specified during Voucher Entry)
- Select **Primary Cost Category** in the **Employee Category** field
- Select **All Items** in the **Employee/ Group** field
- Select **HDFC Bank** in the **Bank / Cash Ledger** field
- Select **PF Payable** Ledger in the **Payroll Ledger** field

Payment Auto Fill		List of Ledger Accounts
Process for	: PF Challan	<b>PF Payable</b>
From (blank for beginning)	: 1-4-2009	Salary Payable
To (blank for end)	: 30-4-2009	
Voucher Date	: 30-4-2009	
Employee Category	: Primary Cost Category	
Employee/Group	: All Items	
Bank / Cash Ledger	: HDFC Bank	
Payroll Ledger	: <b>PF Payable</b>	

Figure 4.25 Employee Filters screen - PF Ledger selection

4. Press **Enter** to prefill **PF Payable Amount** in respect of **Employer Contributions** during the relevant month



The Payment voucher is displayed as shown:

Accounting Voucher Creation		Spectrum Software Solutions	Ctrl + M
<b>Payment</b>	No. 1		30-Apr-2009 Thursday
<i>Payroll Auto Fill - (PF Challan)</i>			
Account : <b>HDFC Bank</b>			
Cur Bal: 8,93,548.00 Dr			
Particulars			Amount
<b>PF Payable</b>			<b>3,120.00</b>
Cur Bal: 0.00 Dr			
Primary Cost Category			
Ajay	780.00 Dr		
Mahesh	780.00 Dr		
Rahul	780.00 Dr		
Vijay Kumar	780.00 Dr		
Provide Details : No			
Narration:			<u>3,120.00</u>

Figure 4.26 PF Payment Voucher with Employer PF Contribution details



5. Press **Enter** again, to prefill the amount of **Employee Contributions** during the relevant month

Accounting Voucher Creation		Spectrum Software Solutions	Ctrl + M
<b>Payment</b> No. 1			30-Apr-2009 Thursday
<i>Payroll Auto Fill - (PF Challan)</i>			
Account : <b>HDFC Bank</b>			
Cur Bal: 8,93,548.00 Dr			
Particulars			Amount
<b>PF Payable</b>			<b>3,120.00</b>
Cur Bal: 0.00 Dr			
Primary Cost Category			
Ajay	780.00 Dr		
Mahesh	780.00 Dr		
Rahul	780.00 Dr		
Vijay Kumar	780.00 Dr		
<b>Employee's PF Contribution @ 12%</b>			<b>3,120.00</b>
Cur Bal: 3,120.00 Cr			
Primary Cost Category			
Ajay	780.00 Dr		
Mahesh	780.00 Dr		
Rahul	780.00 Dr		
Vijay Kumar	780.00 Dr		
Provide Details : <b>No</b>			
Narration:			<b>6,240.00</b>

Figure 4.27 PF Payment Voucher - with Employee Contribution details

6. Press **Enter** thrice again, to prefill **EDLI Admin Expenses, EDLI Contribution and PF Admin Charges** during the selected month as shown:

Accounting Voucher Creation		Spectrum Software Solutions	Ctrl + M
<b>Payment</b> No. 1			30-Apr-2009 Thursday
<i>Payroll Auto Fill - (PF Challan)</i>			
Account : <b>HDFC Bank</b> <i>Cur Bal: 8,93,548.00 Dr</i>			
Particulars			Amount
↑ ... 9 more			
Primary Cost Category			
Ajay	780.00 Dr		
Mahesh	780.00 Dr		
Rahul	780.00 Dr		
Vijay Kumar	780.00 Dr		
<b>EDLI Admin Charges @ 0.01%</b>			8.00
<i>Cur Bal: 0.00 Dr</i>			
Primary Cost Category			
Ajay	2.00 Dr		
Mahesh	2.00 Dr		
Rahul	2.00 Dr		
Vijay Kumar	2.00 Dr		
<b>EDLI Contribution @ 0.5%</b>			130.00
<i>Cur Bal: 0.00 Dr</i>			
Primary Cost Category			
Ajay	32.50 Dr		
Mahesh	32.50 Dr		
Rahul	32.50 Dr		
Vijay Kumar	32.50 Dr		
<b>PF Admin Charges @ 1.10%</b>			286.00
Provide Details : No			6 more ... ↓
Narration:			6,664.00

Figure 4.28 PF Payment Voucher with Employer Other charges details

7. Press **Enter** twice

8. Set **Yes** in **Provide Details** field and press **Enter**

9. In the **Provide Details** subscreen,

- Specify **245547** in the **Cheque/ DD No.** field
- Specify **30-4-2009** in the **Cheque/DD Date** field
- Specify **30-4-2009** in the **Challan Date** field
- Type the name of the Depositor in the **Depositor Name** field
- Specify the name of the Bank on which the Cheque is drawn in the **Bank Name** field

The completed **Provide Details** subscreen is displayed as shown:

Provide Details	
Cheque/DD No	: 245547
Cheque / DD Date	: 30-Apr-2009
Challan Date	: 30-Apr-2009
Depositor Name	: Mr. Ram
Bank Name	: <b>HDFC Bank</b>

Figure 4.29 Payment details subscreen



10. Press **Enter** to go back to the **PF Payment Voucher** screen

11. Type the **details of the transaction** in the narration field

The completed **PF Payment Voucher** screen for the month of April 2009, is displayed as shown:

Accounting Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Payment</b> No. 1				30-Apr-2009 Thursday
<i>Payroll Auto Fill - (PF Challan)</i>				
Account : <b>HDFC Bank</b>				
Cur Bal: 8,93,548.00 Dr				
Particulars				Amount
↑ ... 16 more				
Primary Cost Category				
Ajay	2.00 Dr			
Mahesh	2.00 Dr			
Rahul	2.00 Dr			
Vijay Kumar	2.00 Dr			
<b>EDLI Contribution @ 0.5%</b>				130.00
Cur Bal: 0.00 Dr				
Primary Cost Category				
Ajay	32.50 Dr			
Mahesh	32.50 Dr			
Rahul	32.50 Dr			
Vijay Kumar	32.50 Dr			
<b>PF Admin Charges @ 1.10%</b>				286.00
Cur Bal: 0.00 Dr				
Primary Cost Category				
Ajay	71.50 Dr			
Mahesh	71.50 Dr			
Rahul	71.50 Dr			
Vijay Kumar	71.50 Dr			
Provide Details : Yes				
Narration:				
Ch. No. : 245547, PF Payment for April 2009				
				6,661.00
				<b>Accept ?</b>
				Yes or No

Figure 4.30 Completed PF Payment Voucher screen

12. Press **Enter** to accept

**Step 2: Print PF Payment Challan**

- Press **Pg UP** from the **Voucher Entry** screen shown above
- Press **Alt + P**, the **Voucher Printing** screen is displayed as shown:

Voucher Printing			
Printer	: Printer-02 (Ne03:)	Paper Type :	A4
No. of Copies	: 1		
Print Language	: English		(Printing Dimensions)
Method	: Neat Mode	Paper Size :	(8.27" x 11.69") or (210 mm x 297 mm)
Page Range	: All	Print Area :	(7.95" x 11.34") or (202 mm x 288 mm)
Report Titles			
Payment Voucher			
(with Print Preview)			
			<b>Print ?</b>
Print Challan ? Yes			Yes or No

Figure 4.31 Voucher Printing Screen

- In the **Voucher printing** screen, select **Yes** in the **Print Challan** field
- Press **Enter** to Print

The printed **PF Combined Challan** for the month of April 2009 of **M/s. Spectrum Software Solutions** is displayed as shown:

Sl. No.	Particulars	A/c No. 1	A/c No. 2	A/c No. 10	A/c No. 21	A/c No. 22	Total																																																																																
<b>Original</b>																																																																																							
<b>COMBINED CHALLAN NO. 1, 2, 10, 21 &amp; 22 EMPLOYEES' PROVIDENT FUND ORGANISATION</b>																																																																																							
ESTABLISHMENT CODE NO. <b>KAEN/12345/00129</b>		ACCOUNT GROUP NO. <b>KAEN/12345/00009</b>		PAID BY CHEQUE <input type="checkbox"/> / CASH <input type="checkbox"/>																																																																																			
DUES FOR THE MONTH OF:		Employees' Share		DATE OF PAYMENT:																																																																																			
		M M Y Y Y Y <b>04 2009</b>		D D M M Y Y Y Y <b>30 04 2009</b>																																																																																			
		Employer's Share																																																																																					
		<b>04 2009</b>																																																																																					
Total No. of Subscribers		A/c. 1	A/c. 10	A/c. 21																																																																																			
		<b>4</b>	<b>4</b>	<b>4</b>																																																																																			
Total Wages Due		<b>26,000.00</b>	<b>26,000.00</b>	<b>26,000.00</b>																																																																																			
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 5%;"></td> <td style="width: 40%;"></td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> <td style="width: 5%;"></td> </tr> <tr> <td colspan="8"><b>PART- B1</b></td> </tr> <tr> <td>1</td> <td>EMPLOYER'S SHARE OF CONT.</td> <td style="text-align: right;">956.00</td> <td></td> <td style="text-align: right;">2,164.00</td> <td style="text-align: right;">130.00</td> <td></td> <td style="text-align: right;">3,250.00</td> </tr> <tr> <td>2</td> <td>EMPLOYEES' SHARE OF CONT.</td> <td style="text-align: right;">3,120.00</td> <td></td> <td></td> <td></td> <td></td> <td style="text-align: right;">3,120.00</td> </tr> <tr> <td>3</td> <td>ADM CHARGES</td> <td></td> <td style="text-align: right;">286.00</td> <td></td> <td></td> <td style="text-align: right;">8.00</td> <td style="text-align: right;">294.00</td> </tr> <tr> <td>4</td> <td>INSP. CHARGES</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>5</td> <td>PENAL DAMAGES</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>6</td> <td>MISC. PAYMENT/S.7Q INTEREST</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>7</td> <td>PAST ACCUMULATIONS/ARREARS</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td colspan="2" style="text-align: right;"><b>Total</b></td> <td style="text-align: right;"><b>4,076.00</b></td> <td style="text-align: right;"><b>286.00</b></td> <td style="text-align: right;"><b>2,164.00</b></td> <td style="text-align: right;"><b>130.00</b></td> <td style="text-align: right;"><b>8.00</b></td> <td style="text-align: right;"><b>6,664.00</b></td> </tr> </table>																<b>PART- B1</b>								1	EMPLOYER'S SHARE OF CONT.	956.00		2,164.00	130.00		3,250.00	2	EMPLOYEES' SHARE OF CONT.	3,120.00					3,120.00	3	ADM CHARGES		286.00			8.00	294.00	4	INSP. CHARGES							5	PENAL DAMAGES							6	MISC. PAYMENT/S.7Q INTEREST							7	PAST ACCUMULATIONS/ARREARS							<b>Total</b>		<b>4,076.00</b>	<b>286.00</b>	<b>2,164.00</b>	<b>130.00</b>	<b>8.00</b>	<b>6,664.00</b>
<b>PART- B1</b>																																																																																							
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(Amount in words : Rs. Six Thousand Six Hundred Sixty Four Only)																																																																																							
NAME OF THE ESTABLISHMENT : <b>Spectrum Software Solutions</b>				<b>(For Bank's use only)</b>																																																																																			
ADDRESS : <b>14, Mysore Road,, Bangalore</b>				Amount Received Rs. : <input type="text"/>																																																																																			
NAME OF THE DEPOSITOR : <b>Mr. Ram</b>				For Cheques only : <input type="text"/>																																																																																			
SIGNATURE OF THE DEPOSITOR :				Date of Presentation : <input type="text"/>																																																																																			
				Date of Realisation : <input type="text"/>																																																																																			
				Branch Name : <input type="text"/>																																																																																			
				Branch Code No. : <input type="text"/>																																																																																			
<b>(TO BE FILLED IN BY EMPLOYER'S)</b>																																																																																							
NAME OF THE BANK <b>HDFC Bank</b>		CHEQUE NO <b>245547</b>		DATE <b>30-Apr-2009</b>																																																																																			

Figure 4.32 Printed PF Payment Challan

## Lesson 5: Accounting for Employer ESI Contributions

### Lesson Objectives

On completion of this lesson, you will be able to

- Process Employer's Contribution to Employees' State Insurance (ESI)
- Payment of ESI Contributions
- Generate the ESI payment Challan

ESI Contribution refers to the amount payable to the Corporation by the Principal Employer in respect of Employees and comprises of the amount payable by the employee as well as the employer.

The employer is required to calculate and remit ESI Contributions comprising of employers' share and employees' share on or before the 21st of the subsequent month in respect of salaries of the related month. The Principal Employer should pay the Employer's share of contribution @ 4.75% in respect of every employee whether employed directly or through an immediate employer. And the Employee's share @ 1.75% has to be recovered by making a deduction from their wages for the respective salary/wages period.

In case, if the employee is drawing upto Rs. 70/- as daily average wage, he is exempt from payment of his share of contribution. However, the employer has to pay employer's share of 4.75% of the Salary payable to the employees.

As discussed earlier, the statutory features viz., EPF & ESI etc., are required to be configured in **F11: Statutory & Taxation** Features. In this section, we will discuss, recording of transactions related to computation and contribution of Employee State Insurance.

**Illustration 1:**

*On 1st June 2009, the list of new joinees with their Salary details are given below:*

Employee Name	Department	Date of Joining
Suresh	Administration	1-6-2009
Rajesh	Sales	10-6-2009

*The Salary details for the above new employees are listed in the table below:*

Pay Head	Suresh	rajesh
Basic Pay	4,500	5000
House Rent Allowance	40%	40%
Conveyance	600	800
Overtime Pay	—	—
Variable Pay	User — defined	
Gratuity Expenses (Provisional)	Only for reporting purpose	
Employee's PF Contribution @ 12%	Applicable based on Slab Rates	
Employee's ESI Contribution @ 1.75%	Applicable based on Slab Rates	
Profession Tax	Applicable based on Slab Rates	

*The Attendance details for the month of June 2009 are given as shown:*

Attendance/ Production Types	Vijay Kumar	Rahul	Mahesh	Ajay	Suresh	Rajesh
Present Days	26	21	20	22	23	21
Overtime hours	120 Min			600 Min		

*The Variable Pay details for the month of June 2009 are given as shown:*

Particulars	Vijay Kumar	Rahul	Mahesh	Ajay	Suresh	Rajesh
Variable Pay	0	0	0	0	0	0

*The same is accounted as shown:*

Create the above employees and their Salary details and then process the Salaries, PF Contributions for the month of June 2009, in the manner as discussed in the earlier chapters. In Tally.ERP 9, follow the steps given below to process Employer contribution towards Employees' State Insurance:

- Create Employer ESI Contribution Masters
- Alter/Modify Salary Details
- Processing Employer ESI Contribution
- Payment of ESI

## Creation of Employer ESI Contribution Masters

In Tally.ERP 9, Employer and Employee's contribution towards Employees' State Insurance (ESI) are required to be created separately for appropriate Accounting and reporting. Create the following ledgers in Tally.ERP 9:

- Employer Contribution Pay Head
- ESI payable Ledger

### I. Create Employer ESI Contribution @ 4.75% Pay Head

Pay Head Name	Pay Head Type	Statutory Pay Type	Under	Affect Net Salary	Calculation Type
Employer ESI @ 4.75%	Employer's Statutory Contributions	Employee State Insurance	Indirect Expenses	No	As Computed Value

Go to **Gateway of Tally > Payroll Info > Pay Heads > Create**

In the **Pay Heads Creation** screen,

1. Type **Employer ESI @ 4.75%** as the **Name** of the Pay Head
2. Select **Employer's Statutory Contributions** in the field **Pay Head Type**
3. Select **Employee State Insurance** in the **Statutory Pay Type** field from the **Employer's Statutory Contributions** drop down

**Pay Head Creation** Spectrum Software Solutions

Name : **Employer ESI @ 4.75%** Total Op. Bal.  
 (alias) :

---

**Pay Head Info**

Pay Head Type : **Employer's Statutory Contributions** Total  
 Statutory Pay Type : **Employee State Insurance** Slab Type  
 Under : **Direct Expenses** Value Basis

Affect Net Salary : ? **No**

Calculation Type : **As Computed Value**

Calculation Period : **Months**

---

**Rounding Info**

Rounding Method : **Not Applicable**

Opening Balance ( on 1-Apr-2009 ) :

Figure 5.1 Pay Head Creation - Employer ESI

4. Specify the group as **Indirect Expenses** in the **Under** field and press **Enter**

5. Set **Affect Net Salary** to **No** and press **Enter**
6. In the **Calculation Type** and **Calculation Period** fields, **As Computed Value** and **Months** are defaulted automatically based on the **Statutory Pay Type** selected.
7. Select **Normal Rounding** as the **Rounding Method** and **1** as the rounding **Limit** and press **Enter**
8. In the **Computation Info** screen,
  - Select **On Specified Formula** in the **Compute** field and press **Enter**
  - In the **Compute** subscreen,
    - Select **Basic Pay** as the **Add Pay Head** function and press **Enter**
    - Select **House Rent Allowance** as the second Pay Head in the **Add Pay Head** Function
    - Similarly, select **Conveyance** and **Overtime Pay** in the **Add Pay Head** function

The **Compute** sub-screen is displayed as shown:

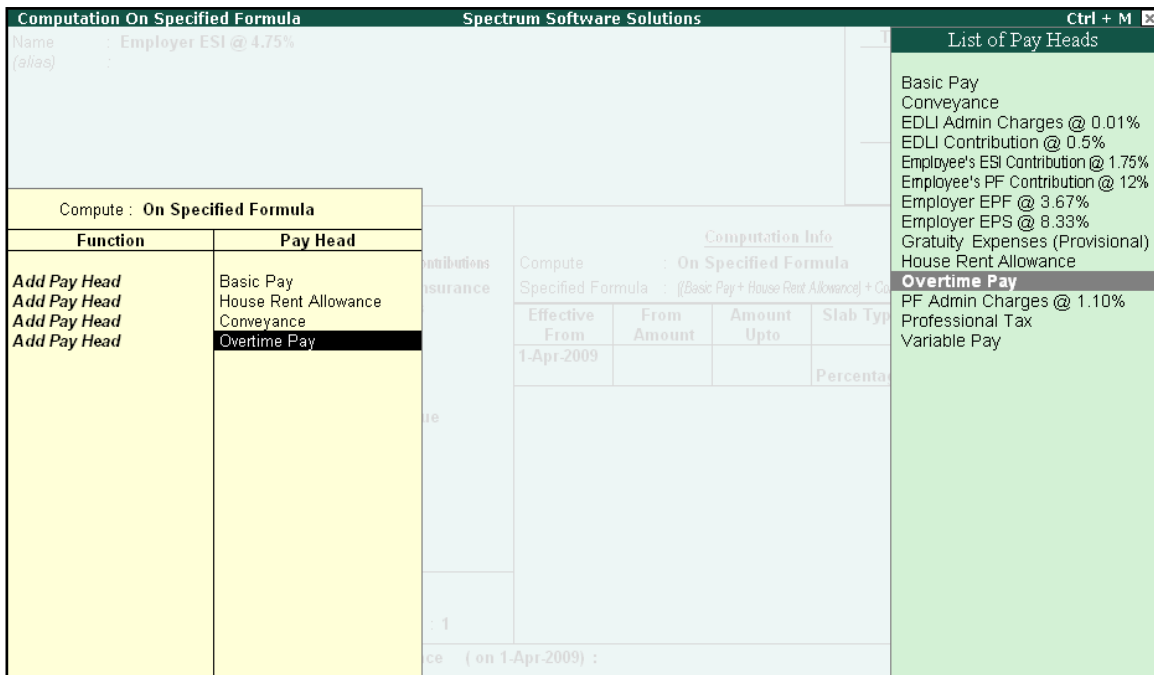


Figure 5.2 Employer ESI Pay Head Creation – Compute sub-screen

- Select **End of List** and press **Enter** to accept the screen



*Any Earning Pay component of a recurring nature will be subject to ESI calculation viz., Basic Pay, Dearness Allowance, House Rent Allowance, Conveyance, Overtime Pay and so on.*

*If you wish to consider a Pay Head (not regular in nature) for **ESI Computation** but don't want to consider the same for **ESI Eligibility**, then set the option **Exclude for ESI Eligibility** to **Yes** in the Pay Head alteration screen.*

*The option **Exclude for ESI Eligibility** will be available in the Pay Head screen by setting the option **Allow to Exclude Pay Head for ESI Eligibility** from the **Pay Head Configurations**.*

- Specify **1-4-2009** in the **Effective From** date field and press **Enter**, the **From Amount** column is automatically skipped, assuming the amount to be **zero**
- The **Amount Upto** field is skipped and automatically defaulted with the amount specified in the **Payroll Statutory Details** screen in **F11: Statutory & Taxation**
- Select **Percentage** in the **Slab Type** field
- Specify **4.75%** as the **Value Basis Percentage** in the **Value Basis** field and press **Enter**

Pay Head Creation		Spectrum Software Solutions				
Name : <b>Employer ESI @ 4.75%</b> (alias) :					Total Op. Bal.	
<b>Pay Head Info</b> Pay Head Type : <b>Employer's Statutory Contributions</b> Statutory Pay Type : <b>Employee State Insurance</b> Under : <b>Indirect Expenses</b>			<b>Computation Info</b> Compute : <b>On Specified Formula</b> Specified Formula : <i>((Basic Pay + House Rent Allowance) + Conveyance) + Overtime Pay</i>			
Affect Net Salary	? No	<b>Effective From</b>	<b>From Amount</b>	<b>Amount Upto</b>	<b>Slab Type</b>	<b>Value Basis</b>
Calculation Type	: <b>As Computed Value</b>	1-Apr-2009			Percentage	<b>4.75 %</b>
Calculation Period	: <b>Months</b>					
<b>Rounding Info</b> Rounding Method : <b>Normal Rounding</b> Limit : <b>1</b>						
Opening Balance ( on 1-Apr-2009) :						

Figure 5.3 Employer ESI Pay Head Creation

In Tally.ERP 9, the Earning Payheads which are selected for computation of Employer ESI contribution are listed in the Specified Formula for easy reference. You can alter / modify the criteria for calculation, by pressing **Enter** in the **Compute** field and redefining the Function Pay components.

- Specify **4.75%** as the **Value Basis Percentage** in the **Value Basis** field and press **Enter**
- Press **Enter** to accept

The completed **Employer ESI Contribution Pay Head Creation** screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions		Total Op. Bal.	
Name : <b>Employer ESI @ 4.75%</b> (alias) :					
<b>Pay Head Info</b> Pay Head Type : <b>Employer's Statutory Contributions</b> Statutory Pay Type : <b>Employee State Insurance</b> Under : <b>Indirect Expenses</b>			<b>Computation Info</b> Compute : <b>On Specified Formula</b> Specified Formula : <b>((Basic Pay + House Rent Allowance) + Conveyance) + Overtime Pay</b>		
Affect Net Salary ? <b>No</b>			<b>Effective From</b>	<b>From Amount</b>	<b>Amount Upto</b>
Calculation Type : <b>As Computed Value</b>			<b>1-Apr-2009</b>		
Calculation Period : <b>Months</b>				<b>Slab Type</b>	<b>Value Basis</b>
				<b>Percentage</b>	<b>4.75 %</b>
<b>Rounding Info</b> Rounding Method : <b>Normal Rounding</b> Limit : <b>1</b>					
Opening Balance ( on 1-Apr-2009) :					<b>Accept ?</b> <b>Yes or No</b>

Figure 5.4 Completed Employer ESI Pay Head

- Press **Enter** to accept.

## II. Create ESI Payable Ledger

Create ESI Payable Ledger as explained below:

Ledger	Pay Head Type	Under
ESI Payable	Not Applicable	Current Liabilities

Go to **Gateway of Tally > Payroll Info. > Pay Heads > Create**

1. Type **ESI Payable** in the **Name** field
2. In the **Pay Head Type** field select **Not Applicable**
3. Specify the group as **Current Liabilities** in the **Under** field and press **Enter**



The completed **ESI Payable Ledger** creation screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions	
Name	: ESI Payable	Total Op. Bal.	
(alias)	:		
<b>Pay Head Info</b>			
Pay Head Type	: J Not Applicable		
Under	: Current Liabilities		
Opening Balance ( on 1-Apr-2009 ) :			Accept ? Yes or No

Figure 5.5 ESI Payable Ledger Creation

4. Press **Enter** to accept

## Salary Details setup

Once the required Employer Contribution Pay Heads are created, the salary details of the Employees should be updated to constitute the Employer Contribution pay head ledgers for automatic calculations based on the monthly payments made to the Employees.

### Create / Alter Salary Details Master

To update the salary details for the Employees, follow the steps given below:

Go to **Gateway of Tally > Payroll Info. > Salary Details > Alter**

1. Select **Vijay Kumar** from the **List of Groups / Employees**
2. Tab down to the last line and select **Employer ESI @ 4.75%** Pay Head from the **List of Pay Heads**
3. Press **Enter** to select **End of List**

The completed **Salary Details Alteration** screen is displayed as shown:

Salary Details Alteration						
Spectrum Software Solutions						
Name : Vijay Kumar (549)						
Under : Administration ( <sup>1</sup> Primary)						
Salary Details						
Effective From	Pay Head	Rate	Per	Pay Head Type	Calculation Type	Computed On
1-Apr-2009	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	
	Professional Tax			Employees' Statutory Deductions	As Computed Value	On Current Earnings Total
	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
	Gratuity Expenses (Provisional)			Gratuity		
	Employer EPS @ 8.33%			Employer's Statutory Contributions	As Computed Value	Basic Pay
	Employer EPF @ 3.67%			Employer's Statutory Contributions	As Computed Value	Employee's PF Contribution @ 12% + Employer EPS @ 8.33%
	Employer ESI @ 4.75%			Employer's Statutory Contributions	As Computed Value	{Basic Pay + House Rent Allowance} + Conveyance + Overtime Pay

Figure 5.6 Salary Details Alteration screen

4. Press **Enter** to Accept



- It is necessary to include **Employer ESI Contribution Pay Head** in the **Salary Structure** of the Employees, to automate the Computation of Employer ESI Contribution on the basis of payments made to Employees.
- While, including the Employer Contribution Pay Heads in the Salary Details master, the order of precedence in which the Pay Heads are included on the basis of their calculation criteria i.e.,
  - i. **Earning Pay Heads**
  - ii. **Deduction Pay Heads**
  - iii. **Employee PF Contribution Ledgers**
  - iv. **Professional Tax** or Income Tax Ledger (if any)
  - v. **Employer PF Contribution Ledgers**
  - vi. **Employer ESI Contribution Ledgers**
  - vii. **Gratuity** (Gratuity is calculated on Basic Pay + DA, hence Gratuity Pay Head can be sequenced in the Salary details of an Employer in any order).

Similarly, include **Employer ESI @ 4.75%** Pay Head in the Salary details of all other Employees.

## Processing Employer ESI Contribution

In Tally.ERP 9, you can process Employer ESI Contributions and make the payment towards ESI comprising of Employees' and Employer's ESI Contribution through a challan. To process the ESI Contribution for June 2009, follow the steps given below:

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

1. Press **Ctrl+F4** for **Payroll Voucher**
2. Press **F2**, specify the date as **30-06-2009** and press **Enter**
3. Press **Alt+A** (Payroll Auto Fill) to prefill employee payroll details
4. In the **Payroll Auto Fill** subscreen,
  - Select **ESI Contribution** from the **Process List** as shown:

Payroll Auto Fill		Process List
Process for	: <b>ESI Contribution</b>	<b>ESI Contribution</b>
From (blank for beginning)	: 1-4-2009	PF Contribution
To (blank for end)	: 30-4-2009	Salary
Employee Category	: Primary Cost Category	
Employee/Group	: All Items	
Payroll Ledger	:	

Figure 5.7 Payroll Autofill - ESI process selection

- Specify **1-6-2009** and **30-6-2009** in the **From** and **To** Date fields respectively
- Select **Primary Cost Category** as **Employee Category** field
- Select **All Items** in the **Employee/ Group** field

- Select **ESI Payable** Ledger in the **Payroll Ledger** field as shown:

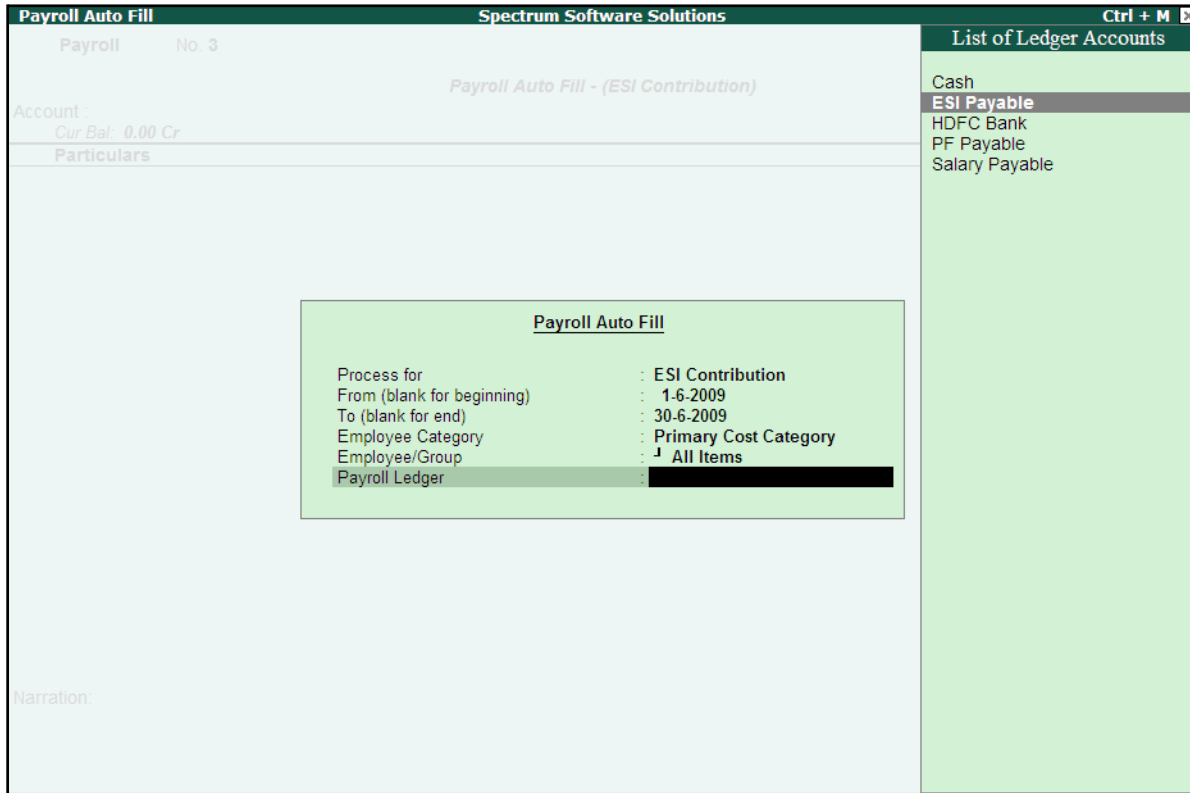


Figure 5.8 Payroll Autofill – Payroll Ledger selection

5. Press **Enter** to accept and go back to the Payroll Voucher screen

The completed **Employer ESI Contribution** Voucher Creation screen is displayed as shown:

Payroll Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Payroll</b> No. 7				30-Jun-2009 Tuesday
<i>Payroll Auto Fill - (ESI Contribution)</i>				
Account : <b>ESI Payable</b> Cur Bal: 0.00 Cr				
Particulars				Amount
<b>Primary Cost Category</b>				<b>600.00 Dr</b>
<b>Ajay</b>				
Employer ESI @4.75%	Dr	Cur Bal:		
<b>Mahesh</b>				
Employer ESI @4.75%	Dr	Cur Bal:		
<b>Rahul</b>				
Employer ESI @4.75%	Dr	Cur Bal:		
<b>Rajesh</b>				
Employer ESI @4.75%	307.00 Dr	Cur Bal: 307.00 Dr		<b>307.00 Dr</b>
<b>Suresh</b>				
Employer ESI @4.75%	293.00 Dr	Cur Bal: 293.00 Dr		<b>293.00 Dr</b>
<b>Vijay Kumar</b>				
Employer ESI @4.75%	Dr	Cur Bal:		
Narration: Pay Period : 1-Jun-2009 to 30-Jun-2009				<b>600.00 Dr</b>
				<div style="border: 1px solid black; padding: 5px; display: inline-block;">                     Accept ?                      Yes or No                 </div>

Figure 5.9 Completed ESI Voucher

6. Press **Enter** to accept



- The **Employer ESI contribution** will be computed automatically upon selection of **ESI Contribution Process** during Payroll Voucher Entry. However, only for employees those who meet the criteria of monthly earnings not exceeding the prescribed limits will be subject to ESI Contribution.
- In the same way while processing Salaries, the **Employees ESI Contribution** will also be computed based on the Eligibility amount prescribed in **F11: Statutory & Taxation Features**.

### Payment of ESI

In Tally.ERP 9, once the process for Employee and Employer contributions to Employee’s state Insurance is implemented in the manner as discussed in earlier sections, the total amount payable to ESIC comprising of Employee’s Contribution as well as Employer’s contribution to ESI is accumulated separately in the ESI Payable Ledger. At the time of making the payment to ESIC, a payment voucher is required to be passed.

To process the payment of ESI and generate ESI Challan, follow the steps given below:

**Step 1: Create ESI Payment Voucher**

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

1. Press **F5** for **Payment Voucher**
2. Press **F2**, specify the date as **30-06-2009** and press **Enter**
3. Press **Alt+A** (Payroll Auto Fill) to prefill employee payroll details
4. In the **Payment Auto Fill** subscreen,
  - Select **ESI Challan** from the Process List as shown:

Payment Auto Fill		Process List
Process for	: <b>ESI Challan</b>	<b>ESI Challan</b>
From (blank for beginning)	: 1-4-2009	PF Challan
To (blank for end)	: 30-4-2009	Professional Tax Payment
Voucher Date	:	Salary Payment
Employee Category	: Primary Cost Category	
Employee/Group	: J All Items	
Bank / Cash Ledger	: HDFC Bank	
Payroll Ledger	:	

Figure 5.10 Employee Filters subscreen - ESI Process Selection

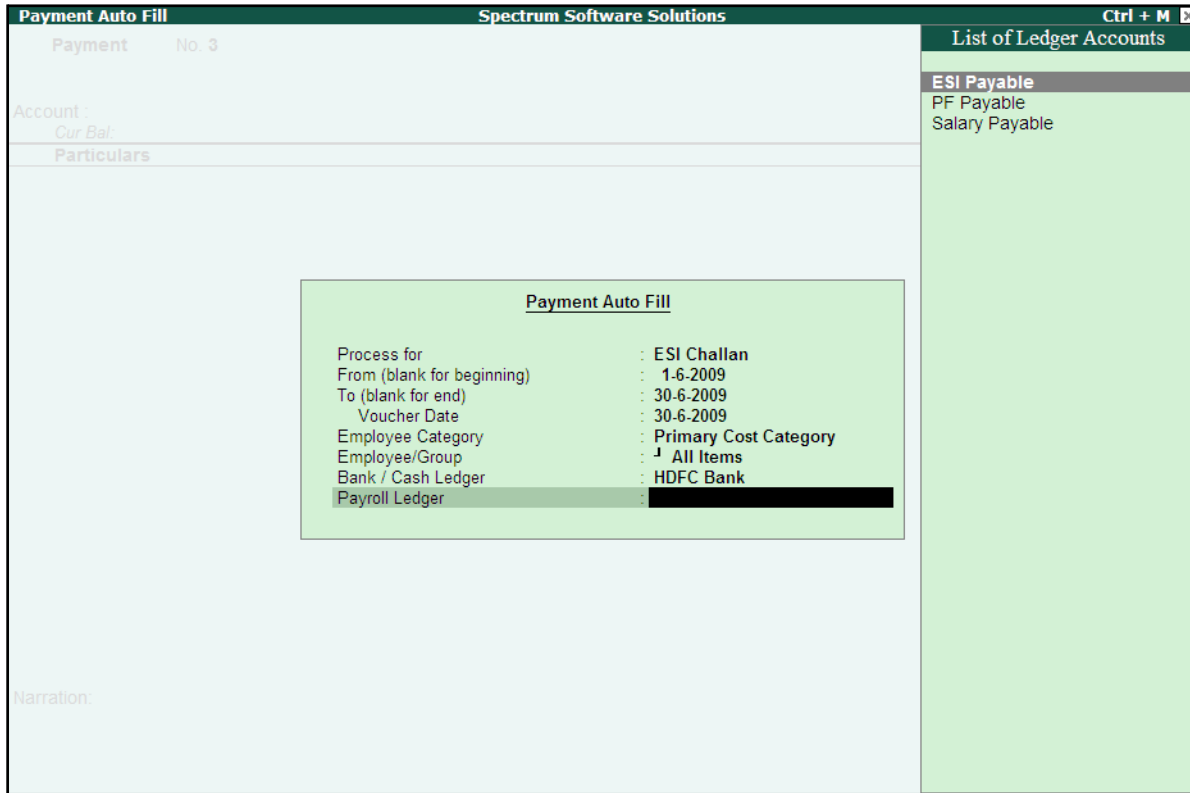
- Specify **1-6-2009** and **30-6-2009** in the **From** and **To** Date fields respectively
- Specify **30-6-2009** in the **Voucher Date** field (This field is prefilled, if the voucher date is specified during Voucher Entry)
- Select **Primary Cost Category** in the **Employee Category** field
- Select **All Items** in the **Employee/ Group** field

- Select **HDFC Bank** in the **Bank / Cash Ledger** field

The screenshot displays the 'Payment Auto Fill' window from Spectrum Software Solutions. The window title bar includes 'Payment Auto Fill', 'Spectrum Software Solutions', and 'Ctrl + M'. The main area is divided into two panes. The left pane shows a form with fields for 'Payment No. 3', 'Account:', 'Cur Bal:', 'Particulars', and 'Narration:'. A central dialog box titled 'Payment Auto Fill' is open, listing various filters: 'Process for : ESI Challan', 'From (blank for beginning) : 1-6-2009', 'To (blank for end) : 30-6-2009', 'Voucher Date : 30-6-2009', 'Employee Category : Primary Cost Category', 'Employee/Group : All Items', 'Bank / Cash Ledger : **HDFC Bank**', and 'Payroll Ledger :'. The right pane, titled 'List of Ledger Accounts', shows a list with 'Cash' and 'HDFC Bank', where 'HDFC Bank' is highlighted.

Figure 5.11 Employee Filters Subscreen – Bank Ledger Selection

- Select **ESI Payable** Ledger in the **Payroll Ledger** field



The screenshot displays the 'Payment Auto Fill' sub-screen. The main window title is 'Payment Auto Fill' and 'Spectrum Software Solutions'. It shows 'Payment No. 3' and a 'Payment Auto Fill' dialog box with the following details:

Payment Auto Fill	
Process for	: ESI Challan
From (blank for beginning)	: 1-6-2009
To (blank for end)	: 30-6-2009
Voucher Date	: 30-6-2009
Employee Category	: Primary Cost Category
Employee/Group	: All Items
Bank / Cash Ledger	: HDFC Bank
Payroll Ledger	: <b>ESI Payable</b>

On the right, the 'List of Ledger Accounts' window is open, showing a list of accounts: ESI Payable, PF Payable, and Salary Payable. The 'ESI Payable' account is highlighted.

Figure 5.12 Employee Filters Subscreen - Payroll Ledger Selection

5. Press **Enter** to accept and go back to the **Payment Voucher** screen



6. Press **Enter** to prefill the Employer's ESI Contribution amount for the eligible Employees

Accounting Voucher Creation		Spectrum Software Solutions	Ctrl + M
<b>Payment</b>	No. 6		30-Jun-2009 Tuesday
<i>Payroll Auto Fill - (ESI Challan)</i>			
Account : <b>HDFC Bank</b>			
Cur Bal: 7,61,334.69 Dr			
Particulars			Amount
<b>ESI Payable</b>			<b>600.00</b>
Cur Bal: 0.00 Dr			
Primary Cost Category			
Ajay			
Mahesh			
Rahul			
Rajesh	307.00 Dr		
Suresh	293.00 Dr		
Vijay Kumar			
Provide Details : No			
Narration:			<u>600.00</u>

Figure 5.13 ESI Payment Voucher with Employer Contributions

7. Press **Enter** again, to prefill the Employee's ESI Contribution amount against the eligible Employees

Accounting Voucher Creation		Spectrum Software Solutions	Ctrl + M
<b>Payment</b>	No. 6		30-Jun-2009 Tuesday
<i>Payroll Auto Fill - (ESI Challan)</i>			
Account : <b>HDFC Bank</b> Cur Bal: 7,61,334.69 Dr			
Particulars	Amount		
<b>ESI Payable</b>	<b>600.00</b>		
Cur Bal: 0.00 Dr			
Primary Cost Category			
Ajay			
Mahesh			
Rahul			
Rajesh	307.00 Dr		
Suresh	293.00 Dr		
Vijay Kumar			
<b>Employee's ESI Contribution @ 1.75%</b>			<b>221.00</b>
Cur Bal: 0.00 Dr			
Primary Cost Category			
Ajay			
Mahesh			
Rahul			
Rajesh	113.00 Dr		
Suresh	108.00 Dr		
Vijay Kumar			
Provide Details	: No		
Narration:			<b>821.00</b>

Figure 5.14 ESI Payment Voucher with both Employee and Employer Contributions

8. Press **Enter** twice

9. Set **Yes** in the **Provide Details** field and press **Enter**

10. In the Provide Details subscreen, specify the **Cheque / DD No., Cheque / DD Date and Bank & Branch Code** Details as shown:

<u>Provide Details</u>	
Cheque/DD No	: 234765
Cheque / DD Date	: 30-Jun-2009
Challan Date	: 30-Jun-2009
Bank & Branch Code	: <b>HDFC &amp; 1002452</b>

Figure 5.15 Complete Provide Details subscreen

11. Press **Enter** to accept

12. Type the details of the transaction in the narration field

The completed **ESI Payment Voucher** for the month of June 2009 is displayed as shown:

Accounting Voucher Creation		Spectrum Software Solutions	Ctrl + M
<b>Payment</b>	No. 6		30-Jun-2009 Tuesday
<i>Payroll Auto Fill - (ESI Challan)</i>			
Account : <b>HDFC Bank</b> <i>Cur Bal: 7,61,334.69 Dr</i>			
Particulars			Amount
<b>ESI Payable</b>			600.00
<i>Cur Bal: 0.00 Dr</i>			
Primary Cost Category			
Ajay			
Mahesh			
Rahul			
	Rajesh	307.00 Dr	
	Suresh	293.00 Dr	
Vijay Kumar			
<b>Employee's ESI Contribution @ 1.75%</b>			221.00
<i>Cur Bal: 0.00 Dr</i>			
Primary Cost Category			
Ajay			
Mahesh			
Rahul			
	Rajesh	113.00 Dr	
	Suresh	108.00 Dr	
Vijay Kumar			
Provide Details : <b>Yes</b>			
Narration:			600.00
Ch. No. : 234765, ESI Contribution for June 2009.			
			<div style="border: 1px solid black; padding: 5px; display: inline-block;"> <b>Accept ?</b>  <span style="color: red;">Yes</span> or <span style="color: red;">No</span> </div>

Figure 5.16 Completed ESI Payment Voucher

13. Press **Enter** to accept

**Step 2: Print ESI Payment Challan**

- Press **Pg UP** from the above **Voucher Entry** screen
- Press **Alt + P**, the **Voucher Printing** screen is displayed as shown:

Voucher Printing	
<b>Printer</b> : Printer-02 (Ne03:)	<b>Paper Type</b> : A4
<b>No. of Copies</b> : 1	
<b>Print Language</b> : English	<i>(Printing Dimensions)</i>
<b>Method</b> : Neat Mode	<b>Paper Size</b> : (8.27" x 11.69") or (210 mm x 297 mm)
<b>Page Range</b> : All	<b>Print Area</b> : (7.95" x 11.34") or (202 mm x 288 mm)
Report Titles	
<b>Payment Voucher</b>	
(with Print Preview)	
Print Challan	? Yes
<div style="border: 1px solid black; padding: 5px; display: inline-block;"> <b>Print ?</b>            Yes or No         </div>	

Figure 5.17 ESI Voucher Printing Screen

- In the **Voucher printing** screen, select **Yes** in the **Print Challan** field
- Press **Enter** to Print

The printed **ESI Payment Challan** for the month of June 2009 of **M/s. Spectrum Software Solutions** is as shown:

EMPLOYEES' STATE INSURANCE CORPORATION		Challan Form for Deposit in A/C No.1		Original For Bank
Employer's Code : <b>KA/BN/12345/234234</b>		Date	Month	Year
		30	06	2009
Bank & Branch Code : <b>HDFC &amp; 1002452</b>				
Name & Address of the Factory or Establishment: <b>Spectrum Software Solutions, 14, Mysore Road,, Bangalore</b>				
Mode of Payment [Tick mode used]		Cash <input type="checkbox"/> Cheque <input type="checkbox"/> DD <input type="checkbox"/>		
Cheque/DD No. : 234765		Dated	30	06 2009
Drawn on (Name of the Bank)      HDFC & 1002452		Period of Contribution		
		Month	Year	
		06	2009	
Nature of Payment [Tick]		Regular Contribution <input type="checkbox"/> Interest <input type="checkbox"/> Damages <input type="checkbox"/> Others <input type="checkbox"/>		
No. of Employees                      2		Total Wages		
		Rs.      Ps. <b>12,626.00</b>		
Employees' Contribution		<b>221.00</b>		
Employer's Contribution		<b>600.00</b>		
Interest				
Damages				
Others				
Total		<b>821.00</b>		
Total Amount (in words) <b>Rs. Eight Hundred Twenty One Only.</b>				
R.O. Demand Letter No. & Date				
Date of Presentation	Date of Clearing			
BANK SEAL	BANK SEAL			
		(Acknowledgement)		
(to be filled by Depositor)				
Received Rs. 821.00				
<b>(Rs. Eight Hundred Twenty One Only.)</b>				
In cash/by Cheque/DD No. <u>234765</u> Dated <u>30-Jun-2009</u>				
(subject to realisation) drawn on HDFC & 1002452				
(Bank) in favour of ESIC A/C No.1				
(For Bank Branch Code see on reverse)				
		Signature		
		Name & Designation-Seal of Authorised Signatory		
		For use in Bank		
		Bank Scroll No.		
		Date		
		Authorised signature & seal of the Receiving Bank		
Note: Please put cross (x) mark in blank boxes				

Figure 5.18 Printed ESI Payment Challan

## Lesson 6: Payment of Professional Tax

On completion of this lesson, you will be able to:

- Process payment of Professional Tax

### 6.1 Processing of Professional Tax Payment

Professional Tax is applicable to those individuals or professionals in India who are involved in any profession or trade. The state government of each state governs and administers the levy and collection of Professional Tax in the respective State. The state is empowered with the responsibility of structuring as well as formulating the professional tax criteria for the respective state. Professional tax is charged on the income of Individuals, profits of business or gains in vocations as per the list II of the Indian Constitution.

In India, Professional Tax slabs vary from state to state and some of the states have formulated different professional tax slabs for men, women and senior citizens. The rates depend upon profession, years in the profession and the amount of income or turnover and so on. In Karnataka, the professional taxes leviable are as follows:

S.No	Salary or wage earners whose salary or wage or both, as the case may be, for a month is,	Tax Amount
(a)	Less than Rs.5000	Rs. 0 Per month
(b)	Not less than Rs. 5,000 but less than Rs.8,000	Rs. 60 Per month
(c)	Not less than Rs.8,000 but less than Rs.10,000	Rs.100 Per month
(d)	Not less than Rs.10,000 but less than Rs.15,000	Rs.150 Per month
(e)	Rs. 15,000 and above	Rs.200 Per month

The creation of **Professional Tax** Pay Head is discussed in detail in the **Creation of Masters** chapter and the procedure to process **Professional Tax Deduction** from Employee Salaries is discussed in detail in **Processing Payroll in Tally.ERP 9** Chapter. In this section, we will discuss the recording of transactions related to payment of Professional Tax.

### Illustration 1:

*On 30th April, 2009 M/s. Spectrum Software Solutions made a payment of Professional Tax for the month of April 2009.*

The same is accounted as shown:

#### Create Payment Voucher

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

1. Press **F5** for **Payment** Voucher
2. Press **F2**, specify the date as **30-04-2009** and press **Enter**
3. Press **Alt+A** (Payroll Auto Fill) to prefill employee payroll details
4. In **Employee Filters** screen,
  - Select **Professional Tax Payment** from the **Process List**
  - Specify **1-4-2009** and **30-4-2009** in the **From** and **To** date fields respectively
  - Specify **30-4-2009** in the **Voucher Date** field (This field is prefilled, if the voucher date is specified during Voucher Entry)
  - Select **Primary Cost Category** in the **Employee Category** field
  - Select **All Items** in the **Employee/ Group** field

- Select **HDFC Bank** in the **Bank / Cash Ledger** field

The screenshot shows the 'Payment Auto Fill' window in Tally. The window title is 'Payment Auto Fill' and 'Spectrum Software Solutions'. The main area contains a 'Payment' form with fields for 'Account', 'Cur Bal.', 'Particulars', and 'Narration'. A 'Payment Auto Fill' dialog box is open, displaying the following details:

Process for	: Professional Tax Payment
From (blank for beginning)	: 1-4-2009
To (blank for end)	: 30-4-2009
Voucher Date	: 30-4-2009
Employee Category	: Primary Cost Category
Employee/Group	: All Items
Bank / Cash Ledger	: <b>HDFC Bank</b>
Payroll Ledger	:

On the right side, the 'List of Ledger Accounts' panel is visible, showing 'Cash' and 'HDFC Bank' as options, with 'HDFC Bank' currently selected.

Figure 6.1 Employee Filters screen - Payment Ledger Selection

- Select **Professional Tax** in the **Payroll Ledger** field



The completed **Employee Filters** screen will be displayed as shown:

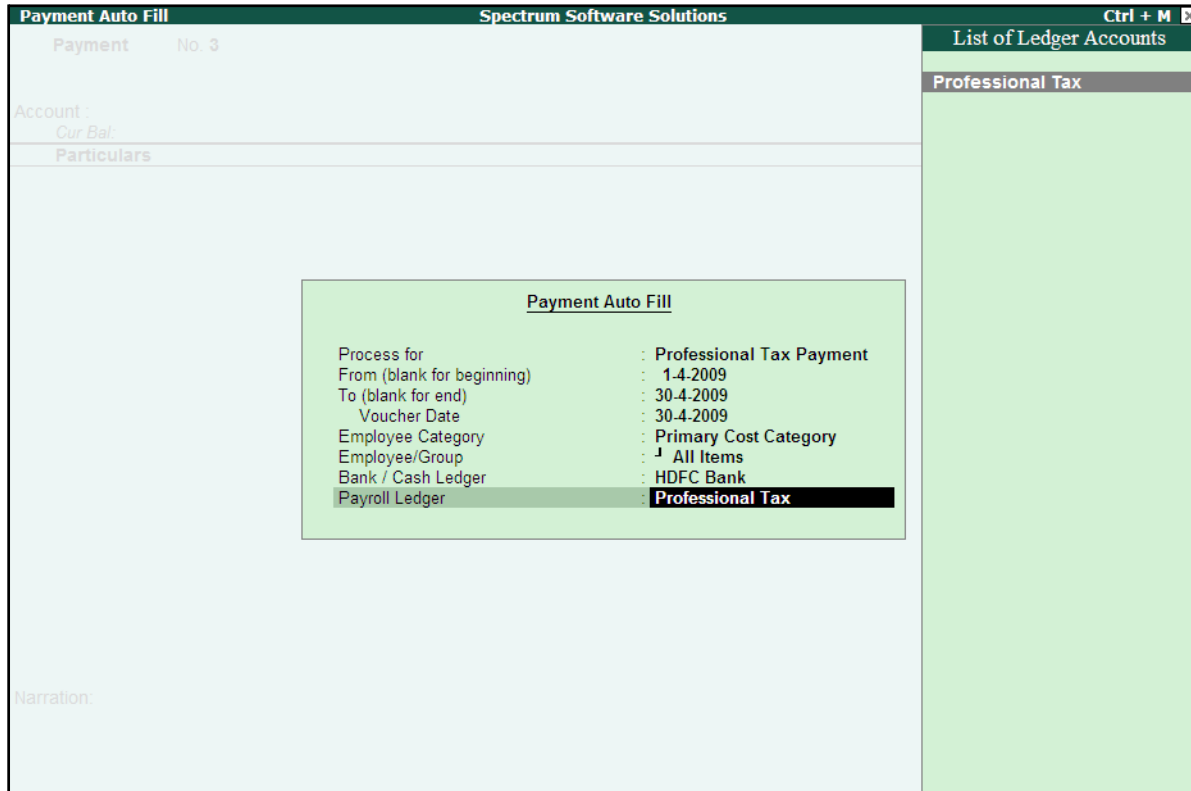


Figure 6.2 Completed Employee Filters screen

- Press **Enter** to accept the screen and go back to the **Payment Voucher** screen
- Press **Enter** to prefill the Professional Tax amount in the Payment Voucher

The completed **Professional Tax** Payment Voucher is displayed as shown:

Accounting Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Payment</b> No. 2				30-Apr-2009 Thursday
<i>Payroll Auto Fill - (Professional Tax Payment)</i>				
Account : <b>HDFC Bank</b> Cur Bal: 9,94,086.00 Dr				
Particulars				Amount
<b>Professional Tax</b>				750.00
Cur Bal: 0.00 Dr				
Primary Cost Category				
Ajay	150.00	Dr		
Mahesh	200.00	Dr		
Rahul	200.00	Dr		
Rajesh				
Suresh				
Vijay Kumar	200.00	Dr		
Provide Details : <b>Yes</b>				
Narration: Ch. No. :245887, PT amount for April 2009.				750.00
				<div style="border: 1px solid black; padding: 5px; display: inline-block;"> <b>Accept ?</b>  <span style="color: red;">Yes</span> or <span style="color: red;">No</span> </div>

Figure 6.3 Completed Professional Tax Payment Voucher

5. Press **Enter** to Accept.

Similarly, process the Professional Tax payments for other months.



- The creation of **Professional Tax** Pay Head is discussed in detail in **Creation of Masters** chapter.
- The procedure to process **Professional Tax Deduction** from Employee Salaries is discussed in detail in the chapter **Processing Payroll in Tally.ERP 9**.

## Lesson 7: Tracking of Salary Advances / Loans

On completion of this lesson, you will be able to:

- Track Salary Advances / Loans and recoveries in Tally.ERP9

Tally.ERP 9 helps you track Salary Advance / loans given to employees and provides the flexibility to specify simple to complex criteria for Recovery of Salary Advances or loans viz., Flat or manual deduction and provision of lumpsum loan recovery and so on. Tally.ERP 9 also allows you to generate a Month wise break-up report for the amount of loan disbursed, recovery of instalments made and balance amount of Loan / Salary advance. Further, you can also use the Interest Calculation feature of Tally.ERP 9 to compute interest on loans to employee etc.

In Tally.ERP 9, tracking of Salary Advances / Loans paid to employees follow the steps given below:

- Creation of Masters
- Modify / Alter Salary Details
- Payment of Salary Advance
- Recovery of Salary Advance

### Creation of Masters

Tally.ERP 9 allows you to create different ledgers for different types of Loans / Salary Advances. Create the following ledger:

Ledger	Pay Head Type	Under
Staff Salary Advance	Loans and Advances	Loans and Advances (Asset)

### I. Create Salary Advance Ledger

Go to **Gateway of Tally > Payroll Info. > Pay Heads > Create**

1. Type **Staff Salary Advance** in the **Name** field
2. Select **Loans and Advances** in the **Pay Head Type** field
3. Specify the group as **Loans and Advances (Asset)** in the **Under** field and press **Enter**
4. Set **Affect Net Salary** to **Yes**
5. Type **Staff Salary Advance** in **Name to Appear in Salary Slip** field
6. Select **User Defined Value** in the **Calculation Type** field

The completed **Staff Salary Advance** Ledger creation screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions	
Name	: Staff Salary Advance	Total Op. Bal.	
(alias)	:		
<b>Pay Head Info</b>			
Pay Head Type	: Loans and Advances		
Under	: Loans & Advances (Asset) (Current Assets)		
Affect Net Salary	? Yes		
Name to appear in Payslip	: Staff Salary Advance		
Calculation Type	: As User Defined Value		
Opening Balance (on 1-Apr-2009) :		Accept ?	
		Yes or No	

Figure 1.1 Salary Advance Ledger

7. Press **Enter** to accept.



The **Calculation Type** can be taken as **Flat Rate** if you wish to deduct the Loan Amount in Flat installments (EMI's). In this case the Pay Head should be removed from the Pay Structure after the entire amount is recovered from the Employee's salary.

## Modify / Alter Salary Details

In order to deduct installments or for lumpsum recovery of Salary Advance from the monthly salaries of the employees, it is essential to include Salary Advance / Loans ledgers in the Salary Details master of the employees. Follow the steps given to update the Salary Details masters of the Employees:

Go to **Gateway of Tally > Payroll Info. > Salary Details > Alter**

1. Select **Vijay Kumar** from the **List of Groups / Employees** and press **Enter**, the **Salary Details Alteration** screen appears
2. In the **Salary Details Alteration** screen,
3. Tab down to the last line and select **Staff Salary Advance** ledger in the **Pay Head** field
4. Select **End of List** and press **Enter**

The completed **Salary Details** screen is displayed as shown:

Salary Details Alteration		Spectrum Software Solutions			Ctrl + M	
Name : Vijay Kumar (549)						
Under : Administration ( <sup>1</sup> Primary)						
Salary Details						
Effective From	Pay Head	Rate	Per	Pay Head Type	Calculation Type	Computed On
1-Apr-2009	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	
	Professional Tax			Employees' Statutory Deductions	As Computed Value	On Current Earnings Total
	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
	Gratuity Expenses (Provisional)			Gratuity		
	Employer EPS @ 8.33%			Employer's Statutory Contributions	As Computed Value	Basic Pay
	Employer EPF @ 3.67%			Employer's Statutory Contributions	As Computed Value	Employee's PF Contribution @ 12% + Employer EPS @ 8.33%
	Employer ESI @ 4.75%			Employer's Statutory Contributions	As Computed Value	{(Basic Pay + House Rent Allowance) + Conveyance} + Overtime Pay
	<b>Staff Salary Advance</b>			Loans and Advances	As User Defined Value	

Accept ?  
Yes or No

Figure 1.2 Completed Salary details alteration screen

5. Press **Enter** to accept.

## Payment of Salary Advance

In Tally.ERP 9, you may disburse the **Salary advance / Loans to Employees** using a Payment Voucher as shown:

### Illustration 1:

*On 2nd July, 2009 M/s. Spectrum Software Solutions paid Salary Advance to the following Employees with the mode and amount of recovery.*

Employee Name	Salary Advance (Rs.)	Mode of Recovery	Recovery Amount (Rs.) per month
Rahul	10,000	Monthly Salary	5,000
Rajesh	3,000	Monthly Salary	1,500

The same is accounted as shown:

### i. Create Payment Voucher

#### Setup:

- Press **F12: Configure** and set **Use Single Entry mode for Pymt/Rcpt/Contra** to **No**

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

1. Press **F2** to change the date to **2-07-09**

2. In the **Dr** field, select **Staff Salary Advance** ledger from the list of ledgers

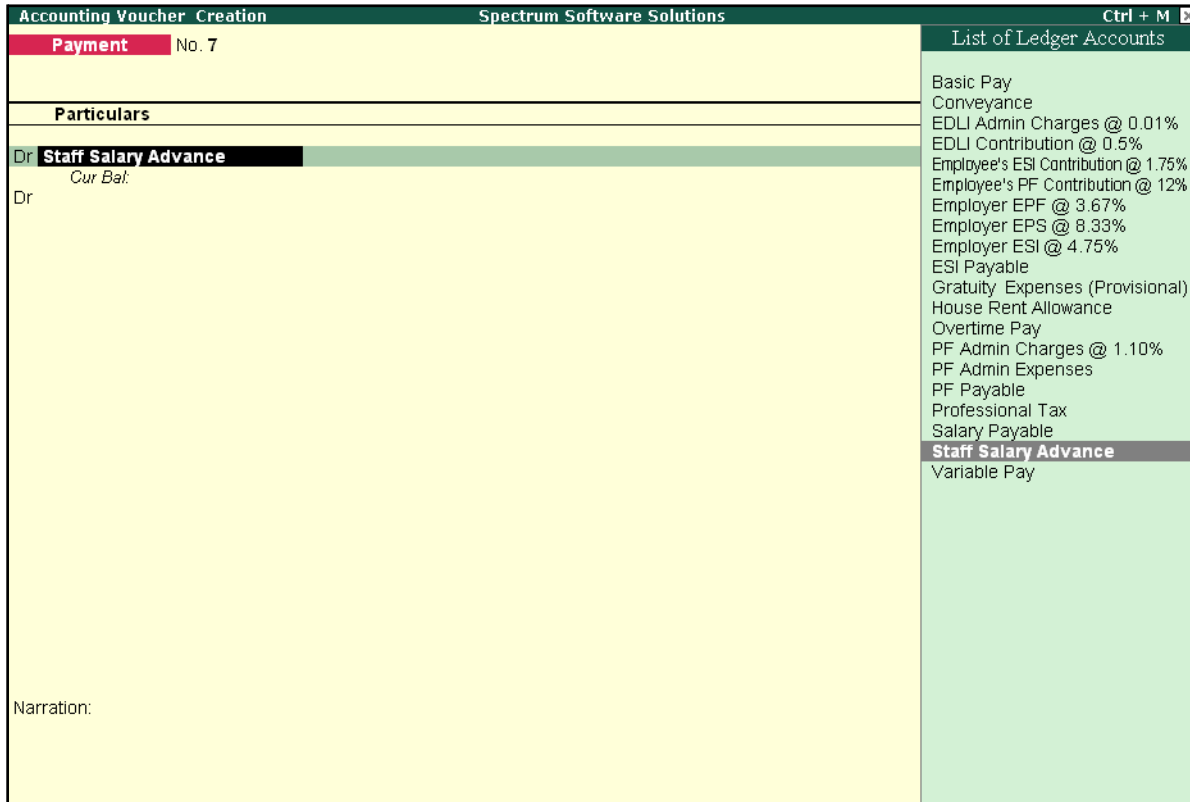


Figure 1.3 Payment Voucher - Salary Advance Ledger selection

3. Specify **13000** in the **Dr Amount** field and press **Enter**, the Cost Allocations for subscreen appears
4. In the **Cost Allocations** for subscreen,
  - Select **Primary Cost category** in the **Employee Category** field
  - Select the required **Employee (Rahul)** from the list of Cost Centres and press **Enter**

The **Cost Centre Allocations** screen is displayed as shown:

Cost Centre Allocations		Spectrum Software Solutions		Ctrl + M
Payment	No. 7	List of Cost Centres		
Particulars		Administration		
Employee Allocations for : <b>Staff Salary Advance</b>		Ajay		
Upto: <b>Rs. 13,000.00 Dr</b>		Mahesh		
<b>Cost Category</b>		<b>Rahul</b>		
	<b>Name of Employee</b>	<b>Amount</b>	Rajesh	
	<b>Primary Cost Category</b>		R&D	
	Rahul		Sales	
			Suresh	
			Vijay Kumar	

Figure 1.4 Payment Voucher – Cost Centre Allocation screen

- Specify **10000** in the **Amount** field
- Similarly, select other **Employee (Rajesh)** from the **List of Cost Centres** and specify the amount (**i.e., 3,000**)



The Completed **Cost Allocation** for sub-screen is displayed as shown:

Employee Allocations for : <b>Staff Salary Advance</b> Upto: <b>Rs. 13,000.00 Dr</b>		
Cost Category	Name of Employee	Amount
<b>Primary Cost Category</b>		
	Rahul	10,000.00
	Rajesh	3,000.00
		<u>13,000.00</u>

Figure 1.5 Cost Centre Allocation – Sub-screen

- Press **Enter** to accept and go back to the **Payment Voucher**
- 5. Select **HDFC Bank** in the **Cr** field and press **Enter**
- 6. Press **Enter** to accept the **Amount**
- 7. Type the details of the transaction in the narration field

The completed **Payment Voucher** for Salary Advance is displayed as shown:

Accounting Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Payment</b> No. 7				2-Jul-2009 Thursday
Particulars		Debit	Credit	
Dr <b>Staff Salary Advance</b>		13,000.00		
<i>Cur Bal: 13,000.00 Dr</i>				
<b>Primary Cost Category</b>				
Rahul	10,000.00 Dr			
Rajesh	3,000.00 Dr			
Cr <b>HDFC Bank</b>			13,000.00	
<i>Cur Bal: 7,46,913.69 Dr</i>				
Narration:		13,000.00	13,000.00	
Ch. No. :245999, salary advance given to Rahul and Cheque No-246000 to Rajesh.				Accept ? Yes or No

Figure 1.6 Completed Payment Voucher

8. Press **Enter** to accept.

## Recovery of Salary Advance

In Tally.ERP 9, you may deduct or recover Salary Advance / Loans from Employees in Installments by defining the criteria for deduction while creating the Salary Advance Pay Head; i.e., Flat rate or manual deduction by specifying a user-definable amount. To recover salary advance / loan, follow the steps given below:

Process the Attendance Vouchers for the month of July 2009 in the manner discussed in earlier chapters, based on the following details:

### Attendance records for July 2009:

Attendance/ Production Types	Vijay Kumar	Rahul	Mahesh	Ajay	Suresh	Rajesh
Present Days	26	24	22	25	21	20

**ii. Create Payroll Voucher**

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

- Press **Ctrl+F4** for **Payroll Voucher**
- Press **F2**, specify the date as **31-7-2009** and press **Enter**
- Press **Alt+A** (Payroll Auto Fill) to prefill employee payroll details
  - In the **Employee Filters** screen,
  - Select **Salary** in the **Process for** field
  - Specify **1-7-2009** in the **From** field
  - Specify **31-7-2009** in the **To** field
  - Select **All Items** as **Employee/Group**
  - Select **Salary Payable** in the **Payroll Ledger** field
- Press **Enter** to accept the screen and go back to Payroll Voucher

The **Payroll Voucher Creation** screen is displayed as shown:

- Tab down to **Staff Salary Advance ledger** field of **Rahul** and specify **5000** as the amount to be deducted

Payroll Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Payroll</b>	No. 8			31-Jul-2009 Friday
<i>Payroll Auto Fill - (Salary)</i>				
Account : <b>Salary Payable</b> Cur Bal: 0.00 Cr				
Particulars				Amount
↑ ... 9 more				
Employee's ESI Contribution @ 1.25%		Cr	Cur Bal: 0.00 Cr	
Staff Salary Advance		Cr	Cur Bal:	
<b>Mahesh</b>				<u>53,328.00 Dr</u>
Basic Pay	38,077.00	Dr	Cur Bal: 1,43,654.00 Dr	
House Rent Allowance	15,231.00	Dr	Cur Bal: 57,462.00 Dr	
Conveyance	1,000.00	Dr	Cur Bal: 4,000.00 Dr	
Overtime Pay		Dr	Cur Bal: 0.00 Dr	
Variable Pay		Dr	Cur Bal: 1,000.00 Dr	
Professional Tax	200.00	Cr	Cur Bal: 800.00 Cr	
Employee's PF Contribution @ 12%	780.00	Cr	Cur Bal: 780.00 Cr	
Employee's ESI Contribution @ 1.25%		Cr	Cur Bal: 0.00 Cr	
Staff Salary Advance		Cr	Cur Bal:	
<b>Rahul</b>				<u>24,867.00 Dr</u>
Basic Pay	18,462.00	Dr	Cur Bal: 66,924.00 Dr	
House Rent Allowance	7,385.00	Dr	Cur Bal: 26,770.00 Dr	
Conveyance		Dr	Cur Bal: 0.00 Dr	
Overtime Pay		Dr	Cur Bal: 0.00 Dr	
Variable Pay		Dr	Cur Bal:	
Professional Tax	200.00	Cr	Cur Bal: 800.00 Cr	
Employee's PF Contribution @ 12%	780.00	Cr	Cur Bal: 780.00 Cr	
Employee's ESI Contribution @ 1.25%		Cr	Cur Bal: 0.00 Cr	
<b>Staff Salary Advance</b>	<b>5000</b>	Cr	Cur Bal: 10,000.00 Dr	
Narration:				<u>1,15,320.00 Dr</u>
Pay Period : 1-Jul-2009 to 31-Jul-2009				

Figure 1.7 Payroll Voucher - Salary Advance Recovery Entry

- Similarly, tab down to **Staff Salary Advance ledger** field of **Rajesh** and specify **1500** as the amount to be deducted

- Similarly, enter the **1500** in **Staff Salary Advance** for **Rajesh**

The completed **Payroll Voucher** for July 2009 is displayed as shown:

Payroll Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Payroll</b> No. 8				31-Jul-2009 Friday
<i>Payroll Auto Fill - (Salary)</i>				
Account : <b>Salary Payable</b> Cur Bal: 0.00 Cr				
Particulars				Amount
↑ ... 40 more				
<b>Staff Salary Advance</b>	1,500.00	Cr	Cur Bal: 1,500.00	Dr
<b>Suresh</b>				<u>5,093.00</u> Dr
Basic Pay	3,635.00	Dr	Cur Bal: 7,616.00	Dr
House Rent Allowance	1,454.00	Dr	Cur Bal: 3,046.00	Dr
Conveyance	600.00	Dr	Cur Bal: 1,200.00	Dr
Overtime Pay		Dr	Cur Bal: 0.00	Dr
Variable Pay		Dr	Cur Bal:	
Professional Tax	60.00	Cr	Cur Bal: 120.00	Cr
Employee's PF Contribution @ 12%	436.00	Cr	Cur Bal: 436.00	Cr
Employee's ESI Contribution @ 1.25%	100.00	Cr	Cur Bal: 100.00	Cr
Staff Salary Advance		Cr	Cur Bal:	<u>13,870.00</u> Dr
<b>Vijay Kumar</b>				
Basic Pay	10,000.00	Dr	Cur Bal: 39,615.00	Dr
House Rent Allowance	4,000.00	Dr	Cur Bal: 15,846.00	Dr
Conveyance	800.00	Dr	Cur Bal: 3,200.00	Dr
Overtime Pay		Dr	Cur Bal: 935.00	Dr
Variable Pay		Dr	Cur Bal: 2,000.00	Dr
Professional Tax	150.00	Cr	Cur Bal: 650.00	Cr
Employee's PF Contribution @ 12%	780.00	Cr	Cur Bal: 780.00	Cr
Employee's ESI Contribution @ 1.25%		Cr	Cur Bal: 0.00	Cr
Staff Salary Advance		Cr	Cur Bal:	
Narration: Pay Period : 1-Jul-2009 to 31-Jul-2009				1,00,000.00 Dr
				Accept ? Yes or No

Figure 1.8 Completed Payroll Voucher

- Press **Enter** to accept.



*If there are multiple Loans given to the Employees and if you wish to keep a track of recovered loan amount against the Loan given, then you need to pass a separate payroll voucher in 'As Voucher' format, as the bill-wise details screen won't appear in the 'As Pay Slip' format.*

## Lesson 8: Accounting for Pay Revision & Arrears

On completion of this lesson, you will be able to:

- Record Pay Revisions and Arrears in Tally.ERP 9

Tally.ERP 9 provides a facility to process Arrears / Increments for a current Period as well as for a prior period. It allows you to compute Arrears for a retrospective period, by defining the effective date of such revisions or increments. Consider the following scenarios to understand the steps involved in processing Salary revisions / Arrears calculation in Tally.ERP 9.

- Salary Revision / Arrear Calculation for Prior Period
- Salary Revision / Arrear Calculation for Current Period

### Salary Revision / Arrear Calculation for Prior Period

Tally.ERP 9 allows you to record Arrear calculation voucher for all the eligible months separately or together with the current month payroll voucher. For instance, in the below Illustration, for the months from May 2009 to July 2009, the Payroll vouchers have been already processed and only the arrear calculation needs to be entered. In such cases, the Arrear calculation vouchers can be passed on the last day of each applicable month separately or a single voucher can be passed i.e., arrear calculation voucher for all preceding months (from May 2009 to July 2009) plus current month salaries, by defining the complete pay period i.e., 01-05-2009 to 31-08-2009.

#### Illustration 1:

*On 5th August, 2009 M/s. Spectrum Software Solutions revised the Salaries for the following Employees. Such a revision is effective from 1st May 2009.*

The revised Salary structure is as follows:

Employee / Pay Components	Basic	HRA	Conveyance	Variable Pay
Mahesh	50000	40%	2000	User-defined

Before processing the Payroll voucher for Salary revisions, it is essential to update the Salary Details of the Employee, so as to take into consideration the declared Salary Revision / arrear payment for/from the relevant period.

**Step 1: Modify / Alter Salary Details**

Go to **Gateway of Tally > Payroll Info. > Salary Details > Alter**

- Select **Mahesh** from the **List of Groups / Employees**
- Tab down to **End of List**, by pressing **Enter**
- Specify **01-05-2009** in the **Effective From** field and press **Enter**
- Select **Copy From Previous Value** from the **Start Type** drop down list

Effective From	Pay Head	Rate	Per	Pay Head Type	Calculation Type	Computed On
1-Apr-2009	Basic Pay	45,000.00	Months	Earnings for Employees	On Attendance	Basic Pay
	House Rent Allowance			Earnings for Employees	As Computed Value	
	Conveyance	1,000.00	Months	Earnings for Employees	Flat Rate	
	Overtime Pay			Earnings for Employees	On Production	
	Variable Pay			Earnings for Employees	As User Defined Value	
	Professional Tax			Employees' Statutory Deductions	As Computed Value	On Current Earnings Total
	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
	Gratuity Expenses (Provisional)			Gratuity		
	Employer EPS @ 8.33%			Employer's Statutory Contributions	As Computed Value	Basic Pay
	Employer EPF @ 3.67%			Employer's Statutory Contributions	As Computed Value	Employee's PF Contribution @ 12% + Employer EPS @ 8.33%
	Employer ESI @ 4.75%			Employer's Statutory Contributions	As Computed Value	(Basic Pay + House Rent Allowance) + Conveyance + Overtime Pay
	Staff Salary Advance				As User Defined Value	
1-May-2009	<b>Copy From Previous Value</b>					

Figure 8.1 Salary Details Alteration Screen

**Start Type Options:**



**Copy From Parent Value:** This option is selected, when the pay structure details of the Parent group (to which Employee Group, the employee is grouped under or falls) is required to be prefilled in the Salary details master.

**Copy From Previous Value** - This option is selected, when the pay structure details of the Employee for a preceeding period is required to be prefilled for a future period, in the Salary details master.

**Start Afresh:** This option is selected, when the pay structure details of the Employee has to be created newly.

- Press **Enter** to prefill the pay structure (comprising of Earning & Deduction Pay Heads) of the preceeding period for the specified period
- Press **Enter** on **Basic Pay** Pay Head and alter the amount to **50000**
- Tab down to **Conveyance** Pay Head and alter the amount to **2000**
- Press **Enter** to go to the **End of List**

The completed **Salary Details** screen is displayed as shown:

Salary Details Alteration		Spectrum Software Solutions			Ctrl + M	
Name : Mahesh (550)						
Under : Sales (Primary)						
Salary Details						
Effective From	Pay Head	Rate	Per	Pay Head Type	Calculation Type	Computed On
1-May-2009	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
	Gratuity Expenses (Provisional)			Gratuity	As Computed Value	Overtime Pay
	Employer EPS @ 8.33%			Employer's Statutory Contributions	As Computed Value	Basic Pay
	Employer EPF @ 3.67%			Employer's Statutory Contributions	As Computed Value	Employee's PF Contribution @ 12% - Employer EPS @ 8.33%
	Employer ESI @ 4.75%			Employer's Statutory Contributions	As Computed Value	{Basic Pay + House Rent Allowance} + Conveyance
	Staff Salary Advance			Loans and Advances	As User Defined Value	Overtime Pay
	Copy From Previous Value					
	Basic Pay	50,000.00	Months	Earnings for Employees	On Attendance	
	House Rent Allowance			Earnings for Employees	As Computed Value	Basic Pay
	Conveyance	2,000.00	Months	Earnings for Employees	Flat Rate	
	Overtime Pay			Earnings for Employees	On Production	
	Variable Pay			Earnings for Employees	As User Defined Value	
	Professional Tax			Employees' Statutory Deductions	As Computed Value	On Current Earnings Total
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	
Gratuity Expenses (Provisional)			Gratuity	As Computed Value	Overtime Pay	
Employer EPS @ 8.33%			Employer's Statutory Contributions	As Computed Value	Basic Pay	
Employer EPF @ 3.67%			Employer's Statutory Contributions	As Computed Value	Employee's PF Contribution @ 12% - Employer EPS @ 8.33%	
Employer ESI @ 4.75%			Employer's Statutory Contributions	As Computed Value	{Basic Pay + House Rent Allowance}	
Staff Salary Advance			Loans and Advances	As User Defined Value		

Figure 8.2 Completed Salary revision screen

- Press **Enter** to accept

## Step 2: Arrear Calculation Voucher

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

- Press **Ctrl+F4** for **Payroll Voucher**
- Press **Alt+A** (Payroll Auto Fill) to prefill employee payroll details
- In the **Payroll Auto Fill** subscreen
  - Select **Salary** in the **Process for** field
  - Specify **1-5-2009** and **31-7-2009** in the **From** and **To** fields respectively
  - Select **Mahesh** as **Employee/Group**
  - Select **Salary Payable** in the **Payroll Ledger** field

The completed Auto Fill subscreen is displayed as shown:

<u>Payroll Auto Fill</u>	
Process for	: Salary
From (blank for beginning)	: 1-5-2009
To (blank for end)	: 31-7-2009
Employee Category	: Primary Cost Category
Employee/Group	: Mahesh
Payroll Ledger	: <b>Salary Payable</b>

Figure 8.3 Payroll Auto Fill subscreen

- Press **Enter** to automatically prefill the salary arrear amounts for the selected period



The completed Payroll Voucher for **Arrear calculation** is displayed as shown:

Payroll Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Payroll</b>	No. 11			31-Jul-2009 Friday
<i>Payroll Auto Fill - (Salary)</i>				
Account : <b>Salary Payable</b> Cur Bal: 0.00 Cr				
Particulars				Amount
<b>Primary Cost Category</b>				<u>21,309.00 Dr</u>
<b>Mahesh</b>				<u>21,309.00 Dr</u>
Basic Pay	13,078.00	Dr	Cur Bal: 1,56,732.00 Dr	
House Rent Allowance	5,231.00	Dr	Cur Bal: 62,693.00 Dr	
Conveyance	3,000.00	Dr	Cur Bal: 7,000.00 Dr	
Overtime Pay		Dr	Cur Bal: 0.00 Dr	
Variable Pay		Dr	Cur Bal: 1,000.00 Dr	
Professional Tax		Cr	Cur Bal: 0.00 Cr	
Employee's PF Contribution @ 12%		Cr	Cur Bal: 0.00 Cr	
Employee's ESI Contribution @ 1.25%		Cr	Cur Bal: 0.00 Cr	
Staff Salary Advance		Cr	Cur Bal:	
Narration:				21,309.00 Dr
Arrears Paid for Pay Period : 1-May-2009 to 31-Jul-2009				
				<div style="border: 1px solid black; padding: 5px; display: inline-block;"> <b>Accept ?</b>                      Yes or No                 </div>

Figure 8.4 Payroll Voucher – Arrear calculation

- Press **Enter** to Accept

### Step 3: Payment of Arrears

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

- Press **F5** for **Payment** Voucher
- Press **F2**, specify the date as **05-08-2009** and press **Enter**
- Press **Alt+A** (Payroll Auto Fill) to prefill payroll payment details
- In the **Payroll Auto Fill** subscreen,
  - Select **Salary Payment** in the **Process** for field
  - Specify **1-5-2009** and **31-7-2009** in the **From** and **To** fields respectively
  - Specify **05-08-2009** as **Voucher Date**
  - Select **Primary Cost Category** under **Employee Category**
  - Select **Mahesh** in **Employee/Group** field
  - Select **HDFC Bank** in the **Bank / Cash Ledger**
  - Select **Salary Payable** in the **Payroll Ledger** field
  - Press **Enter** to accept the screen
- Press **Enter** to prefill the salary arrears amount for the selected period

The completed **Salary Arrears** Payment voucher of Mahesh for the period from May 2009 to July 2009 is displayed as shown:

Accounting Voucher Creation		Spectrum Software Solutions	Ctrl + M
<b>Payment</b>	No. 15		31-Jul-2009 Friday
Account : <b>HDFC Bank</b>			
Cur Bal: 6,04,338.98 Dr			
Particulars		Amount	
<b>Salary Payable</b>		21,309.00	
Cur Bal: 0.00 Dr			
Primary Cost Category			
Mahesh 21,309.00 Dr			
Narration:		21,309.00	
Ch. No. :234765, Salary Arrear Payment for Mahesh.			
		Accept ?	
		Yes or No	

Figure 8.5 Salary Arrears Payment Voucher

- Press **Enter** to Accept.



*The Salary Arrears / Increments may result in increase in Earning Pay components which in turn may result in an increase in the tax liability i.e., an increase in Basic Pay will result in an increase in HRA and such additional income will be liable to Income Tax or Payroll taxes viz., PF, ESI and PT. The procedure to make payments of PF, ESI or PT has been discussed in the previous chapters.*

## Salary Revision / Arrear Calculation for current Period

### Illustration 2:

*On 15th August 2009, M/s. Spectrum Software Solutions revised the Salaries for the following Employees. Such revision is effective from the current month i.e., August 2009.*

The revised Salary structure is as follows:

Employee / Pay Components	Basic	HRA	Conveyance	Variable Pay
Ajay	11000	30%	2000	User-defined

The Attendance records for August 2009 is as follows:

Attendance/ Production Types	Vijay Kumar	Rahul	Mahesh	Ajay	Suresh	Rajesh
Present Days	26	22	25	26	26	26

Before processing the Payroll voucher for Salary revisions, it is essential to update the Salary Details of the Employee to take effect the declared Salary Revision / arrear payment for/from the relevant period.

### Step 1: Modify / Alter Salary Details

Go to **Gateway of Tally > Payroll Info. > Salary Details > Alter**

- Select **Ajay** from the **List of Groups / Employees**
- Tab down to **End of List**, by pressing **Enter**
- Specify **01-08-2009** in the **Effective From** field and press **Enter**
- Select **Copy From Previous Value** from the **Start Type** drop down list

The Salary Details Alteration screen is displayed as shown:

Salary Details Alteration						
Spectrum Software Solutions						
Name : Ajay (551)						
Under : Sales ( <sup>1</sup> Primary)						
Salary Details						
Effective From	Pay Head	Rate	Per	Pay Head Type	Calculation Type	Computed On
1-Apr-2009	Basic Pay	10,000.00	Months	Earnings for Employees	On Attendance	Basic Pay
	House Rent Allowance	20.00	%	Earnings for Employees	As Computed Value	
	Conveyance	2,000.00	Months	Earnings for Employees	Flat Rate	
	Overtime Pay	100.00	Hrs	Earnings for Employees	On Production	
	Variable Pay			Earnings for Employees	As User Defined Value	
	Professional Tax			Employees' Statutory Deductions	As Computed Value	
	Employee's PF Contribution @ 12%			Employees' Statutory Deductions	As Computed Value	
	Employee's ESI Contribution @ 1.75%			Employees' Statutory Deductions	As Computed Value	
	Gratuity Expenses (Provisional)			Gratuity	As Computed Value	
	Employer EPS @ 8.33%			Employer's Statutory Contributions	As Computed Value	
	Employer EPF @ 3.67%			Employer's Statutory Contributions	As Computed Value	
	Employer ESI @ 4.75%			Employer's Statutory Contributions	As Computed Value	
	Staff Salary Advance				As User Defined Value	
	1-Aug-2009	Copy From Previous Value				

Figure 8.6 Salary Details Alteration screen

**StartType Options**



- **Copy From Parent Value:** This option is selected, when the pay structure details of the Parent group (to which Employee Group, the employee is grouped under or falls) is required to be prefilled in the Salary details master.
- **Copy From Previous Value** - This option is selected, when the pay structure details of the Employee for a preceeding period is required to be prefilled for a future period, in the Salary details master.
- **Start Afresh:** This option is selected, when the pay structure details of the Employee has to be created newly.

- Press **Enter** to prefill the pay structure (comprising of Earning & Deduction Pay Heads) of the preceeding period for the specified period
- Press **Enter** on **Basic Pay** Pay Head and alter the amount to **11000**
- Press **Enter** on **HRA** Pay Head and alter the percentage to **30%** (To alter the percentage, ensure in **F12: Configure, Allow to Override Slab Percentage** is set to **Yes**)
- Tab down to **Conveyance** Pay Head and alter the amount to **2000**

- Press **Enter** to go to the **End of List**

The completed **Salary Details** screen is displayed as shown:

Salary Details Alteration							Spectrum Software Solutions		Ctrl + M	
Name : Ajay (551)										
Under : Sales ( Primary)										
Salary Details										
Effective From	Pay Head	Rate	Per	Pay Head Type	Calculation Type	Computed On				
1-Aug-2009	House Rent Allowance	20.00	%	Earnings for Employees	As Computed Value	Basic Pay				
	Conveyance	2,000.00	Months	Earnings for Employees	Flat Rate	Basic Pay				
	Overtime Pay	100.00	Hrs	Earnings for Employees	On Production	Basic Pay				
	Variable Pay			Earnings for Employees	As User Defined Value	Basic Pay				
	Professional Tax			Employees' Statutory Deductions	As Computed Value	On Current Earnings Total				
	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				
	Gratuity Expenses (Provisional)			Gratuity	As Computed Value	Basic Pay				
	Employer EPS @ 8.33%			Employer's Statutory Contributions	As Computed Value	Employee's PF Contribution @ 12% - Employer EPS @ 8.33%				
	Employer EPF @ 3.67%			Employer's Statutory Contributions	As Computed Value	[(Basic Pay + House Rent Allowance) + Conveyance] + Overtime Pay				
	Employer ESI @ 4.75%			Employer's Statutory Contributions	As Computed Value	Basic Pay				
	Staff Salary Advance			Loans and Advances	As User Defined Value	Basic Pay				
	Copy From Previous Value					Basic Pay				
	Basic Pay		11,000.00	Months	Earnings for Employees	On Attendance	Basic Pay			
	House Rent Allowance		30.00	%	Earnings for Employees	As Computed Value	Basic Pay			
	Conveyance		2,000.00	Months	Earnings for Employees	Flat Rate	Basic Pay			
	Overtime Pay		100.00	Hrs	Earnings for Employees	On Production	Basic Pay			
Variable Pay				Earnings for Employees	As User Defined Value	Basic Pay				
Professional Tax				Employees' Statutory Deductions	As Computed Value	On Current Earnings Total				
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				
Gratuity Expenses (Provisional)				Gratuity	As Computed Value	Basic Pay				
Employer EPS @ 8.33%				Employer's Statutory Contributions	As Computed Value	Employee's PF Contribution @ 12% - Employer EPS @ 8.33%				
Employer EPF @ 3.67%				Employer's Statutory Contributions	As Computed Value	[(Basic Pay + House Rent Allowance) + Conveyance] + Overtime Pay				
Employer ESI @ 4.75%				Employer's Statutory Contributions	As Computed Value	Basic Pay				
Staff Salary Advance				Loans and Advances	As User Defined Value	Basic Pay				

Figure 8.7 Completed Salary Alteration screen

- Press **Enter** to Accept

**Step 2: Record Attendance**

Record **Attendance** voucher in the manner as explained in previous chapters.

The completed Attendance Voucher for August 2009 is displayed as shown:

Attendance Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Attendance</b> No. 8				31-Aug-2009 Monday
Employee Name	Attendance/Production Type		Value	Unit
Ajay	Present	Cur Bal: 111 Days	26	Days
Mahesh	Present	Cur Bal: 108 Days	25	Days
Rahul	Present	Cur Bal: 109 Days	22	Days
Rajesh	Present	Cur Bal: 67 Days	26	Days
Suresh	Present	Cur Bal: 70 Days	26	Days
Vijay Kumar	Present	Cur Bal: 129 Days	26	Days
Narration: Attendance for the month of August 2009.				Accept ? Yes or No

Figure 8.8 Completed Attendance Voucher

### Step 3: Process Payroll Voucher

Effective August 2009, the revised salary for Ajay will be computed automatically, while processing Payroll voucher for the month of August along with the other employees or you may also choose to process Ajay’s Payroll voucher separately, if required.

#### Go to Gateway of Tally > Payroll Vouchers

- Press **Ctrl+F4** for **Payroll Voucher**
- Press **Alt+A** (Payroll Auto Fill) to prefill employee payroll details
- In the **Payroll Auto Fill** subscreen
  - Select **Salary** in the **Process for** field
  - Specify **1-8-2009** and **31-8-2009** in the **From** and **To** fields respectively
  - Select **Ajay** in the **Employee/Group** field
  - Select **Salary Payable** in the **Payroll Ledger** field
  - Press **Enter** to accept the screen
- Press **Enter** to prefill the salary amount (inclusive of increment amount) for the current period



The completed **Payroll Voucher** for August 2009 is displayed as shown:

Payroll Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Payroll</b>	No. 12			31-Aug-2009 Monday
Account : <b>Salary Payable</b>		Payroll Auto Fill - (Salary)		
Cur Bal: 0.00 Cr				
Particulars				Amount
↑ ... 1 more				
<b>Ajay</b>				<b>15,320.00 Dr.</b>
Basic Pay	11,000.00	Dr	Cur Bal: 43,692.00 Dr	
House Rent Allowance	3,300.00	Dr	Cur Bal: 9,838.00 Dr	
Conveyance	2,000.00	Dr	Cur Bal: 10,000.00 Dr	
Overtime Pay		Dr	Cur Bal: 2,400.00 Dr	
Variable Pay		Dr	Cur Bal: 1,200.00 Dr	
Professional Tax	200.00	Cr	Cur Bal: 200.00 Cr	
Employee's PF Contribution @ 12%	780.00	Cr	Cur Bal: 780.00 Cr	
Employee's ESI Contribution @ 1.25%		Cr	Cur Bal: 0.00 Cr	
Staff Salary Advance		Cr	Cur Bal:	
				<u>68,328.00 Dr</u>
<b>Mahesh</b>				
Basic Pay	48,077.00	Dr	Cur Bal: 2,04,809.00 Dr	
House Rent Allowance	19,231.00	Dr	Cur Bal: 81,924.00 Dr	
Conveyance	2,000.00	Dr	Cur Bal: 9,000.00 Dr	
Overtime Pay		Dr	Cur Bal: 0.00 Dr	
Variable Pay		Dr	Cur Bal: 1,000.00 Dr	
Professional Tax	200.00	Cr	Cur Bal: 200.00 Cr	
Employee's PF Contribution @ 12%	780.00	Cr	Cur Bal: 780.00 Cr	
Employee's ESI Contribution @ 1.25%		Cr	Cur Bal: 0.00 Cr	
Staff Salary Advance		Cr	Cur Bal:	
				<u>22,712.00 Dr</u>
<b>Rahul</b>				
Basic Pay	16,923.00	Dr	Cur Bal: 83,847.00 Dr	
				<u>1,33,412.00 Dr</u>
Narration:				
Pay Period : 1-Aug-2009 to 31-Aug-2009				
				39 more ... ↓

Figure 8.9 Completed Payroll Voucher

You may process Employer and Employee's contribution to Provident Fund and Employee's State Insurance and payment of Profession Tax in the manner as discussed in the earlier chapters.

## Lesson 9: Processing Payroll for Contract Employees

On completion of this lesson, you will be able to:

- Process Salaries for Contract Employees

Tally.ERP 9 provides a simplified process for tracking and processing salaries for casual and contract workers and helps in the generation of contract related reports. Tally.ERP 9 allows you to process salaries for contractual employees for their services rendered during the agreed tenure. You may compute salaries on hourly or production basis as agreed upon, by defining the required criteria for the Pay components.

In this Chapter, we will discuss the recording of transactions related to computation of salaries for Contractual employees.

### Illustration 1:

*On 5th August 2009, M/s. Spectrum Software Solutions hired two persons on contract.*

*The list of employees along with the contract details is as follows:*

S. No.	Name of Employee	Department / Group	Tenure	Start Date	End Date
1	James	Contract Employees	6 Months	5 Aug 09	5 Feb 10
2	Vineet	Contract Employees	9 Months	5 Aug 09	5 May 10



**The Salary details for the above contract employees is as shown:**

Employee / Pay Heads	Basic Wages	Overtime	Local Conveyance
James	2000	50 / hr	On Actuals
Vineet	2500	50 / hr	On Actuals

The same is accounted for as shown:

In Tally.ERP 9, execute the following steps to process Salaries for Contract Employees:

- Create Employee Masters
- Create Pay Heads
- Record Attendance details
- Create Salary Details
- Process Payroll

## Create Employee Masters

As discussed in the earlier chapters, you need to create the following Employee Masters to:

1. Employee Group
2. Employees

### I. Create Employee Group Master

Create a new Group **Contract Employees** by executing the following steps:

Go to **Gateway of Tally > Payroll Info. > Employee Groups > Create**

- Select **Primary Cost Category** from the **List of Categories** in the **Category** field
- Type **Contract Employees** in the **Name** field
- Select **Primary** in the **Under** field and press **Enter**

The completed **Employee Group Creation** screen is displayed as shown:

The screenshot shows the 'Employee Group Creation' window with the following data:

Category	: Primary Cost Category
Name	: Contract Employees
(alias)	:
Under	: Primary

Accept ?  
Yes or No

Figure 9.1 Completed Employee Group Creation

- Press **Enter** to **Accept**

## II. Create Employee Master

Go to **Gateway of Tally > Payroll Info. > Employees > Create**

- Select **Primary Cost Category** from the **List of Categories** in the **Category** field
- Type the Name of the Employee in the **Name** field
- Select **Contract Employees** in the **Under** field
- Type the Date of Joining as **05-08-2009**
- Enter the other Employee Information.

The completed **Employee Creation** screen is displayed as shown:

Employee Creation		Spectrum Software Solutions		Ctrl + M	
Category	: Primary Cost Category				
Name	: James				
(alias)	:				
Under	: Contract Employees				
	(J Primary)				
Date of Joining	: 5-Aug-2009				
<b>General Info</b>		<b>Payment Details</b>		<b>Passport &amp; Visa Details</b>	
Employee Number	: 555	Bank Name	: HDFC Bank	Passport Number	:
Designation	: Executive	Branch	: Koramangala	Country of Issue	:
Function	: Sales	Bank A/c Number	: 001453524377	Passport Expiry Date	:
Location	: Bangalore	<b>Statutory Details</b>		Visa Number	:
Gender	: Male	Income Tax Number (PAN)	: APD2435U5	Visa Expiry Date	:
Date of Birth	: 4 Jun-1978	EPS Account Number	:	<b>Contract Details</b>	
Blood Group	: A Positive	PF Account Number	:	Work Permit Number	:
Father / Mother Name	: Mr. Anderson	PF Date of Joining	:	Contract Start Date	: 5-Aug-2009
Spouse Name	:	ESI Number	:	Contract Expiry Date	: 5-Feb-20
Address	:	ESI Dispensary Name	:		
Contact Numbers	:				<b>Accept ?</b>
E-Mail ID	: james@spectrum.com				<b>Yes or No</b>

Figure 9.2 Employee Creation screen

Similarly, create other Employee Masters i.e., **Vineet**.

## Create Pay Heads

Create the following Pay Heads:

Pay Head	Pay Head Type	Under	Affect Net Salary	Calculation Type	Calculation Period
Basic Wages	Earnings for Employees	Indirect Expenses	Yes	on Attendance	Months
Overtime	Earnings for Employees	Indirect Expenses	Yes	on Production	Months
Local Con-veyance	Reimbursements to Employees	Indirect Expenses	Yes	As User Defined Value	-

**i. Create Basic Wages Pay Head**

Go to **Gateway of Tally > Payroll Info. > Pay Heads > Create**

The completed **Basic Wages** Pay Head creation screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions		Total Op. Bal.
Name	: Basic Wages			
(alias)	:			
<p style="text-align: center;"><b>Pay Head Info</b></p> Pay Head Type : <b>Earnings for Employees</b> Under : <b>Indirect Expenses</b>  Affect Net Salary ? <b>Yes</b> Name to appear in Payslip : <b>Wages</b> Use for Gratuity ? <b>No</b> Calculation Type : <b>On Attendance</b> Attendance / Leave with Pay : <b>Not Applicable</b> Leave without Pay : <b>Absent</b>  Calculation Period : <b>Months</b> Per Day Calculation Basis : <b>User Defined</b> <b>Months</b> of <b>26</b> <b>Days</b>				
<p style="text-align: center;"><b>Rounding Info</b></p> Rounding Method : <b>Normal Rounding</b> Limit : <b>1</b>				
Opening Balance ( on 1-Apr-2009 ) :				<b>Accept ?</b> <b>Yes or No</b>

Figure 9.3 Pay Head Creation – Basic Wages

- Press **Enter** to **Accept**.

Similarly, create **Overtime Pay Head** with **On Production** as the Attendance Type.

**ii. Create Local Conveyance Pay Head**

The completed **Local Conveyance** Pay Head Creation screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions	
Name	: Local Conveyance	<u>Total Op. Bal.</u>	
(alias)	:		
<b>Pay Head Info</b>			
Pay Head Type	: Reimbursements to Employees		
Under	: Indirect Expenses		
Affect Net Salary	? Yes		
Name to appear in Payslip	: Conveyance		
Calculation Type	: As User Defined Value		
Opening Balance ( on 1-Apr-2009 ) :		Accept ?	
		Yes or No	

Figure 9.4 Pay Head Creation – Local Conveyance

- Press **Enter** to Accept.

**iii. Salary Details setup**

Create the salary details for the above contract employees as discussed in the earlier chapters.

The completed **Salary Details** creation screen for James is displayed as shown.

Effective From	Pay Head	Rate	Per	Pay Head Type	Calculation Type	Computed On
5-Aug-2009	Basic Wages	2,000.00	Months	Earnings for Employees	On Attendance	
	Overtime Pay	50.00	Hrs	Earnings for Employees	On Production	
	Local Conveyance			Reimbursements to Employees	As User Defined Value	

Figure 9.5 Salary Details creation screen

- Press **Enter** to Accept.

Similarly, create the Salary Details for **Vineet**.

### Record Attendance details

The Attendance and Overtime Details for Contract Employees for August 2009 is as shown.

Attendance/Production Type	James	Vineet
Absent	1	2
Overtime	15 Hrs	17 Hrs

#### Step 1: Create Attendance Voucher

Go to **Gateway of Tally > Payroll Vouchers > Press Ctrl+F5 for Attendance Vouchers**

The completed Attendance Voucher for the Contract Employees is displayed as shown:

Attendance Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Attendance</b> No. 9				31-Aug-2009 Monday
Employee Name	Attendance/Production Type	Value	Unit	
James	Absent	Cur Bal: 1 Days	1 Days	
Vineet	Absent	Cur Bal: 2 Days	2 Days	
Narration: Attendance details for contract employees for Aug 2009.				Accept ? Yes or No

Figure 9.6 Completed Attendance Voucher

- Press **Enter** to Accept

**Step 2: Create Production Voucher**

Go to **Gateway of Tally > Payroll Vouchers > Press Ctrl+F5 for Attendance Vouchers**

The **Production Voucher** for Overtime hours is displayed as shown:

Attendance Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Attendance</b> No. 10				31-Aug-2009 Monday
Employee Name	Attendance/Production Type		Value	Unit
James	Overtime	Cur Bal: 15- 0.00 Hrs	15 Hrs	
Vineet	Overtime	Cur Bal: 17- 0.00 Hrs	17 Hrs	
Narration: Overtime details for contract employees for August 2009.				Accept ? Yes or No

Figure 9.7 Completed Production Voucher

- Press **Enter** to Accept.

## Process Payroll

*On 31st August 2009, M/s. Spectrum Software Solutions processed salaries for the contract employees through Cash. The Local Conveyance for August 2009 is as follows:*

Reimbursements Particulars	James	Vineet
Local Conveyance	1250	1225

*The same is accounted as shown:*

### Create Payroll Voucher

Go to **Gateway of Tally > Payroll Vouchers > Press Ctrl+F4 for Payroll Voucher**



The completed **Payroll Voucher** for Contract Employees for the month of August 2009 will appear as shown:

Payroll Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Payroll</b>	No. 15			31-Aug-2009 Monday
Account : <b>Cash</b>				<i>Cur Bal: 1,13,660.00 Dr</i>
<b>Particulars</b>				<b>Amount</b>
<b>Primary Cost Category</b>				<b>7,613.00 Dr</b>
<b>James</b>				<b>3,615.00 Dr</b>
Basic Wages	1,615.00 Dr	<i>Cur Bal: 1,615.00 Dr</i>		
Overtime Pay	750.00 Dr	<i>Cur Bal: 750.00 Dr</i>		
Local Conveyance	1,250.00 Dr	<i>Cur Bal: 1,250.00 Dr</i>		
<b>Vineet</b>				<b>3,998.00 Dr</b>
Basic Wages	1,923.00 Dr	<i>Cur Bal: 1,923.00 Dr</i>		
Overtime Pay	850.00 Dr	<i>Cur Bal: 850.00 Dr</i>		
Local Conveyance	1,225.00 Dr	<i>Cur Bal: 1,225.00 Dr</i>		
Narration:				<b>7,613.00 Dr</b>
Pay Period : 1-Aug-2009 to 31-Aug-2009				
				<b>Accept ?</b>
				<b>Yes or No</b>

Figure 9.8 Completed Payroll Voucher

- Press **Enter** to **Accept**.



## Lesson 10: Payroll Reports

Payroll Reports help you ascertain the payroll expenses for a specified month or for year-to-date (YTD) transactions for a particular employee/ group along with the Attendance and Production details. You can also view the statutory forms required for Provident Fund and Employee State Insurance. In Tally.ERP 9, the Payroll reports can be broadly categorized into two viz.,

- Payroll Reports
- Payroll Statutory Reports

## Payroll Reports

In Tally.ERP 9, you can generate the following Payroll related reports.

### Chart showing Payroll Reports in Tally.ERP 9

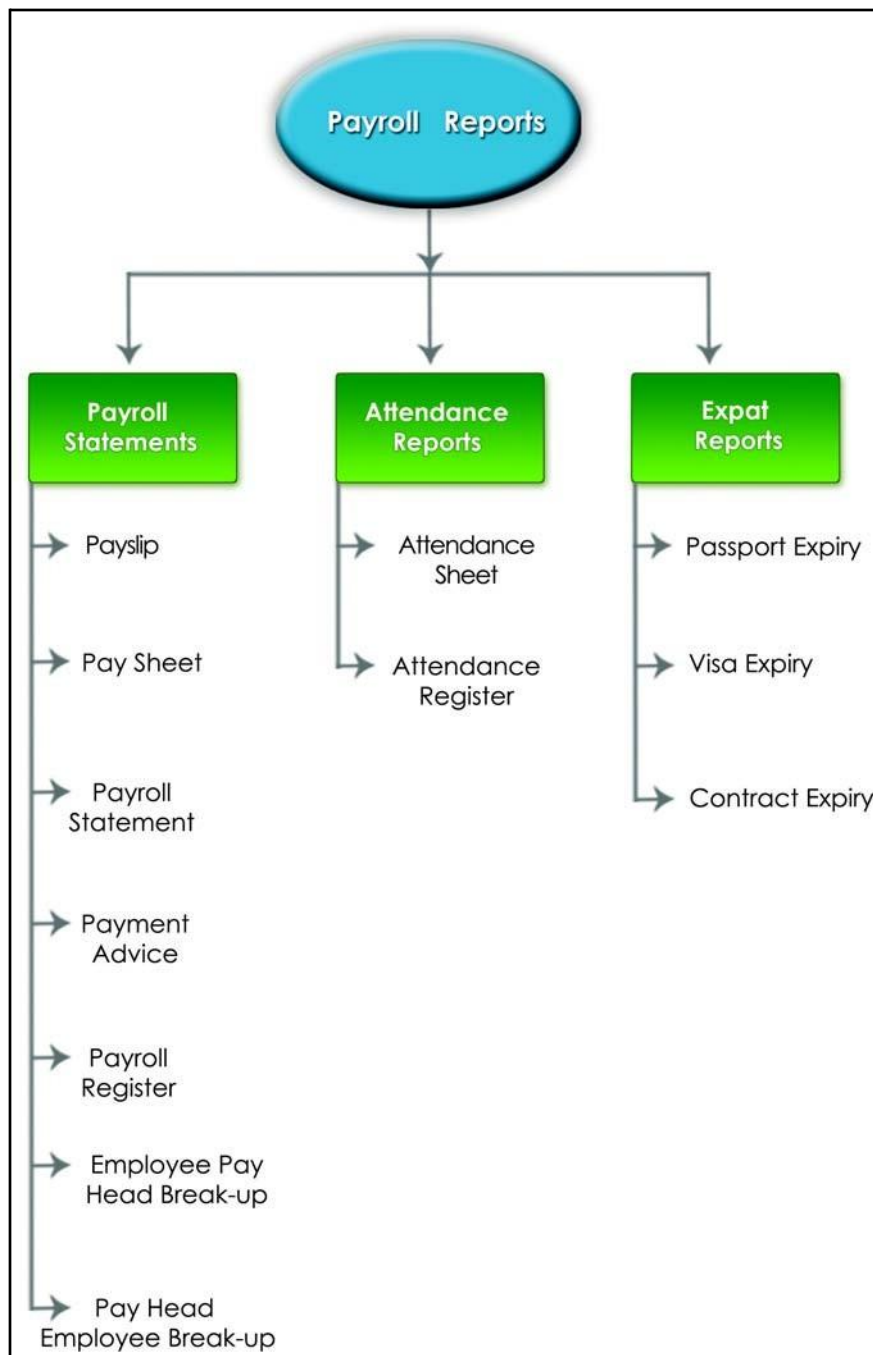


Figure 10.1 Payroll Reports in Tally.ERP 9

We shall discuss each report in detail in the sections as explained below:

### Pay Slip

A Pay Slip refers to a document issued to an employee, which itemises each component of his/her earnings and deductions and the net amount paid for a given pay period. It provides particulars on how the net amount has been arrived at i.e., how much money has been earned and how much tax / deductions have been made.

### Display Pay Slip

Go to **Gateway of Tally > Display > Payroll Reports > Statements of Payroll > Pay Slip > Single Pay Slip**

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

The **Pay Slip** for the selected employee is displayed as shown:

Attendance Details		Value	
Overtime		15- 0.00 Hrs	
Present		26 Days	

Earnings	Amount	Gross Salary	Deductions	Amount	Gross Salary
Basic	10,000.00	10,000.00	Professional Tax	200.00	200.00
House Rent Allowance	4,000.00	4,000.00	EPF @ 12%	780.00	780.00
Conveyance	800.00	800.00			
Overtime Pay	825.00	825.00			
Variable Pay	1,500.00	1,500.00			
<b>Total Earnings</b>	<b>17,125.00</b>	<b>17,125.00</b>	<b>Total Deductions</b>	<b>980.00</b>	<b>980.00</b>
			<b>Net Amount</b>	<b>16,145.00</b>	<b>16,145.00</b>

Figure 10.2 Pay Slip

In Tally.ERP 9 Payroll, the Pay Slip can be configured to vertically display the details of attendance, in terms of attendance or production, with **Year to Date** Values (YTD).

- Press **F12: Configure** and set the following options to **Yes**

<u>Configuration</u>	
Show Vertical Pay Slip	? No
Show Employee Details	? <b>Yes</b>
Show Passport Details	? <b>Yes</b>
Show Visa Expiry Date	? <b>Yes</b>
Show Joining Date	? <b>Yes</b>
Show Attendance/Production Details	? <b>Yes</b>
Show Attendance/Production Groups	? <b>Yes</b>
Display Production Types in Tail Units	? No
Show Year To Date Values	? <b>Yes</b>
Show Gross Salary	? No
Remove Zero Entries	? No
for Attendance/Production also	? <b>Yes</b>
Appearance of Employee Names	: Name Only
Appearance of Pay Head Names	: Payslip Name

Figure 10.3 Pay Slip F12: Configuration screen



*Some of the options in **F12: Configuration** screen, are by default set to **Yes** viz., **Show Employee Details, Show Attendance/Production Details, Show Attendance/Production Groups, Remove Zero Entries for Attendance/Production also** based on the Payroll Features / Payroll Statutory features enabled during voucher entry.*

The **F12:Configuration** options in Pay Slip are explained as follows:

- **Show Vertical Pay Slip** – Set this option to **Yes** to view / print the Pay Slip in vertical format, i.e. align Deductions pay heads below Earnings pay heads
- **Show Employee Details** – Set this option to **Yes** to display employee information as entered in the employee master
- **Show Passport Details** – Set this option to **Yes** to display an employee's passport details
- **Show Visa Expiry Date** – Set this option to **Yes** to display an employee's visa expiry date
- **Show Joining Date** – Set this option to **Yes** to display the date of joining for Employee
- **Show Attendance/Production Details** – Set this option to **Yes** to display Attendance/Production information
- **Show Attendance/Production Groups** – Set this option to **Yes** to display the grouping of the Attendance/Production data as defined during the creation of **Types**
- **Display Attendance/Production Type in Tail Units** – For compound units used in Attendance/Production Type, set this option to **Yes**, to display the value of the Attendance/Production details in the Tail unit. If this option is set to **No**, the Production units will display in primary units
- **Show Year To Date values** – Set this option to **Yes** to display the cumulative value of Attendance/Production records and Earnings /Deductions for any given period
- **Show Gross Salary** - Set this option to **Yes** by setting the '**Show Year To Date values**' to **No**, to view Gross Earnings and Deductions for any given period
- **Remove Zero Entries** – Set this option to **Yes** to remove the Earnings/ Deductions components with Zero value from the Pay Slip
- **For Attendance/Production also** – Set this option to **Yes** to remove Attendance/ Production records with zero values from the Pay Slip
- **Appearance of Employee Names** – Select the appropriate name style to appear in the Pay Slip (i.e., Alias (Name), Alias only, Name (Alias), Name only)
- **Appearance of Pay Head Names** – Select the appropriate name style to appear for each Pay Head in Pay Slip (i.e. Alias(Name), Alias only, Name(Alias), Name Only, Pay Slip Name)



The **Pay Slip** with the above configurations is displayed as shown:

Payslip						Spectrum Software Solutions		Ctrl + M			
<u>Payslip for April-2009</u>											
<b>Vijay Kumar</b>											
Employee Number : 549		Function : Administration		Designation : Manager		Location : Bangalore		Bank Details : 001254624565, HDFC Bank, Koramangala		Date of Joining : 1-Apr-2009	
				Income Tax Number (PAN) : APD192D4D		PF Account Number : KA/BN/18184/563		ESI Number :		Passport Details : IND/BN/PASS130/005	
				Bank Details : 001254624565, HDFC Bank, Koramangala		ESI Number :		Passport Details : IND/BN/PASS130/005		Visa Expiry Date :	
				Date of Joining : 1-Apr-2009		Visa Expiry Date :					
Attendance Details		Apr-09		YTD							
Overtime		900.00 Mins		900.00 Mins							
Present		26 Days		26 Days							
Earnings		Apr-09		YTD		Deductions		Apr-09		YTD	
Basic		10,000.00		10,000.00		Professional Tax		200.00		200.00	
House Rent Allowance		4,000.00		4,000.00		EPF @ 12%		780.00		780.00	
Conveyance		800.00		800.00							
Overtime Pay		825.00		825.00							
Variable Pay		1,500.00		1,500.00							
<b>Total Earnings</b>		<b>17,125.00</b>		<b>17,125.00</b>		<b>Total Deductions</b>		<b>980.00</b>		<b>980.00</b>	
						<b>Net Amount</b>		<b>16,145.00</b>		<b>16,145.00</b>	

Figure 10.4 Pay Slip with YTD values

The Pay Slip now displays the Attendance with Present / Overtime details, Year to Date balance, and so on. To view the Pay Slip in vertical form, press **F12: Configure** and set **Show Vertical Pay Slip** to **Yes**.

The **Vertical Pay Slip** is displayed as shown:

Payslip			Spectrum Software Solutions		Ctrl + M
<b>Payslip for April-2009</b>					
<b>Vijay Kumar</b>					
Employee Number	: 549	Income Tax Number (PAN)	: APD192D4D		
Function	: Administration	PF Account Number	: KA/BN/18184/563		
Designation	: Manager	ESI Number	:		
Location	: Bangalore	Passport Details	: IND/BN/PASS130/005		
Bank Details	: 001254624565, HDFC Bank, Koramangala	Visa Expiry Date	:		
Date of Joining	: 1-Apr-2009				
<b>Attendance Details</b>	<b>Apr-09</b>	<b>YTD</b>			
Overtime	900.00 Mins	900.00 Mins			
Present	26 Days	26 Days			
<b>Earnings</b>	<b>Apr-09</b>	<b>YTD</b>			
Basic	10,000.00	10,000.00			
House Rent Allowance	4,000.00	4,000.00			
Conveyance	800.00	800.00			
Overtime Pay	825.00	825.00			
Variable Pay	1,500.00	1,500.00			
<b>Total Earnings</b>	<b>17,125.00</b>	<b>17,125.00</b>			
<b>Deductions</b>	<b>Apr-09</b>	<b>YTD</b>			
Professional Tax	200.00	200.00			
EPF @ 12%	780.00	780.00			
<b>Total Deductions</b>	<b>980.00</b>	<b>980.00</b>			
<b>Net Amount</b>	<b>16,145.00</b>	<b>16,145.00</b>			

Figure 10.5 Configured Pay Slip with Vertical Display

- You can view additional information in the Pay Slip, by pressing **Alt+F1**.

The detailed **Pay Slip** is displayed as shown:

Payslip			Spectrum Software Solutions		Ctrl + M
<b>Payslip for April-2009</b>					
<b>Vijay Kumar</b>					
Employee Number	: 549	Income Tax Number (PAN)	: APD192D4D		
Function	: Administration	PF Account Number	: KA/BN/18184/563		
Designation	: Manager	ESI Number	:		
Location	: Bangalore	Passport Details	: IND/BN/PASS130/005		
Bank Details	: 001254624565, HDFC Bank, Koramangala	Visa Expiry Date	:		
Date of Joining	: 1-Apr-2009				
<b>Attendance Details</b>		<b>Apr-09</b>	<b>YTD</b>		
Overtime		900.00 Mins	900.00 Mins		
Attendance 2	30-4-2009	1260.00 Mins			
			2 more ... ↓		
<b>Earnings</b>			<b>Apr-09</b>	<b>YTD</b>	
Basic			10,000.00	10,000.00	
Payroll	1 30-4-2009		10,000.00		
House Rent Allowance			4,000.00	4,000.00	
Payroll	1 30-4-2009		4,000.00		
Conveyance			800.00	800.00	
Payroll	1 30-4-2009		800.00		
<b>Total Earnings</b>			<b>17,125.00</b>	<b>17,125.00</b>	
<b>Deductions</b>			<b>Apr-09</b>	<b>YTD</b>	
Professional Tax			200.00	200.00	
Payroll	1 30-4-2009		200.00		
EPF @ 12%			780.00	780.00	
Payroll	1 30-4-2009		780.00		
<b>Total Deductions</b>			<b>980.00</b>	<b>980.00</b>	
<b>Net Amount</b>			<b>16,145.00</b>	<b>16,145.00</b>	

Figure 10.6 Detailed Pay Slip

The voucher number, date and the number of attendance or payroll records are displayed as shown in the above image. This is very useful when multiple attendance/payroll vouchers are entered for the same payroll period. You can drill down to the voucher level for reference or to effect an alteration by pressing **Enter** on the required record.



**Period Button** – By default, the Pay Slip for the current month is displayed. However, you can change the period by pressing **F2: Date** and defining the required date. This button can be used to display multiple period payroll information to view/print a consolidated Pay Slip.

**Employee Button** – From the existing Pay Slip of an employee, you can toggle between employees by pressing **F4: Employee**.



### Printing Pay Slip

- Press **Alt+P** from the **Pay Slip** screen, the **Printing Pay Slip** screen is displayed as shown:

Printing Pay Slip			
Printer	: Printer-02 (Ne03:)	Paper Type :	A4
No. of Copies	: 1		
Print Language	: English		(Printing Dimensions)
Method	: Neat Mode	Paper Size :	8.27" x 11.69" or (210 mm x 297 mm)
Page Range	: All	Print Area :	7.95" x 11.34" or (202 mm x 288 mm)
Report Titles			
<b>Pay Slip</b>			
(with Print Preview)			
<i>Without Date Range of Report, Without Page Numbers</i>			
Height of PaySlip (inches)	:	<b>10</b>	
Width of PaySlip (inches)	:	<b>7.50</b>	
Space to leave on top (default 0.25)	:	<b>0.25</b>	
Space to leave on left (default 0.5)	:	<b>0.50</b>	
Show Vertical Pay Slip	? <b>No</b>	Show Year To Date Values	? <b>Yes</b>
Show Employee Details	? <b>Yes</b>	Show Gross Salary	? <b>No</b>
Show Passport Details	? <b>Yes</b>	Remove Zero Entries	? <b>Yes</b>
Show Visa Expiry Date	? <b>Yes</b>	for Attendance/Production also	? <b>Yes</b>
Show Joining Date	? <b>Yes</b>	Appearance of Names	: <b>Na</b>
Show Attendance/Production Details	? <b>Yes</b>	Show Authorised Signatory	? <b>Yes</b>
Show Attendance/Production Groups	? <b>Yes</b>	Show Pay Slip Note	: <b>No</b>
Display Production Types in Tail Units	? <b>No</b>	Show Pay Slip Message	? <b>Yes</b>
			<b>Print ?</b>
			<b>Yes or No</b>

Figure 10.7 Pay Slip Print Configuration screen

Some of the configuration in the Printing screen, are similar to **F12: Configure** and can be configured from either of the screens. Additionally, the **Show Authorised Signatory** option is available in the above screen.

- In the **Printing Pay Slip** screen, press **Backspace** and enable the required option as required
- Press **Enter** to Print

#### Additional Options in the Pay Slip Printing screen:



- Show Pay Slip Note:** This option should be set to **Yes** if you want to print the **Pay Slip Note** to appear instead of Authorised Signatory details. The content of this Note can be modified from **F12: Configuration** screen from Gateway of Tally.
- Show Pay Slip Message:** This option should be set to **Yes** if you want to print the customised message on the Pay Slip for specific occasions. e.g. Happy new Year!!!!

The printed **Pay Slip** of Mr. Vijay Kumar is displayed as shown:

<b>Spectrum Software Solutions</b>					
14, Mysore Road, Bangalore					
<b>Payslip</b> for April-2009					
<b>Vijay Kumar</b>					
Employee Number : 549			Income Tax Number (PAN): APD192D4D		
Function : Administration			PF Account Number : KA/BN/18184/563		
Designation : Manager			ESI Number :		
Location : Bangalore			Passport Details : IND/BN/PASS130/005		
Bank Details : 001254624565, HDFC Bank, Koramangala			Visa Expiry Date :		
Date of Joining : 1-Apr-2009					
<hr/>					
<b>Attendance Details</b>		<b>Apr-09</b>	<b>YTD</b>		
Overtime		900.00 Mins	900.00 Mins		
Present		26 Days	26 Days		
<hr/>					
<b>Earnings</b>		<b>Apr-09</b>	<b>YTD</b>	<b>Deductions</b>	
Basic		10,000.00	10,000.00	Professional Tax	
House Rent Allowance		4,000.00	4,000.00	EPF @ 12%	
Conveyance		800.00	800.00		
Overtime Pay		825.00	825.00		
Variable Pay		1,500.00	1,500.00		
<b>Total Earnings</b>		<b>17,125.00</b>	<b>17,125.00</b>	<b>Total Deductions</b>	
				<b>980.00</b>	
				<b>Net Amount</b>	
				<b>16,145.00</b>	
				<b>16,145.00</b>	
<hr/>					
Amount (in words) :				<b>for Spectrum Software Solutions</b>	
Rs. Sixteen Thousand One Hundred Forty Five Only					
Authorised Signatory					

Figure 10.8 Printed Pay Slip

### Emailing Pay Slip

Go to **Gateway of Tally > Display > Payroll Reports > Statements of Payroll > Pay Slip > Single Pay Slip**

- Select the required Employee and press **Enter**
- Press **Alt+M**, the **Mailing Pay Slip** screen is displayed as shown:

Mailing Pay Slip			
E-Mail Server : Server Address : <i>(Name.Port, Default Port is 25)</i> Use SSL : <i>(Choose Yes, if using Secured SMTP Server)</i> Use SSL On Standard Port : <i>(Choose Yes, if using SSL on Default/Standard SMTP Port)</i> From : <i>Spectrum Software Solutions</i> From E-Mail Address : <i>sales@spectrum.com</i> Authentication User Name : <i>(Only if required)</i> Password : Format : <i>HTML (Web-Publishing)</i> Resolution : <i>1024 x 768</i>	To E-Mail Address : <b>vijay@spectrum.com</b> CC To (if any) : <b>None</b> Subject : <b>Pay Slip</b> Additional Text (if any) :  Information sent : <b>As Attachment</b>		
Show Vertical Pay Slip ? <b>No</b> Show Employee Details ? <b>Yes</b> Show Passport Details ? <b>Yes</b> Show Visa Expiry Date ? <b>Yes</b> Show Joining Date ? <b>Yes</b> Show Attendance/Production Details ? <b>Yes</b> Show Attendance/Production Groups ? <b>Yes</b> Display Production Types in Tail Units ? <b>No</b>	Show Year To Date Values ? <b>Yes</b> Show Gross Salary ? <b>No</b> Remove Zero Entries ? <b>No</b> for Attendance/Production also ? <b>Yes</b> Appearance of Names Show Authorised Signatory Show Pay Slip Note Show Pay Slip Message		
<table border="1" style="display: inline-table; border-collapse: collapse;"> <tr> <td style="padding: 5px;"><b>Mail ?</b></td> </tr> <tr> <td style="padding: 5px; color: red;">Yes or No</td> </tr> </table>		<b>Mail ?</b>	Yes or No
<b>Mail ?</b>			
Yes or No			

Figure 10.9 Mailing Pay Slip sub screen

- In the **Mailing Pay Slip** screen,
  - Specify the **SMTP Server Name** in the **Email Server** field
  - Press **Enter** to accept the **From & From E-mail Address** fields (The company name & Email id is defaulted from the company master, however you can modify the same)
  - Specify the **Authentication User Name** and **Password**, if required
  - Set **Use SSL** to **No**
  - Select **HTML (Web publishing)** in the **Format** field
  - Select the required **Resolution** from the Resolutions drop down
  - Press **Enter** to accept the **To Email Address** (The Employee address is defaulted from the Employee Master, however, you may modify as required)
  - Enter the other information as required

The completed **Mailing Pay Slip** configuration screen is displayed as shown:

Mailing Pay Slip			
E-Mail Server	: User defined	To E-Mail Address	: vijay@spectrum.com
Server Address	: smtp.spectrum.com	CC To (if any)	: None
(Name:Port, Default Port is 25)		Subject	: Pay Slip
Use SSL	: No	Additional Text (if any)	:
(Choose Yes, if using Secured SMTP Server)			
Use SSL On Standard Port	: No		
(Choose Yes, if using SSL on Default/Standard SMTP Port)			
From	: Spectrum Software Solutions	Information sent	: As Attachment
From E-Mail Address	: payroll@spectrum.com		
Authentication User Name:			
(Only if required)			
Password	:		
Format	: HTML (Web-Publishing)		
Resolution	: 1024 x 768		
Show Vertical Pay Slip	? No	Show Year To Date Values	? Yes
Show Employee Details	? Yes	Show Gross Salary	? No
Show Passport Details	? Yes	Remove Zero Entries	? No
Show Visa Expiry Date	? Yes	for Attendance/Production also	? Yes
Show Joining Date	? Yes	Appearance of Names	
Show Attendance/Production Details	? Yes	Show Authorised Signatory	<b>Mail ?</b> <b>Yes or No</b>
Show Attendance/Production Groups	? Yes	Show Pay Slip Note	
Display Production Types in Tail Units	? No	Show Pay Slip Message	

Figure 10.10 Completed Mailing Pay Slip sub screen

### **Mailing Pay Slip Configurations**

- **Email Server** – Name of the SMTP mail server should be specified.
- **From** - The From field is pre-filled with the name of your Company as specified in the Company Creation screen. You can change the same if you want some other name to be displayed.
- **From E-mail Address** is pre-filled with the Company's e-mail address as filled during the Company Creation.
- **Authentication User Name and Password** field should be filled if your SMTP Server needs Authentication for sending e-mails.
- **Use SSL** - This is set to **Yes** for the servers using the Secured Socket Layer protocol for extra security reasons.
- **Format** - you can select the format in which the Pay Slip should be viewed by the mail recipient.
- **Resolution** - appropriate resolution for the Emailed Pay Slip can be selected in this field.
- **To E-Mail Address** - this will be selected automatically if the e-mail address is provided in the Employee Master. Or else, you need to specify the same at the time of emailing.
- **CC To (if any)** - If you want the Pay Slip to be sent to another e-mail address, it can be specified here.
- **Subject** - specify the Subject of email to be seen by the user.
- **Additional Text (if any)** - This will appear in the body of the email that is sent.
- **Information Sent** - The option to send the E-mail as an Attachment or as a direct view can be selected here.

Other options are similar same as **Pay Slip Configurations**.

- Press **Enter** to Email the Pay Slip



The **Pay Slip** sent by e-mail when viewed from the mail box of the employee is as shown:

Pay Slip					
Spectrum Software Solutions 14, Mysore Road, Bangalore					
<u>Pay Slip for April-2009</u> Vijay Kumar					
Employee Number:	549	Income Tax Number (PAN):		APD192D4D	
Function:	Administration	PF Account Number:		KA/BN/18184/563	
Designation:	Manager	ESI Number:			
Location:	Bangalore	Passport Details:		IND/BN/PASS130/005	
Bank Details:	001254624565, HDFC Bank, Koramangala		Visa Expiry Date:		
Date of Joining:	1-Apr-2009				
<b>Attendance Details</b>					
	Apr-09	YTD			
Overtime	15- 0.00 Hrs	15- 0.00 Hrs			
Present	26 Days	26 Days			
<hr/>					
<b>Earnings</b>	<b>Apr-09</b>	<b>YTD</b>	<b>Deductions</b>	<b>Apr-09</b>	<b>YTD</b>
Basic	10,000.00	10,000.00	Professional Tax	200.00	200.00
House Rent Allowance	4,000.00	4,000.00	EPF @ 12%	780.00	780.00
Conveyance	800.00	800.00	ESI @ 1.75%		
Overtime Pay	825.00	825.00	Staff Salary Advance		
Variable Pay	1,500.00	1,500.00			
<b>Total Earnings</b>	<b>17,125.00</b>	<b>17,125.00</b>	<b>Total Deductions</b>	<b>980.00</b>	<b>980.00</b>
			<b>Net Amount</b>	<b>16,145.00</b>	<b>16,145.00</b>
Amount (in words) :					
Rs. Sixteen Thousand One Hundred Forty Five Only					
This is a Computer Generated Pay Slip					
<i>Created using Tally.ERP 9</i>					

Figure 10.11 Emailed Pay Slip

### Exporting Pay Slip to MS Excel

Go to **Gateway of Tally > Display > Payroll Reports > Statements of Payroll > Pay Slip > Single Pay Slip**

- Select the required Employee and press **Enter**
- Press **Alt+E**, the configuration screen to select the required format appears as shown:
- In the **Export** screen, specify the details as shown:

The completed **Export** screen is displayed as shown:

Exporting Pay Slip	
Language	: Default (All Languages)
Format	: Excel (Spreadsheet)
Export Location	: C:\Tally.ERP9
Output File Name	: Pay Slip.xls
Output Sheet Name	: Pay Slip
Update existing file	: Yes
Excel (Spreadsheet) Formatting with Colour	: Yes

<p style="text-align: center; margin: 0;"><b>Export ?</b></p> <p style="text-align: center; margin: 0; color: red;">Yes or No</p>
---

Figure 10.12 Export Pay Slip screen

The Pay Slip exported into Excel will appear as shown:

	A	B	C	D	E	F	G	
1	Spectrum Software Solutions							
2	14, Mysore Road,							
3	Bangalore							
4	<b>Payslip for April-2009</b>							
5	<b>Vijay Kumar</b>							
6	Employee Number:	549	Income Tax Number (PAN):	APD192D4D				
7	Function:	Administration	PF Account Number:	KABN/18184/563				
8	Designation:	Manager	ESI Number:					
9	Location:	Bangalore	Passport Details:	IND/BN/PASS130/005				
10	Bank Details:	001254624565, HDFC Bank					Visa Expiry Date:	
11	<b>Date of Joining:</b>	<b>1-Apr</b>						
12	<b>Attendance Details</b>	<b>Value</b>						
13	Overtime	15- 0.00 Hrs						
14	<b>Present</b>	<b>26 Days</b>						
15	<b>Earnings</b>	<b>Amount</b>	<b>Gross Salary</b>	<b>Deductions</b>	<b>Amount</b>	<b>Gross Salary</b>		
16	Basic	10000.00	10000.00	Professional Tax	200.00	200.00		
17	House Rent Allowance	4000.00	4000.00	EPF @ 12%	780.00	780.00		
18	Conveyance	800.00	800.00					
19	Overtime Pay	825.00	825.00					
20	<b>Variable Pay</b>	<b>1500.00</b>	<b>1500.00</b>					
21		<b>Total Earnings</b>		<b>Total Deductions</b>		<b>980.00</b>	<b>980.00</b>	
22								
23	Amount (in words) :		<b>for Spectrum Software Solutions</b>					
24			Rs. Sixteen Thousand One Hundred Forty Five Only					
25			Authorised Signatory					
26								
27								

Figure 10.13 Exported Pay Slip

The Pay Slip can also be exported to pdf, jpeg or other formats as per the requirement.

### Multi Pay Slips

Tally.ERP 9 provides the flexibility to print, E-Mail or export selected or all Pay Slips on Click of a Button.

Before E-mailing the Pay Slips to all Employees, you can check whether the Email ID's are entered correctly for all Employees.

### E-mail IDs

To check the E-Mail IDs entered,

Go to **Gateway of Tally > Display > Payroll Reports > Statements of Payroll > Pay Slip > E-Mail IDs**

E-Mail IDs		
Spectrum Software Solutions		
For Exceptions Only		
Particulars	Contact Number	E-Mail ID
James		

Figure 10.14 E-Mail IDs - Exceptions Only

The above report displays the Employees' for whom the E-Mail ID's are either not entered or incorrectly entered. You can press **Ctrl+Enter** to add or alter the E-Mail ID's for the required Employees. To view the E-Mail ID's for all Employees you can press **F5: All Items** from the above report.



The E-Mail IDs report for all the Employees is as shown:

E-Mail IDs		
Spectrum Software Solutions		
For All Employees		
Particulars	Contact Number	E-Mail ID
Ajay		ajay@spectrum.com
James		
Mahesh		mahesh@spectrum.com
Rahul		rahul@spectrum.com
Rajesh	080-52525354	rajesh@spectrum.com
Suresh	080-23425234	suresh@spectrum.com
Vijay Kumar	080-55669878	vijay@spectrum.com
Vineet		vineet@spectrum.com

Figure 10.15 E-Mail IDs for All Employees

**ail/Print/Export Multi Pay Slips**

To E-Mail/Print/Export all the Pay Slips or selected Pay Slips,

Go to **Gateway of Tally > Display > Payroll Reports > Statements of Payroll > Pay Slip > Multi Pay Slips**

- Select the appropriate **Employee Category** and **Employee Group** in the Employee Filters subscreen as shown:



Figure 10.16 Employee Filters

- Press **Enter** to view the **Multi Pay Slip** report as shown:

Multi Pay Slip - Spectrum Software Solutions						
For All Employees						1-Apr-2009 to 30-Apr-2009
Particulars	Employee Number	Account No.	Bank Name	Branch	Amount	E-Mail ID
<b>Primary Cost Category</b>					<b>86,340.00</b>	
Administration					16,145.00	
Vijay Kumar	549	001254624565	HDFC Bank	Koramangala	16,145.00	vijay@spectrum.com
R&D					22,712.00	
Rahul	552	001245766542	HDFC Bank	Koramangala	22,712.00	rahul@spectrum.com
Sales					47,483.00	
Ajay	551	001423137862	HDFC Bank	Koramangala	10,116.00	ajay@spectrum.com
Mahesh	550	001453276895	HDFC Bank	Koramangala	37,367.00	mahesh@spectrum.com
<b>Grand Total</b>					<b>86,340.00</b>	

Figure 10.17 Multi Pay Slip screen

Tally.ERP 9 provides the flexibility to **E-Mail/Print or Export** all Pay Slips from the above screen using the standard **Alt+M/Alt+P/Alt+E** buttons from the above screen.

The options in the email/print and Export screens are similar to Single Pay Slip report already discussed.



To **E-Mail/Print/Export** Pay Slips for selective Employees, you have to select the required Employees using the **Space bar**.

If the cursor is on a particular **Category** or a **Group**, then the Pay Slips belonging to that **Category** or **Group** only will be **E-Mailed/Printed/Exported**.

## Pay Sheet

A Pay Sheet is a columnar report which displays the Group/Department-wise break-up of employees' earnings and deductions for the selected month.

Go to **Gateway of Tally > Display > Payroll Reports > Statements of Payroll > Pay Sheet**

- Select the **All Items** in the **Name of Employee Category** field
- Select **All Items** in the **Name of Employee / Group** as shown:

Employee Filters		Spectrum Software Solutions		Ctrl + M
Current Period 1-4-2009 to 31-3-2010	Name of Employee Category : ↓ All Items	Name of Employee / Group	↓ All Items	List of Employees / Group
List of Selected Companies		Gateway of Tally Display Menu Payroll Reports		↓ All Items
Name of Company	Date of Last Entry	Pay Slip	Pay Sheet	Administration (Group)
Spectrum Software Solutions	31-Aug-2009	Payroll Statement	PayMent Advice	Ajay
				Contract Employees (Group)
				James
				Mahesh
				Rahul
				Rajesh
				R&D (Group)
				Sales (Group)
				Suresh
				Vijay Kumar
				Vineet

Figure 10.18 Employee Filters

- Press **Enter** to display the Pay Sheet

The Pay Sheet is displayed as shown:

PaySheet										
Spectrum Software Solutions										
For All Employees										
1-Apr-2009 to 30-Apr-2009										
Particulars	Conveyance	Overtime Pay	Variable Pay	Total Earnings	ESI@ 1.75%	EPF@ 12%	Professional Tax	Staff Salary Advance	Total Deductions	Net Amount
	← ... 4 more									
<b>Primary Cost Category</b>		2,025.00	2,500.00	90,210.00		3,120.00	750.00		3,870.00	86,340.00
<b>Administration</b>		825.00	1,500.00	17,125.00		780.00	200.00		980.00	16,145.00
Vijay Kumar		825.00	1,500.00	17,125.00		780.00	200.00		980.00	16,145.00
<b>R&amp;D</b>				23,692.00		780.00	200.00		980.00	22,712.00
Rahul				23,692.00		780.00	200.00		980.00	22,712.00
<b>Sales</b>		1,200.00	1,000.00	49,393.00		1,560.00	350.00		1,910.00	47,483.00
Ajay		1,200.00		11,046.00		780.00	150.00		930.00	10,116.00
Mahesh			1,000.00	38,347.00		780.00	200.00		980.00	37,367.00
<b>Grand Total</b>		2,025.00	2,500.00	90,210.00		3,120.00	750.00		3,870.00	86,340.00

Figure 10.19 Pay Sheet

You can further configure the Pay Sheet to display the net amount, column subtotals, Category/ Group subtotals, user-defined Pay Slip names, Employee names and sort it by Employee number in the **F12: Configuration**.

The **F12: Configuration** from the Pay Sheet screen is displayed as shown:

Configuration		Appearance
Appearance of Pay Head Types	: <b>All Items</b>	<b>All Items</b>
Show 'Net Amount' Column	? Yes	Deductions
Show Column SubTotals	? Yes	Earnings
Remove Zero Entries	? Yes	
Show Payslip Names for Ledgers	? Yes	
Include Employee Groups & Categories	? Yes	
Show Category/Group Total	? Yes	
Show Grand Total	? Yes	
Show Attendance Details	? No	
Display Production Types in Tail Units	? No	
Format	: Detailed	
Show Employee Number	? No	
Show Employee Designation	? No	
Expand all levels in Detailed Format	? Yes	
Appearance of Names	: Name Only	
Sorting Method	: Default	

Figure 10.20 F12: Configuration

The **F12:Configuration** options in the Pay Sheet are explained as follows.

- **Appearance of Pay Head Types** – Select the required **Pay Head Types** from **Deductions, Earnings** or **All Items**.
- **Show Net Amount Column** – Set this option to **Yes** to display the Net Payable Column.
- **Show Column SubTotals** – Set this option to **Yes** to display the subtotals of Earnings/Deductions pay head columns.
- **Remove Zero Entries** – Set this option to **Yes** to eliminate Earnings/Deductions pay heads with Zero values.
- **Show Pay Slip Names for Ledgers** – Set this option to **Yes** to display the Name defined in the Appear in Pay Slip field in the pay head master.
- **Include Employee Groups & Categories** – Set this option to **Yes** to display Category-wise/ Group-wise pay sheet. If this option is set to No, the Pay Sheet will appear Employee-wise.
- **Show Category/Group Total** – Set this option to **Yes** to display Category and Group-wise columnar pay head totals.
- **Show Grand Total** – Set this option to **Yes** to display the sum of all pay head columns appearing in the report.
- **Show Attendance Details** - Set this Option to **Yes** to display the Attendance for the Employees
- **Display Production types in Tail Units** - Set this Option to **Yes** to show the Overtime details in minutes.
- **Format** – Select Detailed mode to view Pay Sheet information of employees with their respective category and group. Select Condensed mode when only sum totals are required for each category and group.
- **Show Employee Number** – Set this option to **Yes** to display employee numbers.
- **Show Employee Designation** - Set this Option to **Yes** to show the designation for employees.
- **Expand all levels in Detailed Format** – Set this option to **Yes** to expand all levels and display Employee details.
- **Appearance of Names** – Select the appropriate name style to appear in the paysheet (viz., Alias (Name), Alias only, Name (Alias), Name only).
- **Sorting Method** – Sort the Pay Sheet either by Alphabetically increasing / decreasing, Employee number or by the Default method.



- Set the **F12: Configuration** screen is displayed as shown:

Configuration		0.00	17,125.00	
			23,692.00	
Appearance of Pay Head Types	: <b>All Items</b>		23,692.00	
Show 'Net Amount' Column	? <b>Yes</b>	0.00	49,393.00	
Show Column SubTotals	? <b>Yes</b>		11,046.00	
Remove Zero Entries	? <b>Yes</b>	0.00	38,347.00	
Show Payslip Names for Ledgers	? <b>Yes</b>			
Include Employee Groups & Categories	? <b>Yes</b>			
Show Category/Group Total	? <b>Yes</b>			
Show Grand Total	? <b>Yes</b>			
Show Attendance Details	? <b>Yes</b>			
Display Production Types in Tail Units	? <b>Yes</b>			
Format	: <b>Detailed</b>			
Show Employee Number	? <b>Yes</b>			
Show Employee Designation	? <b>Yes</b>			
Expand all levels in Detailed Format	? <b>Yes</b>			
Appearance of Names	: <b>Name Only</b>			
Sorting Method	: <b>Default</b>			
<b>Sorting Methods</b>				
Alphabetical (Decreasing)				
Alphabetical (Increasing)				
<b>Default</b>				
EmployeeNumber				

Figure 10.21 F12: Configuration screen - Pay Sheet

The **Pay Sheet** with the above configurations will appear as shown:

PaySheet		Spectrum Software Solutions							Ctrl + M	
For All Employees			1-Apr-2009 to 30-Apr-2009							
Particulars	Employee Number	Employee Designation	Absent	Overtime	Present	Basic	Wages	Conveyance	House Rent Allowance	
<b>Primary Cost Category</b>				1,620 Mins	80 Days	59,423.00		3,800.00	22,462.00	
<b>Administration</b>				900 Mins	26 Days	10,000.00		800.00	4,000.00	
Vijay Kumar	549	Manager		900 Mins	26 Days	10,000.00		800.00	4,000.00	
<b>R&amp;D</b>					22 Days	16,923.00			6,769.00	
Rahul	552	Manager			22 Days	16,923.00			6,769.00	
<b>Sales</b>				720 Mins	32 Days	32,500.00		3,000.00	11,693.00	
Ajay	551	Area Sales Manager		720 Mins	17 Days	6,538.00		2,000.00	1,308.00	
Mahesh	550	Sr. Manager			15 Days	25,962.00		1,000.00	10,385.00	
<b>Grand Total</b>				<b>1620 Mins</b>	<b>80 Days</b>	<b>59,423.00</b>		<b>3,800.00</b>	<b>22,462.00</b>	

Figure 10.22 Pay Sheet

To view the **Pay Sheet** till date with **Category** and **Group Totals**,

- Press **Alt+F2** and change period as **01-04-2009** to **31-08-2009**
- Press **F12: Configure** and set **Show Category/Group Total** to **Yes**

The **Pay Sheet** with Category and Group Totals displays is displayed as shown:

PaySheet									
Spectrum Software Solutions									
For All Employees									
1-Apr-2009 to 31-Aug-2009									
Particulars	Employee Number	Employee Designation	Total Earnings	ESI @ 1.75%	EPF @ 12%	Professional Tax	Staff Salary Advance	Total Deductions	Net Amount
			← ... 10 more						
<b>Primary Cost Category</b>			<b>6,04,457.00</b>	<b>687.00</b>	<b>18,601.00</b>	<b>3,960.00</b>	<b>6,500.00</b>	<b>29,748.00</b>	<b>5,74,709.00</b>
<b>Administration</b>			<b>95,158.00</b>	<b>329.00</b>	<b>5,354.00</b>	<b>980.00</b>		<b>6,663.00</b>	<b>88,495.00</b>
Suresh	553	Executive	18,762.00	329.00	1,454.00	180.00		1,963.00	16,799.00
Vijay Kumar	549	Manager	76,396.00		3,900.00	800.00		4,700.00	71,696.00
<b>Contract Employees</b>			<b>7,613.00</b>						<b>7,613.00</b>
James	555	Executive	3,615.00						3,615.00
Vineet	556	Executive	3,998.00						3,998.00
<b>R&amp;D</b>			<b>1,17,386.00</b>		<b>3,900.00</b>	<b>1,000.00</b>	<b>5,000.00</b>	<b>9,900.00</b>	<b>1,07,486.00</b>
Rahul	552	Manager	1,17,386.00		3,900.00	1,000.00	5,000.00	9,900.00	1,07,486.00
<b>Sales</b>			<b>3,84,300.00</b>	<b>358.00</b>	<b>9,347.00</b>	<b>1,980.00</b>	<b>1,500.00</b>	<b>13,185.00</b>	<b>3,71,115.00</b>
Ajay	551	Area Sales Manager	67,130.00		3,900.00	800.00		4,700.00	62,430.00
Mahesh	550	Sr. Manager	2,96,733.00		3,900.00	1,000.00		4,900.00	2,91,833.00
Rajesh	554	Junior Executive	20,437.00	358.00	1,547.00	180.00	1,500.00	3,585.00	16,852.00
<b>Grand Total</b>			<b>6,04,457.00</b>	<b>687.00</b>	<b>18,601.00</b>	<b>3,960.00</b>	<b>6,500.00</b>	<b>29,748.00</b>	<b>5,74,709.00</b>

Figure 10.23 Pay Sheet with Category and Group Total

**Button options:**



- **Detailed/Condensed Button** – This button (**Alt+F1**) is used to toggle between the **detailed** and **condensed** modes of reporting.
- **Period button** – This option (**F2**) is used to define the periodicity of the report, i.e. for a day, week, fortnight, month, quarter, half-year, year or any given period.

To view the **Pay Sheet** for a particular Employee Group,

- Press **Ctrl+F7** from the Pay Sheet display, the Employee Filters screen is displayed
- In the **Employee Filters** screen,
  - Select **Primary Cost Category** in the **Employee Category** field
  - Select **Sales** as the **Employee group**

The **Employee Filters** screen is displayed as shown:

Employee Filters							Spectrum Software Solutions		Ctrl + M
For All Employees Under Category: Primary Cost Category							List of Employees / Group		
Particulars	Employee Number	Employee Designation	Present	Absent	Overtime	Basic			
Primary Cost Category			80 Days			59,423.00	All Items		
Administration			26 Days			10,000.00	Sales (Group)		
Vijay Kumar	549	Manager	26 Days			10,000.00			
R&D			22 Days			16,923.00			
Rahul	552	Manager	22 Days			16,923.00			
Sales			32 Days			32,500.00			
Ajay	551	Area Sales Manager	17 Days			6,538.00			
Mahesh	550	Sr. Manager	15 Days			25,962.00			
<b>Grand Total</b>			80 Days			59,423.00			

**Employee Filters**

Employee Category : Primary Cost Category

Employee/Group : Sales

Figure 10.24 Employee Filters



The **Pay Sheet** for the selected Employee Group is displayed as shown:

PaySheet		Spectrum Software Solutions					Ctrl + M		
For All Employees Under Group: Sales			1-Aug-2009 to 31-Aug-2009						
Particulars	Employee Number	Employee Designation	Absent	Overtime	Present	Basic	Wages	Conveyance	House Rent Allowance
<b>Primary Cost Category</b>					77 Days	64,077.00		4,800.00	10 more ... →
<b>Sales</b>					77 Days	64,077.00		4,800.00	24,531.00
Ajay	551	Area Sales Manager			26 Days	11,000.00		2,000.00	3,300.00
Mahesh	550	Sr. Manager			25 Days	48,077.00		2,000.00	19,231.00
Rajesh	554	Junior Executive			26 Days	5,000.00		800.00	2,000.00
<b>Grand Total</b>					77 Days	64,077.00		4,800.00	24,531.00

Figure 10.25 Employee Group Pay Sheet

You can also drill down from the above report to the voucher level, by highlighting the pay heads column of the required employee and pressing **Enter**.

**Button Options:**



- **Employee Filter Button** – By using the **Employee Filter button (Ctrl+F7)**, view the individual employee/ Employee group pay sheet report.
- **New Column** – This option (**Alt+C**) is used to add a new column for any other Pay Head, which is not part of the pay structure.
- **Alter Column** – This option (**Alt+A**) is used to replace an existing column in the report with another Pay Head column.
- **Delete Column** – This option (**Alt+D**) is used to delete an existing column in the report.

You can also print the Pay Sheet, by pressing **Alt+P** and specifying the required options in the **Pay Sheet Print configuration** screen.

The **Pay Sheet Print Configuration** screen is displayed as shown:

<b>Printing Pay Sheet</b>			
<b>Printer</b>	: Printer-02 (Ne03:)		
<b>No. of Copies</b>	: 1		
<b>Print Language</b>	: English		
<b>Method</b>	: Neat Mode		
<b>Page Range</b>	: All		
<b>Paper Type</b>	: A4		
<i>(Printing Dimensions)</i>			
<b>Paper Size</b>	: (8.27" x 11.69") or (210 mm x 297 mm)		
<b>Print Area</b>	: (7.95" x 11.34") or (202 mm x 288 mm)		
<u>Report Titles</u>			
<b>Pay Sheet</b>			
(with Print Preview)			
Increase Line Height for Signature / Stamp ? <b>No</b>			
<table border="1"> <tr> <td style="text-align: center;"><b>Print ?</b></td> </tr> <tr> <td style="text-align: center;"><b>Yes</b> or <b>No</b></td> </tr> </table>		<b>Print ?</b>	<b>Yes</b> or <b>No</b>
<b>Print ?</b>			
<b>Yes</b> or <b>No</b>			

Figure 10.26 Pay Sheet Print Configuration screen

The **Printed Pay Sheet** is displayed as shown:

Spectrum Software Solutions  
14, Mysore Road,  
Bangalore

**Pay Sheet**  
1-Apr-2009 to 30-Apr-2009

Page 1

Particulars	Overtime	Present	Basic	Conveyance	House Rent Allowance	Overtime Pay	Total Earnings	EPF @ 12 %	Professional Tax	Total Deductions	Net Amount
<b>Primary Cost Category</b>											
<b>Administration</b>											
Vijay Kumar	1,620 Mins	80 Days	59,423.00	3,800.00	22,462.00	2,025.00	87,710.00	3,120.00	750.00	3,870.00	83,840.00
	900 Mins	26 Days	10,000.00	800.00	4,000.00	825.00	15,625.00	780.00	200.00	980.00	14,645.00
<b>R&amp;D</b>											
	900 Mins	26 Days	10,000.00	800.00	4,000.00	825.00	15,625.00	780.00	200.00	980.00	14,645.00
Rahul											
	22 Days	22 Days	16,923.00	800.00	6,769.00		23,692.00	780.00	200.00	980.00	22,712.00
<b>Sales</b>											
	720 Mins	32 Days	32,500.00	3,000.00	11,693.00	1,200.00	48,393.00	1,560.00	350.00	1,910.00	46,483.00
Ajay	720 Mins	17 Days	6,538.00	2,000.00	1,308.00	1,200.00	11,046.00	780.00	150.00	930.00	10,116.00
Mahesh	15 Days	15 Days	25,962.00	1,000.00	10,385.00		37,347.00	780.00	200.00	980.00	36,367.00
<b>Grand Total</b>	<b>1620 Mins</b>	<b>80 Days</b>	<b>59,423.00</b>	<b>3,800.00</b>	<b>22,462.00</b>	<b>2,025.00</b>	<b>87,710.00</b>	<b>3,120.00</b>	<b>750.00</b>	<b>3,870.00</b>	<b>83,840.00</b>

Figure 10.27 Printed Pay Sheet (Landscape view)

While printing the Pay Sheet, you can choose to **Increase the Line Height** (for each employee line) if you want to create space for the employee's signature or to affix a stamp. Such a Pay Sheet can also be used for the salary disbursement register.

- Press **Alt+P** to print Pay Sheet and set the **Increase Line Height for Signature/ Stamp?** field to **Yes**

The printed **Pay Sheet** with space for signature/ stamp is as shown.

Spectrum Software Solutions 14, Mysore Road, Bangalore											
Pay Sheet 1-Apr-2009 to 30-Apr-2009											
Particulars	Overtime	Present	Basic	Conveyance	House Rent Allowance	Overtime Pay	Total Earnings	EPF @ 12 %	Professional Tax	Total Deductions	Net Amount
Primary Cost Category Administration Vijay Kumar	1,620 Mins	80 Days	59,423.00	3,800.00	22,462.00	2,025.00	87,710.00	3,120.00	750.00	3,870.00	83,840.00
	900 Mins	26 Days	10,000.00	800.00	4,000.00	825.00	15,625.00	780.00	200.00	980.00	14,645.00
	900 Mins	26 Days	10,000.00	800.00	4,000.00	825.00	15,625.00	780.00	200.00	980.00	14,645.00
R&D Rahul		22 Days	16,923.00		6,769.00		23,692.00	780.00	200.00	980.00	22,712.00
		22 Days	16,923.00		6,769.00		23,692.00	780.00	200.00	980.00	22,712.00
Sales Ajay	720 Mins	32 Days	32,500.00	3,000.00	11,693.00	1,200.00	48,393.00	1,560.00	350.00	1,910.00	46,483.00
	720 Mins	17 Days	6,538.00	2,000.00	1,308.00	1,200.00	11,046.00	780.00	150.00	930.00	10,116.00

Figure 10.28 Printed Pay Sheet with space for Signature/ Stamp

Page 2 of the Printed **Pay Sheet** is as shown:

Spectrum Software Solutions											
Pay Sheet : 1-Apr-2009 to 30-Apr-2009											
Particulars	Overtime	Present	Basic	Conveyance	House Rent Allowance	Overtime Pay	Total Earnings	EPF @ 12 %	Professional Tax	Total Deductions	Net Amount
Mahesh		15 Days	25,962.00	1,000.00	10,385.00		37,347.00	780.00	200.00	980.00	36,367.00
<b>Grand Total</b>	1620 Mins	80 Days	59,423.00	3,800.00	22,462.00	2,025.00	87,710.00	3,120.00	750.00	3,870.00	83,840.00

Figure 10.29 Printed Pay Sheet with space for Signature/ Stamp – Page 2



You can also **E-mail** or use **Export Pay Sheet Report** in the manner as discussed in Pay Slip Section. The navigation steps for E-mailing and Exporting Pay Sheet is similar to the steps explained in **Pay Slip Report**.

### Payroll Statement

A Payroll Statement is a columnar report which displays Group/Department-wise employees' break-up of selected earnings or deductions, for a specified month or period.

Go to **Gateway of Tally > Display > Payroll Reports > Statements of Payroll > Payroll Statement**

- Select the required pay head and press **Enter**

The **Payroll Statement** for Basic Pay Earnings Head for the month of April 2009 is displayed as shown:

Payroll Statement		Spectrum Software Solutions	Ctrl + M
For All Employees		1-Apr-2009 to 30-Apr-2009	
Particulars	Basic		
<b>Primary Cost Category</b>	<b>59,423.00</b>		
<b>Administration</b>	10,000.00		
Vijay Kumar	10,000.00		
<b>R&amp;D</b>	16,923.00		
Rahul	16,923.00		
<b>Sales</b>	32,500.00		
Ajay	6,538.00		
Mahesh	25,962.00		
<b>Grand Total</b>	<b>59,423.00</b>		

Figure 10.30 Payroll Statement

You can further configure the Payroll Statement to display the Employee groups and categories, category/group subtotals, grand totals, user-defined Pay Slip names, employee names, employee bank details, sort it by Employee number, by pressing **F12: Configure**

- Enter the details in **F12: Configuration** screen as shown

The **F12: Configuration** screen is displayed as shown:

Configuration	
Remove Zero Entries	? Yes
Show Payslip Names for Ledgers	? Yes
Include Employee Groups & Categories	? Yes
Show Category/Group Total	? Yes
Show Grand Total	? Yes
Format	: Detailed
Show Employee PF Account Number	? No
Show Income Tax Number (PAN)	? Yes
Show Employee Bank Details	? Yes
Show Employee Number	? Yes
Show Employee ESI Number	? No
Show Employee Passport Details	? No
Show Employee Visa Expiry Date	? No
Expand all levels in Detailed Format	? Yes
Appearance of Names	: Name Only
Sorting Method	: Default

Sorting Methods
Alphabetical (Decreasing)
Alphabetical (Increasing)
Bank Details
<b>Default</b>
EmployeeNumber
ESI Number
Income Tax Number (PAN)
Passport Details
PF Account Number
Visa Expiry Date

Figure 10.31 F12: Configuration

**The F12: Configuration options in Payroll Statement Report are as follows:**

- **Remove Zero Entries** – Set this option to **Yes** to remove Earnings/Deductions pay head information with Zero values.
- **Show Pay Slip Names for Ledgers** – Set this option to **Yes**, to view the names of pay heads as specified in the **Name to Appear in Pay Slip** field in the Pay Head master creation.
- **Include Employee Groups & Categories** – Set this option to **Yes** to display Category and Group-wise Employee information.
- **Show Category/Group Total** – Set this option to **Yes**, to display Category and Group-wise Totals.
- **Show Grand Total** – Set this option to **Yes**, to display the sum of all the pay head columns in the report.
- **Format** – Select the mode **Detailed** to view payroll information of employees with their respective categories and groups. Select the **Condensed** mode when only sum totals are required for each category and group.





- **Show Employee PF Account Number** – Set this option to **Yes**, to display the Provident Fund Account number of an employee.
- **Show Income Tax Number (PAN)** – Set this option to **Yes**, to display the Income Tax Permanent Account Number (PAN) of an employee.
- **Show Employee Bank Details** – Set this option to **Yes**, to display the Bank Account Number of an employee
- **Show Employee Number** – Set this option to **Yes**, to display the Employee Number of an employee.
- **Show Employee ESI Number** – Set this option to **Yes**, to display the State Insurance Number of an employee.
- **Show Employee Passport Details** – Set this option to **Yes**, to display an employee's passport details.
- **Show Employee Visa Expiry Date** – Set this option to **Yes**, to display an employee's visa expiry date.
- **Expand all levels in Detailed format** – Set this option to **Yes**, to expand all levels and display Employee details.
- **Appearance of Names** – Select the appropriate name style to appear in the Payroll Statement (Alias (Name), Alias only, Name (Alias), Name only).
- **Sorting Method** – Sort the Payroll Statement using Alphabetical (Decreasing), Alphabetical (Increasing), Bank details, Employee Number, ESI Number, Income Tax Number (PAN), Passport Details, PF Account Number, or by the default method.



The Employee PF Account Number, IT PAN Number, ESI Number, Passport Details, Visa Expiry Date options will be available in **F12: Configure** only when the options, **Show Statutory details** and **Passport & Visa details**, are set to **Yes** in **F12: Payroll Configuration**.



The Payroll Statement with the above Configurations is displayed as shown:

Payroll Statement		Spectrum Software Solutions		Ctrl + M
For All Employees				1-Apr-2009 to 30-Apr-2009
Particulars	Employee Number	Income Tax Number (PAN)	Bank Details	Basic
<b>Primary Cost Category</b>				<b>59,423.00</b>
<b>Administration</b>				10,000.00
Vijay Kumar	549	APD192D4D	HDFC Bank	10,000.00
<b>R&amp;D</b>				16,923.00
Rahul	552	ARDP45D8	HDFC Bank	16,923.00
<b>Sales</b>				32,500.00
Ajay	551	ARDJH1234J	HDFC Bank	6,538.00
Mahesh	550	APD123D54	HDFC Bank	25,962.00
<b>Grand Total</b>				<b>59,423.00</b>

Figure 10.32 Payroll Statement with additional information



- You can also **Email** or **Export Payroll Statement** in the manner as discussed in Pay Slip Section.
- The Button Bar options in **Payroll Statement** are same as in the **Pay-sheet** report.

To view Payroll Statement for other Pay Heads, you can either select other Pay Head(s) in the manner as discussed or you may also include other Pay Heads in the above report for comparative analysis or to obtain a cumulative value, by pressing **Alt+C** and selecting the required Pay Head(s).

The **Payroll statement** with additional Pay Heads will be displayed as shown:

Payroll Statement				Spectrum Software Solutions			Ctrl + M
For All Employees				1-Apr-2009 to 30-Apr-2009			
Particulars	Employee Number	Income Tax Number (PAN)	Bank Details	Basic	House Rent Allowance	Conveyance	
<b>Primary Cost Category</b>				59,423.00	22,462.00	3,800.00	
<b>Administration</b>				10,000.00	4,000.00	800.00	
Vijay Kumar	549	APD192D4D	HDFC Bank	10,000.00	4,000.00	800.00	
<b>R&amp;D</b>				16,923.00	6,769.00		
Rahul	552	ARDP45D8	HDFC Bank	16,923.00	6,769.00		
<b>Sales</b>				32,500.00	11,693.00	3,000.00	
Ajay	551	ARDJH1234J	HDFC Bank	6,538.00	1,308.00	2,000.00	
Mahesh	550	APD123D54	HDFC Bank	25,962.00	10,385.00	1,000.00	
<b>Grand Total</b>				59,423.00	22,462.00	3,800.00	

Figure 10.33 Payroll Statement with additional Columns

### Payment Advice

A Payment Advice is an intimation letter containing the details of employees with their bank account numbers issued to the banker to transfer a specified sum (salaries earned) to the employees' bank accounts.

As discussed earlier, the contents of the Payment Advice can be altered in **F12: Payroll Configuration** as per the employer's requirements.

Go to **Gateway of Tally > Display > Payroll Reports > Statements of Payroll > Payment Advice**

The **Printing Configuration** for **Payment Advice** is displayed as shown:

Printing Payment Advice	
Printer : (Ne02:)	Paper Type : Letter
No. of Copies : 1	
Print Language : English	(Printing Dimensions)
Method : Neat Mode	Paper Size : (8.50" x 10.98") or (216 mm x 279 mm)
Page Range : All	Print Area : (8.50" x 10.98") or (216 mm x 279 mm)
Report Titles	
<b>Payment Advice</b>	
(with Print Preview)	
<i>Without Date Range of Report, Without Page Numbers</i>	
From (blank for beginning) :	1-5-2009
To (blank for end) :	31-5-2009
<i>(Note: The above From and To should be Payment Voucher Period)</i>	
Employee Category :	↓ All Items
Employee/Group :	↓ All Items
Bank Ledger :	HDFC Bank
Date Range to Print :	From: 1-5-2009 To: 31-5-2009
<i>(Note: Salary/Payroll Period to be specified in the Date Range to Print)</i>	
Bank Name :	Yes
Branch :	Yes
Sorting Method :	Bank Details
Date of Printing :	31-5-2010
<b>Print ?</b>	
<b>Yes or No</b>	

Figure 10.34 Printing Configuration for Payment Advice

- Press **Backspace** and enter the details as shown above
- Press **Enter** to print

The printed **Payment Advice** for May 2009 will appear as shown:

**Spectrum Software Solutions**  
 14, Mysore Road,  
 Bangalore

**Payment Advice**

31-May-2010

The Manager  
HDFC Bank

Dear Sir,

Payment Advice from Spectrum Software Solutions A/C # for period 1-May-2009 to 31-May-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.	Bank Name	Branch	Amount
1.	Rahul	001245766542	HDFC Bank	Koramangala	41,118.00
2.	Vijay Kumar	001254624565	HDFC Bank	Koramangala	27,662.00
3.	Ajay	001423137862	HDFC Bank	Koramangala	24,324.00
4.	Mahesh	001453276895	HDFC Bank	Koramangala	1,26,040.00
	<b>Total</b>				<b>2,19,144.00</b>

Yours Sincerely  
for Spectrum Software Solutions

Authorised Signatory

Figure 10.35 Printed Payment Advice



- The **Payment Advice** will be available only when the Salaries are processed through Bank Transfer and a Payment voucher is passed for the salaries payable for a given month/period.
- You can also **Email** or **Export Payment Advice** in the manner as discussed in Pay Slip Section.

### Payroll Register

A Payroll Register is a month-wise transaction summary report which displays the number of payroll vouchers passed during a particular month. Additional information can be appended into the Payroll Register, by inserting a new column with the required voucher type i.e., Attendance, Journal, Purchases, Sales and so on.

Go to **Gateway of Tally > Display > Payroll Reports > Statements of Payroll > Payroll Register**

The **Payroll Register** is displayed as shown:

Payroll Register		Spectrum Software Solutions		Ctrl + M
Particulars	Payroll			
	Spectrum Software Solutions			
	1-Apr-2009 to 31-Aug-2009			
		Transactions		
		Total Vouchers	(cancelled )	
April		2		
May		2		
June		3		
July		4		
August		4		
September				
October				
November				
December				
January				
February				
March				
<b>Grand Total</b>		<b>15</b>		

Figure 10.36 Payroll Register

- Press **F12: Configure** and set the **Appearance of Names** and the **Periodicity to use** as shown.

The **F12: Configuration** screen is displayed as shown:

<u>Configuration</u>		Periodicity
Appearance of Names	: <b>Name Only</b>	4 Week Month
Periodicity to use	: <b>Quarterly</b>	Daily
		Fortnightly
		Half Yearly
		Monthly
		<b>Quarterly</b>
		Weekly
		Yearly

Figure 10.37 F12: Configuration

The **Payroll Register** with the above configurations is displayed as shown:

Payroll Register		Spectrum Software Solutions		Ctrl + M
Particulars			Payroll	
			Spectrum Software Solutions	
			1-Apr-2009 to 31-Aug-2009	
		Transactions		
		Total Vouchers	(cancelled)	
Apr - Jun			7	
Jul - Sep			8	
Oct - Dec				
Jan - Mar				
<b>Grand Total</b>			<b>15</b>	

Figure 10.38 Payroll Register - Quarterly

Tally.ERP 9 allows you to drill down to the voucher level from the above display for any kind of verification. Use the **Enter key** on the required month/period to drill down to the required level.

The **Payroll Register** voucher level screen is displayed as shown:

Voucher Register		Spectrum Software Solutions		Ctrl + M	
List of All Payroll Vouchers				1-May-2009 to 31-May-2009	
Date	Particulars	Vch Type	Vch No.	Debit Amount	Credit Amount
31-5-2009	Basic Pay	Payroll	3	78,077.00	
31-5-2009	Employer EPS @ 8.33%	Payroll	4	2,164.00	

Figure 10.39 Payroll Voucher Register

You can further drill down to the transaction level, by selecting the required transaction and pressing **Enter**.

### Employee Pay Head Breakup

An Employee Pay Head Breakup report is a columnar report which displays the Group/Department-wise employees' breakup of a selected earnings or deductions pay head for a specified month/period. This report also displays the opening balance, debit and credit transactions and the closing balance for a specified period.

This report is also helpful in tracking loan outstandings and instalments deducted till date or for any specified period.

Go to **Gateway of Tally > Display > Payroll Reports > Statements of Payroll > Employee Pay Head Breakup**

- Select the **required Pay Head** from the **List of Pay Heads** and press **Enter**

The **Employee Breakup of Pay Head** for **Basic pay** screen is displayed as shown:

Employee Breakup of Pay Head		Spectrum Software Solutions		Ctrl + M
Particulars	Pay Head: Basic Pay			
	Spectrum Software Solutions			
	1-Apr-2009 to 31-Aug-2009			
Opening Balance	Transactions		Closing Balance	
	Debit	Credit		
<b>Primary Cost Category</b>	<b>4,06,963.00</b>		<b>4,06,963.00 Dr</b>	
Administration	61,731.00		61,731.00 Dr	
R&D	83,847.00		83,847.00 Dr	
Sales	2,61,385.00		2,61,385.00 Dr	

Figure 10.40 Employee Breakup of Pay Head

To drill down to **Employee Summary report** from the above display,

- Select **Employee Category** and press **Enter**
- Press **Alt+F1** to view the detailed report



The **Employee Summary** screen is displayed as shown:

Employee Summary		Spectrum Software Solutions		Ctrl + M
Particulars	Category: Primary Cost Category Pay Head: Basic Pay Spectrum Software Solutions 1-Apr-2009 to 31-Aug-2009			Closing Balance
	Opening Balance	Transactions		
		Debit	Credit	
<b>Administration</b>		61,731.00		61,731.00 Dr
Suresh		12,116.00		12,116.00 Dr
Vijay Kumar		49,615.00		49,615.00 Dr
<b>Contract Employees</b>				
James				
Vineet				
<b>R&amp;D</b>		83,847.00		83,847.00 Dr
Rahul		83,847.00		83,847.00 Dr
<b>Sales</b>		2,61,385.00		2,61,385.00 Dr
Ajay		43,692.00		43,692.00 Dr
Mahesh		2,04,809.00		2,04,809.00 Dr
Rajesh		12,884.00		12,884.00 Dr
<b>Grand Total</b>		4,06,963.00		4,06,963.00 Dr

Figure 10.41 Employee Summary



You can also **Email** or **Export Employee Breakup of Pay Head Report** in the manner as discussed in Pay Slip Section.

To drill down to the **Employee Monthly Summary** report from the **Employee Summary** report,

- Highlight the required employee and press **Enter**

The **Employee Monthly Summary** screen is displayed as shown:

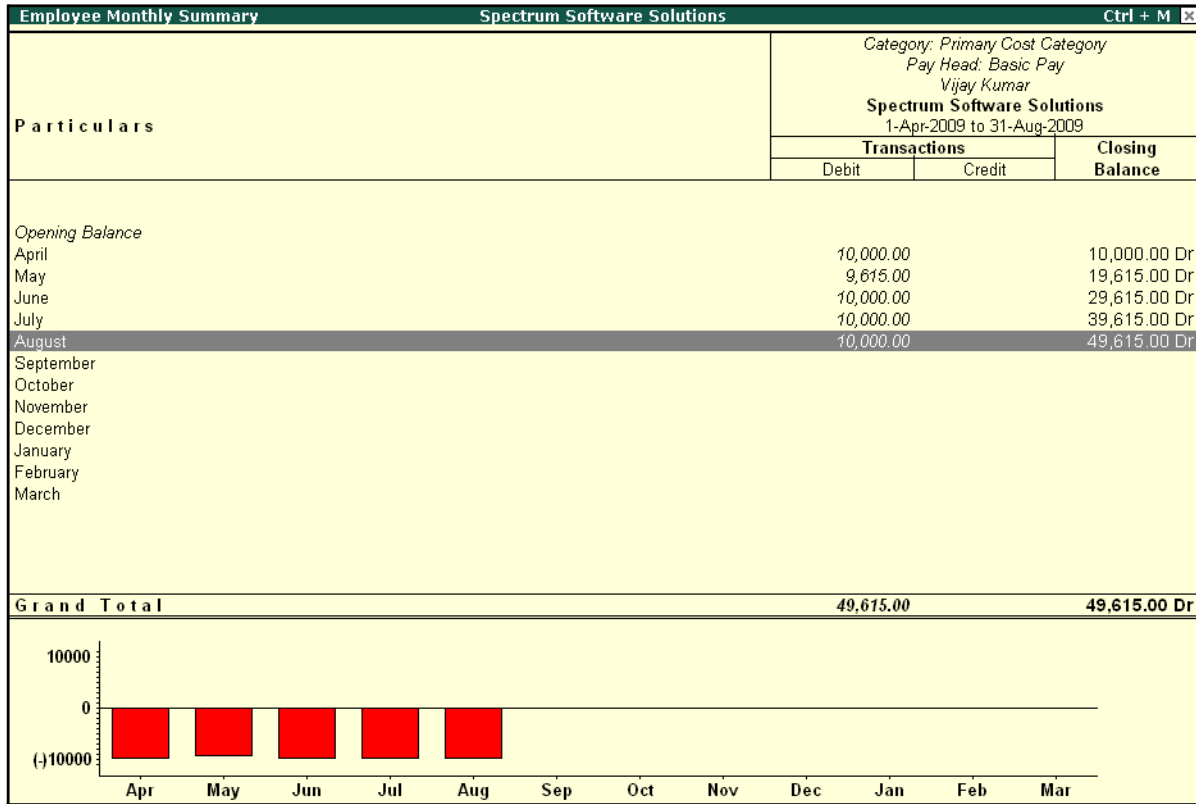


Figure 10.42 Employee Monthly Summary

To further drill down to Employee Voucher level screen from the Employee Monthly Summary report, press **Enter** on the required month.

The **Employee Summary** voucher level screen is displayed as shown:

Employee Vouchers		Spectrum Software Solutions		Ctrl + M	
Employee : <b>Vijay Kumar</b>				1-May-2009 to 31-May-2009	
For Pay Head : <i>Basic Pay</i>					
Date	Particulars	Vch Type	Vch No.	Debit	Credit
31-5-2009	<b>Basic Pay</b>	Payroll	3		<b>9,615.00</b>
				Opening Balance :	
				Current Total :	<b>9,615.00</b>
				<b>Closing Balance :</b>	<b>9,615.00</b>

Figure 10.43 Employee Vouchers Summary

You can further drill down to the transaction level, by selecting the required transaction and pressing **Enter**.

The **Employee Breakup of Pay Head** report can be viewed with additional Pay Heads, by pressing **Alt+C** and adding the required Pay Head and by pressing **Alt+N** for multiple periods.

### Pay Head Employee Breakup

A Pay Head Employee Breakup report displays the sum of transactions and closing balance of the transacted groups for the selected employee.

Go to **Gateway of Tally > Display > Payroll Reports > Statements of Payroll > Pay Head Employee Breakup**

The **Employee Selection** screen is displayed as shown:

Spectrum Software Solutions		
Current Date Monday, 31 A	<b>Name of Employee</b>	
	<b>Ajay</b>	
List of Employees		
<b>Ajay</b>	<b>Sales</b>	<b>Primary Cost Category</b>
James	Contract Employees	Primary Cost Category
Mahesh	Sales	Primary Cost Category
Rahul	R&D	Primary Cost Category
Rajesh	Sales	Primary Cost Category
Suresh	Administration	Primary Cost Category
Vijay Kumar	Administration	Primary Cost Category
Vineet	Contract Employees	Primary Cost Category

Figure 10.44 Employee Selection

To view the Pay Head breakup,

- Select the required Employee from the **List of Employees** and press **Enter**
- Press **Alt+F1** for a detailed view

The ledger-wise **Breakup of Employee** screen is displayed as shown:

Breakup of Employee				Spectrum Software Solutions		Ctrl + M	
Particulars	Employee: Ajay			Spectrum Software Solutions		1-Apr-2009 to 31-Aug-2009	
	Transactions		Closing Balance				
	Debit	Credit					
<b>Current Liabilities</b>	61,444.00	61,444.00					
EDLI Admin Charges @ 0.01%	10.00	10.00					
EDLI Contribution @ 0.5%	162.50	162.50					
Employee's PF Contribution @ 12%	3,900.00	3,900.00					
PF Admin Charges @ 1.10%	357.50	357.50					
PF Payable	3,900.00	3,900.00					
Professional Tax	800.00	800.00					
Salary Payable	52,314.00	52,314.00					
<b>Indirect Expenses</b>	71,030.00						<b>71,030.00 Dr</b>
Basic Pay	43,692.00						43,692.00 Dr
Conveyance	10,000.00						10,000.00 Dr
Employer EPF @ 3.67%	1,195.00						1,195.00 Dr
Employer EPS @ 8.33%	2,705.00						2,705.00 Dr
House Rent Allowance	9,838.00						9,838.00 Dr
Overtime Pay	2,400.00						2,400.00 Dr
Variable Pay	1,200.00						1,200.00 Dr
<b>Grand Total</b>	<b>1,32,474.00</b>	<b>61,444.00</b>					<b>71,030.00 Dr</b>

Figure 10.45 Pay Head Employee Breakup

To further drill down to view the Breakup of Employee report for each ledger from the above displayed report, select the required ledger and press **Enter**.

The **Breakup of Employee** screen for a selected ledger (Basic Pay) is displayed as shown:

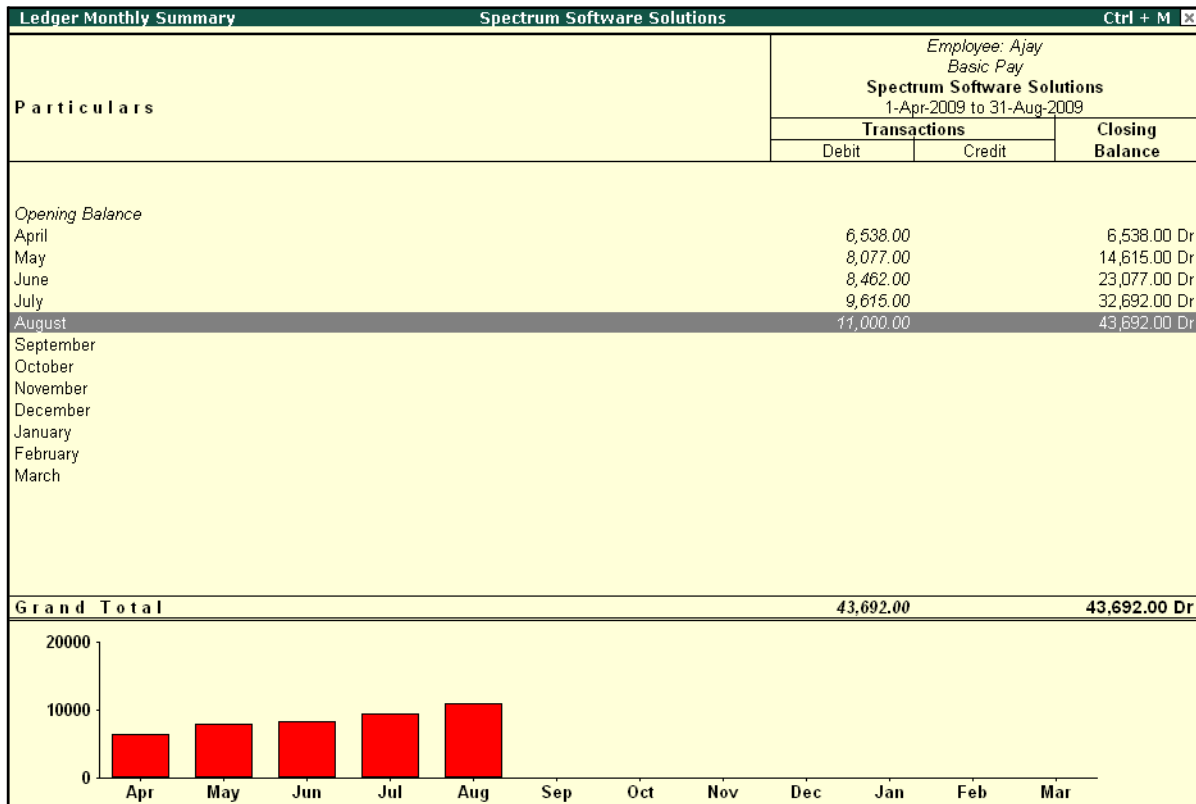


Figure 10.46 Ledger Monthly Summary

You can drill down further to view the Monthly Summary of the selected ledger and the Employee Voucher report.

The **Pay Head Employee Breakup** report can be viewed with additional employees, by pressing **Alt+C** and adding the required Employee and for multiple periods, by pressing **Alt+N**.

### Attendance Sheet

An Attendance Sheet is a columnar report which displays the details of Attendance/ Production types with the number of attendance/ production units achieved during a particular month or period.

Go to **Gateway of Tally > Display > Payroll Reports > Attendance Sheet**

The **Attendance Sheet** is displayed as shown:

Attendance Sheet			
Spectrum Software Solutions		Ctrl + M	
For All Employees			
Particulars	Absent	Overtime	Present
<b>Primary Cost Category</b>		1,620.00 Mins	80 Days
<b>Administration</b>		900.00 Mins	26 Days
Vijay Kumar		900.00 Mins	26 Days
<b>R&amp;D</b>			22 Days
Rahul			22 Days
<b>Sales</b>		720.00 Mins	32 Days
Ajay		720.00 Mins	17 Days
Mahesh			15 Days

Figure 10.47 Attendance Sheet

You may configure the above report with additional details, by pressing **F12:Configure** and enabling the following options, as required.

The completed **F12: Configuration** screen is displayed as shown:

Configuration		720.00 Mins
Remove Zero Entries	? Yes	
Include Employee Groups & Categories	? Yes	
Show Category/Group Total	? Yes	
Include Group Attendance/Production Types	? Yes	
Display Production Types in Tail Units	? Yes	
Format	: Detailed	
Show Employee Number	? Yes	
Expand all levels in Detailed Format	? Yes	
Appearance of Names	: Name Only	
Sorting Method	: <b>EmployeeNumber</b>	
		<b>Sorting Methods</b>
		Alphabetical (Decreasing)
		Alphabetical (Increasing)
		Default
		<b>EmployeeNumber</b>

Figure 10.48 F12: Configuration screen

**F12: Configurations for Attendance Sheet:**

- **Remove Zero Entries** – Set this option to **Yes**, to remove Attendance/Production information with Zero values.
- **Include Employee Groups & Categories** – Set this option to **Yes**, to display Category and Group-wise Employee information.
- **Show Category/Group Total** – Set this option to **Yes**, to display Category and Group-wise Totals.
- **Include Group Attendance/Production Types** – Set this option to **Yes** to include Group Attendance/Production Types in Attendance Sheet report.
- **Display Attendance/Production Types in Tail Units** – Set this option to **Yes**, to display the Attendance/Production Types in Tail Units.
- **Format** – Select the **Detailed** mode to view the payroll information of employees with their respective categories and groups. Select the **Condensed** mode when only sum totals are required for each category and group.
- **Expand all levels in Detailed Format** – Set this option to **Yes**, to expand all levels and display Employee details.
- **Show Employee Number** – Set this option to **Yes**, to display employee numbers of employees.
- **Appearance of Names** – Select the appropriate name style to appear in the payroll statement (Alias (Name), Alias only, Name (Alias), Name only)
- **Sorting Method** – Sort the Attendance Sheet, either by **Employee Number** or by the **Default** method.





The Attendance Sheet with the above Configurations is displayed as shown:

Attendance Sheet		Spectrum Software Solutions		Ctrl + M	
For All Employees		1-Apr-2009 to 30-Apr-2009			
Particulars	Employee Number	Absent	Overtime	Present	
<b>Primary Cost Category</b>			1,620.00 Mins	80 Days	
<b>Administration</b>			900.00 Mins	26 Days	
Vijay Kumar	549		900.00 Mins	26 Days	
<b>R&amp;D</b>				22 Days	
Rahul	552			22 Days	
<b>Sales</b>			720.00 Mins	32 Days	
Mahesh	550			15 Days	
Ajay	551		720.00 Mins	17 Days	

Figure 10.49 Attendance sheet

### Attendance Register

An Attendance Register is a month-wise transactions summary report which displays the number of attendance vouchers passed during the month. You can append additional information by inserting a new column with the required voucher type, i.e. Payroll, Journal, Purchases, Sales and so on.

Go to **Gateway of Tally > Display > Payroll Reports > Attendance Register**

The **Attendance Register** is displayed as shown:

Attendance Register		Spectrum Software Solutions		Ctrl + M
Particulars	<i>Attendance</i>			
	<b>Spectrum Software Solutions</b>			
	1-Apr-2009 to 31-Aug-2009			
		Transactions		
		Total Vouchers	(cancelled)	
April		2		
May		2		
June		2		
July		1		
August		3		
September				
October				
November				
December				
January				
February				
March				
<b>Grand Total</b>		<b>10</b>		

Figure 10.50 Attendance Register

- Press **F12: Configure** and set the **Appearance of Names** and the **Periodicity to use** as shown

The **F12:Configuration** options in **Attendance Register** are as displayed below:

		Periodicity
<u>Configuration</u>		4 Week Month
Appearance of Names	: <b>Name Only</b>	Daily
Periodicity to use	: <b>Monthly</b>	Fortnightly
		Half Yearly
		<b>Monthly</b>
		Quarterly
		Weekly
		Yearly

Figure 10.51 F12: Configuration for Attendance Register

Tally.ERP 9 allows you to drill down to the voucher register, from the Attendance Register screen for any kind of verification.

The **Voucher level screen from Attendance Register** is displayed as shown:

Voucher Register		Spectrum Software Solutions		Ctrl + M	
List of All Attendance Vouchers			1-May-2009 to 31-May-2009		
Date	Particulars	Vch Type	Vch No.	Debit Amount	Credit Amount
31-5-2009	Ajay - Present	Attendance	3		
31-5-2009	Ajay - Overtime	Attendance	4		

Figure 10.52 Attendance Voucher Register

You may further drill down to voucher level, by pressing **Enter** on the required transaction.

## Expat Reports

Expat Reports provide information about regular as well as contractual employees, working abroad on a short/ long tenure or on assignment. They capture all the relevant information in respect of passport, visa and contract details along with the date of joining, the issuing country and the expiry date. In Tally.ERP 9, the following Expat reports are available.

- Passport Expiry
- Visa Expiry
- Contract Expiry

### Passport Expiry Report

The Passport Expiry Report provides information on the passport details of employees, such as passport number, country of Issue, passport expiry date and other details such as the employee's date of joining and email id.

Go to **Gateway of Tally > Display > Payroll Reports > Expat Reports > Passport Expiry**

The **Passport Expiry Report** is displayed as shown:

Passport Expiry Report		Spectrum Software Solutions		Ctrl + M	
For All Employees			As on : 31-Aug-2009		
Particulars	Passport Number	Country of Issue	Date of Joining	Passport Expiry Date	
<b>Primary Cost Category</b>					
<b>Administration</b>					
Vijay Kumar	IND/BN/PASS130/005	India	1-4-2009	31-12-2010	
<b>Sales</b>					
Ajay	IND/BN/PASS178/006	India	1-4-2009	26-10-2011	
Mahesh	IND/BN/PASS233/005	India	1-4-2009	21-10-2012	

Figure 10.53 Passport Expiry Report

- Press **F12: Configure** to configure additional options

The **F12: Configuration** screen is displayed as shown:

<u>Configuration</u>	
Show All Employees ?	No
Show Expiry in days ?	Yes
Expiry in next n days :	30
Show Employee Number ?	No
Appearance of Names :	Name Only
Sorting Method :	Default
Show Employee Email ID ?	No

Figure 10.54 F12: Configuration screen



- **Show All Employees** – Set this option to **Yes**, to view the passport details of all employees. It includes information on expired and unexpired passport details. If this option is set to **No**, **Show Expiry in days** will be available.
- **Show Expiry in days** – Set this option to **Yes**, to enter the expiry days. When **Show All Employees** and **Show Expiry in days** options are set to **No**, Tally.ERP 9 filters only those employee passport details, which are nearing the expiry date. If this option is set to **Yes**, **Expiry in next n days** will be available.
- **Expiry in next n days** – Set this option to **Yes**, to get the passport expiry details for the next specified number of days. On entering the number of days, Tally.ERP 9 filters the employee passport details which are likely to expire within the specified period (number of specified days). If this option is left blank, the report will denote the current date (last date of voucher entry).
- **Show Employee Number** – Set this option to **Yes**, to display the employee number of employees in the report.
- **Appearance of Names** – Select the appropriate name style to appear in the Passport Expiry Report (Alias (Name), Alias only, Name (Alias), Name only).
- **Sorting Method** — Sort employee details based on Employee Number, Passport Expiry Date (Ascending/Descending), or by the default method.
- **Show Employee Email Id** – Set this option to **Yes**, to view the email ids of employees.

#### Button options in Passport Expiry Report:



- **F2: Change Period** – Allows you to change the period of the report.
- **F5: Employee Wise** – Allows you to display the Employee-wise Passport Expiry report.
- **F7: Employee Filters** – This option (**Ctrl+F7**) allows you to display the Passport Expiry Report for a particular Employee Category with the required Group or Employee.

## Visa Expiry Report

The Visa Expiry Report provides information on the visa details of employees i.e., visa number, visa Expiry date and other details such as the employee's date of joining and email id.

Go to **Gateway of Tally > Display > Payroll Reports > Expat Reports > Visa Expiry**

The **Visa Expiry Report** is displayed as shown:

Visa Expiry Report		Spectrum Software Solutions		Ctrl + M
For All Employees		As on : 31-Aug-2009		
Particulars	Visa Number	Date of Joining	Visa Expiry Date	
<b>Primary Cost Category</b>				
<b>Sales</b>				
Ajay		1-4-2009	10-10-2011	
Mahesh		1-4-2009	2-1-2011	

Figure 10.55 Visa Expiry Report



*The **F12: Configuration** and **Button** Options are the same as shown in **Passport Expiry Report**.*

### Contract Expiry Report

The Contract Expiry Report provides information on the contract details of employees on assignment/ contract. It displays the contract particulars such as work permit number, contract start and expiry date along with the employee's date of joining and the email id.

Go to **Gateway of Tally > Display > Payroll Reports > Expat Reports > Contract Expiry**

The **Contract Expiry Report** is displayed as shown:

Contract Expiry Report		Spectrum Software Solutions			Ctrl + M
For All Employees		As on : 31-Aug-2009			
Particulars	Work Permit Number	Contract Start Date	Date of Joining	Contract Expiry Date	
<b>Primary Cost Category</b>					
<b>Contract Employees</b>					
James		5-8-2009	5-8-2009	5-2-2010	
Vineet		5-8-2009	5-8-2009	5-5-2010	

Figure 10.56 Contract Expiry Report



*The F12: Configuration and Button Options are the same as shown in Passport Expiry Report.*

## Payroll Statutory Reports

In Tally.ERP 9, you can display, print statutory forms and reports for Provident Fund (EPF), Employee State Insurance (ESI) and Professional Tax (PT) in the prescribed format as required by the statutes. The following Statutory reports are available in Tally.ERP 9:

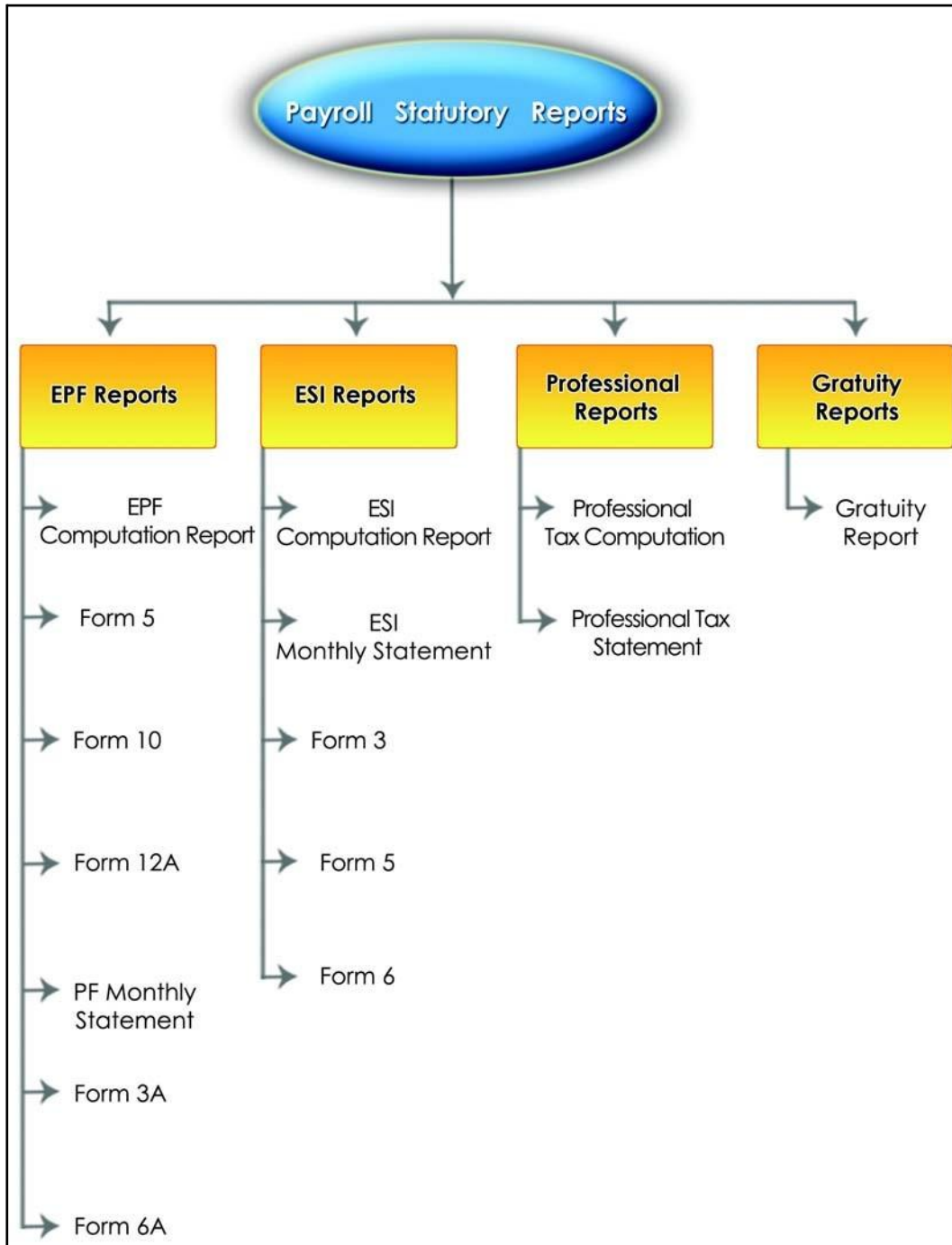


Figure 10.57 Payroll Statutory Reports in Tally.ERP 9



You can view Payroll Statutory reports either from the Statutory Reports menu or Payroll Reports menu i.e., **Gateway of Tally > Display > Statutory Reports > Payroll Reports** or **Gateway of Tally > Display > Payroll Reports > Statutory Reports**

### **Provident Fund Reports**

As mentioned earlier, the following Provident Fund Reports are available in Tally.ERP 9:

- EPF Computation report
- Form 5
- Form 10
- Form 12A
- PF Monthly Statement
- Form 3A
- Form 6A

In this section, we will generate each of the above mentioned forms / report and understand the purpose and information to be furnished.

#### **i. PF Computation Report**

The PF Computation Report provides the summary of Amount Payable and amount paid in respect of PF for a given period comprising of Employer Contributions, Employee Deductions and Employer's Other charges, if any. To view PF Computation Report, follow the steps given below:

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

- Press **F2** and specify the period as **01-07-2009** to **31-07-2009** and press **Enter**

The Payroll Statutory Computation Report is displayed as shown:

Payroll Statutory Computation		Spectrum Software Solutions		Ctrl + M
Payroll Statutory Computation		1-Jul-2009 to 31-Jul-2009		
Particulars	Payable Amount	Paid Amount		
<u>Provident Fund</u>				
Employees' Statutory Deductions	4,018.00	4,018.00		
Employer's Statutory Contributions	4,018.00	4,018.00		
Employer's Other Charges	547.71	547.71		
<u>Employee State Insurance</u>				
Employees' Statutory Deductions	208.00	208.00		
Employer's Statutory Contributions	564.00	564.00		
<u>Professional Tax</u>				
Employees' Statutory Deductions	820.00	820.00		
<b>Grand Total</b>	<b>10,175.71</b>	<b>10,175.71</b>		

Figure 10.58 Payroll Statutory Computation Report

The report, by default displays the summary of Employee's Provident Fund, Employees' State Insurance and Professional Tax. You may however configure to display only details of Provident Fund.

- Press **F12: Configure** and enable/disable the following options as required

- Press **Enter**

Configuration	
Format	: Condensed
Show Provident Fund Details	? Yes
Show Employee State Insurance Details	? No
Show Professional Tax Details	? No

Figure 10.59 F12: Configurations screen

The **PF Computation** report will is displayed as shown:

Payroll Statutory Computation		Spectrum Software Solutions		Ctrl + M
Payroll Statutory Computation		1-Jul-2009 to 31-Jul-2009		
Particulars	Payable Amount	Paid Amount		
<b>Provident Fund</b>				
Employees' Statutory Deductions	4,018.00	4,018.00		
Employer's Statutory Contributions	4,018.00	4,018.00		
Employer's Other Charges	547.71	547.71		
<b>Grand Total</b>	<b>8,583.71</b>	<b>8,583.71</b>		

Figure 10.60 PF Computation screen

To view detailed ledger wise information under each contributions / deductions head, press **Alt+F1**.

The detailed **Provident Fund** Computation Report is displayed as shown:

Payroll Statutory Computation		Spectrum Software Solutions			Ctrl + M	
Payroll Statutory Computation		1-Jul-2009 to 31-Jul-2009				
Particulars	Gross Amount	Statutory Details			Payable Amount	Paid Amount
		Percentage	A/c No.	Amount		
<b>Provident Fund</b>						
<b>Employees' Statutory Deductions</b>					<b>4,018.00</b>	<b>4,018.00</b>
Employee's PF Contribution @ 12%	33,481.00	12%	A/c No.1	4,018.00 Cr		
<b>Employer's Statutory Contributions</b>					<b>4,018.00</b>	<b>4,018.00</b>
Employer EPF @ 3.67%	33,481.00	3.67%	A/c No.1	1,231.00 Dr		
Employer EPS @ 8.33%	33,481.00	8.33%	A/c No.10	2,787.00 Dr		
<b>Employer's Other Charges</b>					<b>547.71</b>	<b>547.71</b>
EDLI Admin Charges @ 0.01%	33,481.00	0.01%	A/c No.22	12.00 Cr		
EDLI Contribution @ 0.5%	33,481.00	0.50%	A/c No.21	167.41 Cr		
PF Admin Charges @ 1.10%	33,481.00	1.10%	A/c No.2	368.30 Cr		
<b>Grand Total</b>					<b>8,583.71</b>	<b>8,583.71</b>

Figure 10.61 Detailed PF Computation Report

You can further drill down to Employee Breakup of Pay Head report and from there to Employee Vouchers and so on, by pressing **Enter** on the required ledger from the above screen.

**ii. Form 5**

In accordance with the Employees' Provident Funds Scheme, 1952 [para 36 (2)(a)], a return is required to be submitted in Form 5 within 15 days of the following month detailing the list of Employees qualifying for membership to the Employees' Provident Fund for the First time during every month.

Form 5 is a monthly Returns to be submitted with the details of any new employee covered under EPF. In Tally.ERP 9, you can generate Form 5 in the prescribed format containing the details of the new joinees in the organisation for the selected month. To generate the PF Form 5 for the month of June 2009, follow the steps given below:

Go to **Gateway of Tally > Display > Payroll Reports > Statutory Reports > Provident Fund > Form 5**

In the **Payroll Statutory Print Configuration** screen,

- Specify **01-06-2009** and **30-06-2009** in the **From** and **To** fields respectively
- Select **All Items** in the **Employee Category** field
- Select **All Items** in the **Employee / Group** field

- Select **Account Number** as the **Sorting Method**
- Specify **30-06-2009** in the **Date** field

The completed **Payroll Statutory Print Configuration** screen is displayed as shown:

Payroll Statutory Print Configuration															
Printer	: Printer 1 (Ne02:)	Paper Type :	A4												
No. of Copies	: 1														
Print Language	: English		<i>(Printing Dimensions)</i>												
Method	: Neat Mode	Paper Size :	(8.27" x 11.69") or (210 mm x 297 mm)												
Page Range	: All	Print Area :	(8.27" x 11.69") or (210 mm x 297 mm)												
<u>Report Titles</u>															
Form 5															
(with Print Preview)															
<table style="width: 100%; border: none;"> <tr> <td style="width: 50%;">From (blank for beginning) :</td> <td style="width: 50%;">1-6-2009</td> </tr> <tr> <td>To (blank for end) :</td> <td>30-6-2009</td> </tr> <tr> <td>Employee Category :</td> <td>↓ All Items</td> </tr> <tr> <td>Employee/Group :</td> <td>↓ All Items</td> </tr> <tr> <td>Sorting Method :</td> <td>Account Number</td> </tr> <tr> <td>Date of Printing :</td> <td>30-6-2010</td> </tr> </table>				From (blank for beginning) :	1-6-2009	To (blank for end) :	30-6-2009	Employee Category :	↓ All Items	Employee/Group :	↓ All Items	Sorting Method :	Account Number	Date of Printing :	30-6-2010
From (blank for beginning) :	1-6-2009														
To (blank for end) :	30-6-2009														
Employee Category :	↓ All Items														
Employee/Group :	↓ All Items														
Sorting Method :	Account Number														
Date of Printing :	30-6-2010														
			<div style="border: 1px solid black; padding: 5px; display: inline-block;"> <b>Print ?</b>  <span style="color: red;">Yes or No</span> </div>												

Figure 10.62 Payroll Statutory Print Configuration screen

- Press **Enter** to print.

The printed **PF Form 5** is displayed as shown:

**FORM 5**

**THE EMPLOYEES' PROVIDENT FUNDS SCHEME, 1952**  
**[Paragraph 36(2)(a) & THE EMPLOYEES PENSION SCHEME, 1995 Paragraph 20(2)]**

Return of Employees' qualifying for membership of the Employees' Provident Fund, Employees' Pension Fund & Employees' Deposit Linked Insurance Fund for the first time during the month of June 2009 (To be sent to the Commissioner with Form 2 (EPF & EPS))

Name and Address of the Factory / Establishment : **Spectrum Software Solutions**  
 14, Mysore Road,  
 Bangalore

Code No. of the Factory / Establishment : **KA/BN/12345/00129**

Sl No.	Account No.	Name of Employee (in block letters)	Father's Name or Husband's Name (in case of married women)	Date of Birth	Sex	Date of Joining the Fund	Total period of previous service as on the date of joining the Fund (Enclose Scheme Certificate if applicable)	Re- mar- ks
1	2	3	4	5	6	7	8	9
1	KA/BN/8181/23425	RAJESH	Mr. Srinivas	20-4-1976	Male	10-6-2009		
2	KA/BN/8181/2534	SURESH	Mr. Kannan	20-5-1975	Male	1-6-2009		

Date : **30-6-2009**

Signature of the employer or other authorised  
 Officer of the Factory/Establishment & Stamp of  
 the Factory/Establishment

Figure 10.63 PF Form 5

In our case study, there are two new employees who have joined during the month of June 2009 and thus Form 5 contains the details of these employees.

**iii. Form 10**

In accordance with the Employees' Provident Funds Scheme, 1952 [para 36 (2)(a) & (b)], a Return is required to be submitted in Form 10 within 15 days of the following month detailing the list of members leaving service during the month.

Form 10 is a monthly Return to be submitted with the details of employees leaving the organisation. In Tally.ERP 9, on resignation or retirement or expulsion of any employee, the date of leaving is required to be specified in the Employee master of such employee. The **Date of Leaving** option in the Employee Master is available in the alteration mode. Form 10 contains the details of Employees for whom the date of leaving is specified in the Employee Master.

You can generate Form 10 in the prescribed format containing the details of the employees who have resigned in the selected month. To generate the PF Form 10 for the month of August 2009, follow the steps given below.

Go to **Gateway of Tally > Display > Payroll Reports > Statutory Reports > Provident Fund > Form 10**

In the **Payroll Statutory Print Configuration** screen

- Specify **01-09-2009** and **30-09-2009** in the **From** and **To** fields respectively
- Select **All Items** in the **Employee Category** field
- Select **All Items** in the **Employee / Group** field
- Select **Account Number** as the **Sorting Method**
- Specify **30-09-2009** in the **Date** field

The completed **Payroll Statutory Print Configuration** screen is displayed as shown:

Payroll Statutory Print Configuration			
Printer	: Printer 1 (Ne02:)	Paper Type :	A4
No. of Copies	: 1		
Print Language	: English		<i>(Printing Dimensions)</i>
Method	: Neat Mode	Paper Size :	{8.27" x 11.69"} or {210 mm x 297 mm}
Page Range	: All	Print Area :	{8.27" x 11.69"} or {210 mm x 297 mm}
<u>Report Titles</u>			
Form 10			
(with Print Preview)			
From (blank for beginning)	: 1-9-2009		
To (blank for end)	: 30-9-2009		
Employee Category	: ↓ All Items		
Employee/Group	: ↓ All Items		
Sorting Method	: Account Number		
Date of Printing	: 30-9-2010		
			<b>Print ?</b> Yes or No

Figure 10.64 Payroll Statutory Print Configuration screen

- Press **Enter** to print

The printed **Form 10** is displayed as shown:

<b>FORM 10</b>						
<b>THE EMPLOYEES' PROVIDENT FUNDS SCHEME, 1952</b>						
<b>[Paragraph 36(2) (a) &amp; (b) EMPLOYEES' PENSION SCHEME, 1995 (Paragraph 20(2))]</b>						
Return of the members leaving service during the month of : <b>September 2009</b>						
Name and Address of the Factory / Establishment : <b>Spectrum Software Solutions</b> 14, Mysore Road, Bangalore						
SI No.	Account No.	Name of the Member (in block letters)	Father's Name or husband's Name (in case of married women)	Date of leaving service	Reason for leaving service	Remarks
1	2	3	4	5	6	7
1	KABN/8181/23425	RAJESH	Mr. Srinivas	10-9-2009	Personal Reason	

Date : **30-9-2009** Signature of the employer or the authorised Officer  
Stamp of the Factory/Establishment

Please state whether the member is (a) retiring according to para(69), (i) (a) or (b) of the scheme (b) leaving India for permanent settlement abroad (c) retrenchment (d) Pt. & total disablement due to employment injury (e) discharged (f) resigning from or leaving service (g) taking up employment elsewhere (The name and address of the Employers should be stated) (h) death; (i) attained the age of 58 years.

Certified that the member mentioned at serial No. \_\_\_\_\_ Shri \_\_\_\_\_ was paid/not paid retrenchment compensation of Rs \_\_\_\_\_ under the Industrial Dispute Act, 1947.

Figure 10.65 Printed Form 10



**iv. Form 12A**

In accordance with the Employees' Provident Funds Scheme, 1952 [para 36(1)] and the Employees' Pension Scheme 1995 [para 20(4)] and the Employees' Deposit Linked Insurance Scheme, 1976, a consolidated Statement of dues and remittance is required to be submitted by 25th of the following month to which the dues relate.

You can generate Form 12A in the prescribed format containing the details of the amount of contribution, amount of contribution remitted and the date of remittance in respect of EPF, Pension Fund and EDLI Contribution for the selected month. To generate the PF Form 12A for the month of August 2009, follow the steps given below.

Go to **Gateway of Tally > Display > Payroll Reports > Statutory Reports > Provident Fund > Form 12A**

In the **Payroll Statutory Print Configuration** screen

- Specify **01-08-2009** and **31-08-2009** in the **From** and **To** fields respectively
- Select **All Items** in the **Employee Category** field
- Select **All Items** in the **Employee / Group** field
- Specify the **Name & Address of the Bank**
- Set **Include VPF Account** to **No**
- Specify **2** in the **Number of Contract Employees** field
- Press **Enter** to accept **0** in **Number of Rest (Temporary Employees)** field

The completed **Payroll Statutory Print Configuration** screen is displayed as shown:

Payroll Statutory Print Configuration			
Printer	: Printer 1 (Ne02:)	Paper Type :	A4
No. of Copies	: 1		
Print Language	: English		<i>(Printing Dimensions)</i>
Method	: Neat Mode	Paper Size :	(8.27" x 11.69") or (210 mm x 297 mm)
Page Range	: All	Print Area :	(8.27" x 11.69") or (210 mm x 297 mm)
<u>Report Titles</u>			
Form 12A			
(with Print Preview)			
From (blank for beginning)	:	1-8-2009	
To (blank for end)	:	31-8-2009	
Employee Category	:	↓ All Items	
Employee/Group	:	↓ All Items	
Name & Address of the Bank	:	SBI, Koramangala	
Include VPF Account	:	No	
Number of Contract Employees	:	2	
Number of Rest(Temporary Employees)	:	0	
			<b>Print ?</b> Yes or No

Figure 10.66 Completed Print Configuration screen

- Press **Enter** to print

The printed **Form 12A** is displayed as shown:

**(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 : **KA/BN/12345/00009**  
Establishment status :

Name and Address of the Establishment : **Spectrum Software Solutions**  
14, Mysore Road,  
Bangalore

Code No. : **KA/BN/12345/00129**  
Currency period from : **1-Apr-2009 to 31-Mar-2010**  
Statement of Contribution for the month of : **Aug-2009**

	Wages on which Contributions are payable	Amount of Contribution		Amount of contribution remitted		Amount of Administrative charges due	Amount of Administrative charges remitted	Date Of Remittance (enclose triplicate copies of Challan)
		Recovered from the Employees'	Payable by the Employer	Employee's Share	Employer's Share			
E.P.F. A/c No. 01	35,500.00	4,260.00	1,304.00	4,260.00	1,304.00	390.50	390.50	31-Aug-2009
Pension Fund A/c No. 10	35,500.00	NIL	2,956.00	NIL	2,956.00	NIL	NIL	31-Aug-2009
E.D.L.I A/c No. 21	35,500.00	NIL	177.50	NIL	177.50	12.00	12.00	31-Aug-2009

Total No. of Employees : **8** Name & Address of the Bank in which the amount is remitted : **SBI, Koramangala**  
(a) Contract : **2**  
(b) Rest : **0**  
(c) PF Subscribers : **6**

Details of Subscribers	E.P.F.	Pension Fund	E.D.L.I.
No. of Subscribers as per last month (vide Form 12A)	6	6	6
No. of New Subscribers (vide Form 5)			
No. of Subscribers left service (vide Form 10)			
Nett Total Number of Subscribers	6	6	6

**Signature of the Employer with Official (Seal)**

Figure 10.67 Printed Form 12A

### v. PF Monthly Statement

The PF Monthly Statement provides a summary of Employee wise monthly PF Employee Deductions and Employer Contribution amounts. To print the PF Monthly Statement, follow the steps given below:

Go to **Gateway of Tally > Display > Payroll Reports > Statutory Reports > Provident Fund > Monthly Statement**

In the **Payroll Statutory Print Configuration** screen,

- Specify **01-08-2009** and **31-08-2009** in the **From** and **To** fields respectively
- Select **All Items** in the **Employee Category** field
- Select **All Items** in the **Employee / Group** field
- Select **Account Number** as the **Sorting Method**

Payroll Statutory Print Configuration																							
Printer	: Printer 1 (Ne02:)	Paper Type :	A4																				
No. of Copies	: 1																						
Print Language	: English		<i>(Printing Dimensions)</i>																				
Method	: Neat Mode	Paper Size :	(8.27" x 11.69") or (210 mm x 297 mm)																				
Page Range	: All	Print Area :	(8.27" x 11.69") or (210 mm x 297 mm)																				
<u>Report Titles</u>																							
PF Monthly Statement																							
(with Print Preview)																							
<table style="width: 100%; border: none;"> <tr> <td style="width: 30%;">From (blank for beginning) :</td> <td style="width: 30%;">1-8-2009</td> <td style="width: 20%;"></td> <td style="width: 20%;"></td> </tr> <tr> <td>To (blank for end) :</td> <td>31-8-2009</td> <td></td> <td></td> </tr> <tr> <td>Employee Category :</td> <td>↓ All Items</td> <td></td> <td></td> </tr> <tr> <td>Employee/Group :</td> <td>↓ All Items</td> <td></td> <td></td> </tr> <tr> <td>Sorting Method :</td> <td>Account Number</td> <td></td> <td></td> </tr> </table>				From (blank for beginning) :	1-8-2009			To (blank for end) :	31-8-2009			Employee Category :	↓ All Items			Employee/Group :	↓ All Items			Sorting Method :	Account Number		
From (blank for beginning) :	1-8-2009																						
To (blank for end) :	31-8-2009																						
Employee Category :	↓ All Items																						
Employee/Group :	↓ All Items																						
Sorting Method :	Account Number																						
			<div style="border: 1px solid black; padding: 5px; display: inline-block;"> <b>Print ?</b>                      Yes or No                 </div>																				

Figure 10.68 Print Configuration screen

- Press **Enter** to Print.

The printed **PF Monthly Statement** for August 2009 is displayed as shown:

<b>EMPLOYEE PROVIDENT FUND SCHEME - Monthly Statement</b>										
Name & Address of the Factory or Establishment : <b>Spectrum Software Solutions</b> 14, Mysore Road, Bangalore										
Statement for the Period : 1-Aug-2009 to 31-Aug-2009										
Emp No	PF Number	Employee Name	Worked	Earned Wages	Employee's Contribution			Employer's Contribution		
					PF 12%	VPF	Total	EPS 8.33%	EPF 3.67%	Total
551	KAEN18184564	Ajay	26	6,500.00	780.00		780.00	541.00	239.00	780.00
550	KAEN18184293	Mahesh	25	6,500.00	780.00		780.00	541.00	239.00	780.00
552	KAEN1820203	Rahul	22	6,500.00	780.00		780.00	541.00	239.00	780.00
554	KAEN181723425	Rajesh	26	5,000.00	600.00		600.00	417.00	183.00	600.00
553	KAEN181812534	Suresh	26	4,500.00	540.00		540.00	375.00	165.00	540.00
549	KAEN18184563	Vijay Kumar	26	6,500.00	780.00		780.00	541.00	239.00	780.00
			<b>Total</b>	<b>35,500.00</b>	<b>4,260.00</b>		<b>4,260.00</b>	<b>2,956.00</b>	<b>1,304.00</b>	<b>4,260.00</b>

Figure 10.69 PF Monthly Statement

**vi. Form 3A**

As per the Employees' Provident Funds Scheme, 1952 [para 35 & 42] and the Employees' Pension Scheme 1995 (Para 19), a Form (Member's Annual Contribution Card) showing month wise recoveries towards EPF and Pension Fund in respect of a member for one financial year is required to be furnished by the employer before 30th April of the following year.

Form 3A is an annual contribution card to be furnished for each employee in separate sheets to EPFO. To print Form 3A, follow the steps given below:

Go to **Gateway of Tally > Display > Payroll Reports > Statutory Reports > Provident Fund > Form 3A**

In the **Payroll Statutory Print Configuration** screen

- Select **All Items** in the **Employee Category** field
- Select **All Items** in the **Employee/Group** field
- Specify **01-03-2009** and **28-02-2010** in the **From** and **To** fields respectively
- Specify **28-02-2010** in the **Date of Printing** field

The completed **Payroll Statutory Print Configuration** screen is displayed as shown:

Payroll Statutory Print Configuration			
Printer	: Printer 1 (Ne02:)	Paper Type :	A4
No. of Copies	: 1		
Print Language	: English		<i>(Printing Dimensions)</i>
Method	: Neat Mode	Paper Size :	(8.27" x 11.69") or (210 mm x 297 mm)
Page Range	: All	Print Area :	(8.27" x 11.69") or (210 mm x 297 mm)
<u>Report Titles</u>			
Form 3A			
(with Print Preview)			
Employee Category	: ↓ All Items		
Employee/Group	: ↓ All Items		
From (blank for beginning)	: 1-3-2009		
To (blank for end)	: 28-2-2010		
Include VPF Account	: Yes		
Sorting Method	: Account Number		
Date of Printing	: 28-2-2010		
			<b>Print ?</b> <span style="color: red;">Yes or No</span>

Figure 10.70 Payroll Statutory Print Configuration

- Press **Enter** to Print.

The printed **Form 3A** for **Ajay** is displayed as shown:

<b>FORM 3 A [REVISED]</b> <b>EMPLOYEE'S PROVIDENT FUND ORGANISATION</b> <b>THE EMPLOYEE'S PROVIDENT FUND SCHEME, 1952 [Paras 35 &amp; 42]</b> <b>AND THE EMPLOYEES' PENSION SCHEME, 1995 [Para 19]</b> <b>Contribution Card for currency period from 1-Apr-2009 to 31-Mar-2010</b>								
1. Account No.	: KA/BN/18184/564							
2. Name/Surname (in block letters)	: AJAY							
3. Father's / Husband's Name	: Mr. Mohan							
4. Statutory Rate of Contribution	: 12 %							
5. Voluntary Higher Rate of Employee's contribution if any	:							
6. Name & Address of the Factory / Establishment	: <b>Spectrum Software Solutions</b> 14, Mysore Road, Bangalore							
7. Code Number	: KA/BN/12345/00129							
Month	WORKER'S SHARE			EMPLOYER'S SHARE		Refund of Advance	No. of days period of non contributing service (if any)	Remarks
	Amount of Wages	E.P.F.12%	Rate of higher voluntary contribution (if any)	E.P.F. Difference between 12% & 8.33% if any	Pension Fund Contribution 8.33%			
1	2	3a	3b	4a	4b	5	6	7
March 2009 Paid in April 2009								
May 2009	6,500.00	780.00		239.00	541.00			
June 2009	6,500.00	780.00		239.00	541.00			
July 2009	6,500.00	780.00		239.00	541.00			
August 2009	6,500.00	780.00		239.00	541.00			
September 2009	6,500.00	780.00		239.00	541.00			
October 2009								
November 2009								
December 2009								
January 2009								
February 2010								
February 2010 Paid in March 2010								
<b>Total</b>	<b>32,500.00</b>	<b>3,900.00</b>		<b>1,195.00</b>	<b>2,705.00</b>			
<p>Certified that the total amount of contribution (both shares) indicated in this Card i.e. Rs.5,095.00 has already been remitted full in E.P.S. A/c No.1 &amp; Pension Fund A/c No.10 Rs.2,705.00</p> <p>Certified that the difference between the total of the contribution shown under Cols. 3a, 3b, 4a &amp; 4b of the above table and that arrived at on the total wages shown in cloumn 2 at the prescribed rate is solely due to rounding off the contributions to the nearest rupee under the rules.</p>								
Date	: 30-Sep-2009							
	Signature of Employer (with Office seal)							

Figure 10.71 Printed PF Form 3A

The next page will contain the Contribution Card in Form 3A for the next employee.

**vii. Form 6A**

As per the Employees' Provident Funds Scheme, 1952 [para 43] and the Employees' Pension Scheme 1975 [para 20], a Form (Consolidated Annual Contribution Statement) providing annual contributions of each member of the establishment is required to be submitted by 30th April.

Form 6A is a vital form for compiling the annual Provident Fund statement of a subscriber. In Tally.ERP 9, you can generate Form 6A in the prescribed format. To print Form 6A, follow the steps given below:

Go to **Gateway of Tally > Display > Payroll Reports > Statutory Reports > Provident Fund > Form 6A**

In the **Payroll Statutory Print Configuration** screen

- Specify **01-03-2009** and **28-02-2010** in the **From** and **To** fields respectively
- Select **All Items** in the **Employee Category** field
- Select **All Items** in the **Employee/Group** field
- Select **Account Number** as the **Sorting Method**

The completed **Payroll Statutory Print Configuration** screen is displayed as shown:

Payroll Statutory Print Configuration			
Printer	: Printer 1 (Ne02:)	Paper Type :	A4
No. of Copies	: 1		
Print Language	: English		<i>(Printing Dimensions)</i>
Method	: Neat Mode	Paper Size :	(8.27" x 11.69") or (210 mm x 297 mm)
Page Range	: All	Print Area :	(8.27" x 11.69") or (210 mm x 297 mm)
<u>Report Titles</u>			
Form 6A			
(with Print Preview)			
From (blank for beginning)	: 1-3-2009		
To (blank for end)	: 28-2-2010		
Employee Category	: ↓ All Items		
Employee/Group	: ↓ All Items		
Sorting Method	: Account Number		
			<b>Print ?</b> Yes or No

Figure 10.72 Payroll Statutory Print Configuration for PF Form 6A

- Press **Enter** to Print.

The printed **Form 6A** is displayed as shown:

<b>FORM 6 A</b> <b>THE EMPLOYEE'S PROVIDENT FUND SCHEME, 1952. [Paragraph 43]</b> <b>AND THE EMPLOYEES' PENSION SCHEME, 1995 [Paragraph 20(4)]</b>									
<b>Annual Statement of contribution for the currency period from 1-Apr-2009 to 31-Mar-2010</b>									
Name & Address of the Establishment				: Spectrum Software Solutions 14, Mysore Road, Bangalore					
Statutory Rate of Contribution				: 12 %					
Code No. of the Establishment				: KAVBN/12345/00129					
No. of members voluntarily contributing at a higher rate				: 0					
S.No.	Account Number	Name of the Member (in block letters)	Wages, retaining allowance (if any) & DA including cash value of food concession paid during the currency period	Amount of Worker's Contributions deducted from the wages on 12 % E.P.F.	Employer's Contribution E.P.F. Difference between 12 % & 8.33 %	Pension Fund 8.33 %	Refund of Advance	Rate of higher voluntary Contribution (if any)	Remarks
1	2	3	4	5	6	7	8	9	10
1	KAVBN/18184/564	AJAY	32,500.00	3,900.00	1,195.00	2,705.00			
2	KAVBN/18184/293	MAHESH	32,500.00	3,900.00	1,195.00	2,705.00			
3	KAVBN/1920/203	RAHUL	32,500.00	3,900.00	1,195.00	2,705.00			
4	KAVBN/8181/23425	RAJESH	12,884.00	1,547.00	474.00	1,073.00			
5	KAVBN/8181/2534	SURESH	12,116.00	1,454.00	444.00	1,010.00			
6	KAVBN/18184/563	VIJAY KUMAR	32,500.00	3,900.00	1,195.00	2,705.00			
<b>Total</b>			<b>1,55,000.00</b>	<b>18,601.00</b>	<b>5,698.00</b>	<b>12,903.00</b>			

Figure 10.73 Printed Form 6A - Page 1



The Page 2 of **PF Form 6A** is displayed as shown:

Spectrum Software Solutions Form 6A: 1-Apr-2009 to 31-Mar-2010							
Sl. No.	Reconciliation of Remittances		Adm. Charges at Rs. 1.1 % of wages		Aggregate ( ) Contributions ( )		Cols 5,6,7 Rs.
	Month/Year	Amount remitted	Pension Fund Contributions	EDLI Contribution	Adm. Charges A/c No. 2	EDLI Adm. Charges 0.01%	
		EPF Contributions including refund of advances A/c. No. 1	A/c. No. 10 Rs.	A/c No.21		A/c. No. 22 Rs.	
1	March 2009 Paid in April 2009						
2	May 2009	4,076.00	2,164.00	130.00	286.00	8.00	30-Apr-2009
3	June 2009	4,076.00	2,164.00	130.00	286.00	8.00	31-May-2009
4	July 2009	5,334.00	2,832.00	170.10	374.21	12.00	30-Jun-2009
5	August 2009	5,249.00	2,787.00	167.41	368.30	12.00	31-Jul-2009
6	September 2009	5,564.00	2,956.00	177.50	390.50	12.00	31-Aug-2009
7	October 2009						
8	November 2009						
9	December 2009						
10	January 2009						
11	February 2010						
12	February 2010 Paid in March 2010						
	<b>Total</b>	<b>24,299.00</b>	<b>12,903.00</b>	<b>775.01</b>	<b>1,705.01</b>	<b>52.00</b>	

i) Total number of contribution cards enclosed ( Form 3A(Revised)): 6

ii) Certified that Form3A duly completed, of all the members listed in this statement are enclosed, except those already sent during the course of the currency period for the final settlement of the concerned members account vide 'Remarks' Furnished against the names of the respective members above.

Signature of the Employer  
(With Office Seal)

**Note:**

- The names of all members, including those who had left service during the currency period, should be included in this statement. Where the Form 3A in respect of such members had left service were already sent to the Regional Office for the purpose of final settlement of their accounts, the fact should be stated against the members in the 'Remarks' Column above thus Form 3A already sent in the month of \_\_\_\_\_ 200\_\_\_\_\_.
- In case of substantial variation in the wages/contributions of any members as compared to those shown in previous month statement, the reasons should be explained adequately in the 'Remarks' column.
- In respect of those members who have not opted for Pension Fund their entire employers contribution as the case may be should be under column No. 6.

Figure 10.74 Printed Form 6A - Page 2

**viii. E-Return for PF Form 3A**

Tally.ERP 9 also allows to generate the **PF Form 3A** in **dbf format**. The dbf format of this form can be copied to a CD and submitted to the PF department.

To generate the PF Form 3A in dbf format,

Go to **Gateway of Tally > Display > Payroll Reports > Statutory Reports > Provident Fund > E-Return**

- Press Backspace and specify the details as shown:

Exporting Form 3A	
Language	: Default (All Languages)
Format	: Excel (Spreadsheet)
Export Location	: C:\Tally.ERP9 Gold
Output File Name	: Form3A.dbf
Output Sheet Name	: Form3A
Update existing file	: Yes
Excel (Spreadsheet) Formatting with Colour	: Yes : No
From (blank for beginning) : 1-3-2009 To (blank for end) : 28-2-2010	
<b>Export ?</b> Yes or No	

Figure 10.75 Exporting Form 3A in dbf format

- Press **Enter** to Export the form in the required format.



*The Out File Name can be changed with the **.dbf** extension to by default export the form in the required format. Or the Form can be exported in the **Excel Format** and renamed by changing the extension as **.dfb**.*

**Employee’s State Insurance Reports**

As mentioned earlier, the following ESI Reports are available in Tally.ERP 9:

- ESI Computation Report
- Form 3
- ESI Monthly Statement
- Form 5
- Form 6

In this section, we will generate each of the above forms / report and understand the purpose and information to be furnished.

**i. ESI Computation Report**

The ESI Computation Report provides the summary of Amount Payable and amount paid in respect of ESI for given period comprising of Employer Contributions and Employee Deductions. To view ESI Computation Report, follow the steps given below:

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

- Press **F2** and specify the period as **01-07-2009 to 31-07-2009** and press **Enter**

Payroll Statutory Computation		Spectrum Software Solutions		Ctrl + M
Payroll Statutory Computation		1-Jul-2009 to 31-Jul-2009		
Particulars	Payable Amount	Paid Amount		
<b>Provident Fund</b>				
Employees' Statutory Deductions	4,018.00	4,018.00		
Employer's Statutory Contributions	4,018.00	4,018.00		
Employer's Other Charges	547.71	547.71		
<b>Employee State Insurance</b>				
Employees' Statutory Deductions	208.00	208.00		
Employer's Statutory Contributions	564.00	564.00		
<b>Professional Tax</b>				
Employees' Statutory Deductions	820.00	820.00		
<b>Grand Total</b>	<b>10,175.71</b>	<b>10,175.71</b>		

Figure 10.76 Payroll Computation report

The report, by default displays summary of Employee's Provident Fund, Employee's State Insurance and Professional Tax, you may however configure to display only details of Employee State Insurance.

- Press **F12: Configure** and enable/disable the following options as required

- Press **Enter**

Configuration	
Format	: Condensed
Show Provident Fund Details	? No
Show Employee State Insurance Details	? Yes
Show Professional Tax Details	? No

Figure 10.77 F12: Configuration screen

The **ESI Computation** report is displayed as shown:

Payroll Statutory Computation		Spectrum Software Solutions		Ctrl + M
Payroll Statutory Computation		1-Jul-2009 to 31-Jul-2009		
Particulars	Payable Amount	Paid Amount		
<u>Employee State Insurance</u>				
Employees' Statutory Deductions	208.00	208.00		
Employer's Statutory Contributions	564.00	564.00		
<b>Grand Total</b>	<b>772.00</b>	<b>772.00</b>		

Figure 10.78 ESI Computation report

To view the detailed ledger wise information under each contributions / deductions head, press **Alt+F1**.

The detailed **Employee State Insurance** Computation Report is displayed as shown:

Payroll Statutory Computation		Spectrum Software Solutions			Ctrl + M	
Payroll Statutory Computation		1-Jul-2009 to 31-Jul-2009				
Particulars	Gross Amount	Statutory Details			Payable Amount	Paid Amount
		Percentage	A/c No.	Amount		
<b>Employee State Insurance</b>						
<b>Employees' Statutory Deductions</b>					208.00	208.00
Employee's ESI Contribution @ 1.75%	11,873.00	1.75%		208.00 Cr		
<b>Employer's Statutory Contributions</b>					564.00	564.00
Employer ESI @ 4.75%	11,873.00	4.75%		564.00 Dr		
<b>Grand Total</b>					772.00	772.00

Figure 10.79 Detailed ESI Computation report

You can further drill down to Employee Breakup of Pay Head report and from there to Employee Vouchers and so on, by pressing **Enter** on the required ledger from the above screen.

**ii. ESI Form 3**

As per Regulation 14, a declaration form in Form 3 is required to be filed for every Half Yearly stating the list of Employees whose remuneration is not exceeding Rs. 10,000/- per month. To generate ESI Form 3, follow the steps given below:

Go to **Gateway of Tally > Display > Payroll Reports > Statutory Reports > Employee State Insurance > Form 3**

In the **Payroll Statutory Print Configuration** screen,

- ❑ Specify **1-08-2009** and **31-08-2009** in the **From** and **To** fields respectively
- ❑ Select **All Items** in the **Employee Category** field
- ❑ Select **All Items** in the **Employee/Group** field
- ❑ Select **Account Number** as the **Sorting Method**
- ❑ Select **All Items** in the field **Gender**
- ❑ Type **Bangalore** in the **Place** field
- ❑ Specify **31-08-2009** in the **Date of Printing** field

- Type the **Designation** details of the person submitting the declaration form
- The completed **Payroll Statutory Print Configuration** screen is displayed as shown:

Payroll Statutory Print Configuration			
Printer	: Printer 1 (Ne02:)	Paper Type :	A4
No. of Copies	: 1		
Print Language	: English		(Printing Dimensions)
Method	: Neat Mode	Paper Size :	(8.27" x 11.69") or (210 mm x 297 mm)
Page Range	: All	Print Area :	(8.27" x 11.69") or (210 mm x 297 mm)
Report Titles			
Form 3			
(with Print Preview)			
From (blank for beginning)	: 1-8-2009		
To (blank for end)	: 31-8-2009		
Employee Category	: <input checked="" type="checkbox"/> All Items		
Employee/Group	: <input checked="" type="checkbox"/> All Items		
Sorting Method	: Account Number		
Gender	: <input checked="" type="checkbox"/> All Items		
Place	: Bangalore		
Date of Printing	: 31-3-2010		
Designation	: CFO		
			Print ?
			Yes or No

Figure 10.80 Payroll Statutory Print Configuration for ESI Form 3

- Press **Enter** to Print.

The printed **Form 3** (Return of Declaration) is displayed as shown:

Original	EMPLOYEES' STATE INSURANCE CORPORATION RETURN OF DECLARATION FORM [Regulation - 14]	FORM - 3		
Name & Address of the Factory or Establishment : Spectrum Software Solutions 14, Mysore Road, Bangalore				
Employer's Code No : KA/BN/12345/234234				
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-Aug-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	Rajesh	554	Mr. Srinivas	KA/ESI/234/3353
2	Suresh	553	Mr. Kannan	KA/ESI/345/2224
Place : Bangalore			Signature :	
Dated : 31-Mar-2010			Designation : CFO	

Figure 10.81 Printed Form 3

### iii. ESI Monthly Statement

The ESI Monthly Statement provides a summary of Employee wise monthly ESI Employee Deductions and Employer Contribution amount. To print ESI Monthly Statement, follow the steps given below:

Go to **Gateway of Tally > Display > Payroll Reports > Statutory Reports > Employee State Insurance > Monthly Statement**

In the **Payroll Statutory Print Configuration** screen,

- Specify **01-08-2009** and **31-08-2009** in the **From** and **To** fields respectively
- Select **All Items** in the **Employee Category** field
- Select **All Items** in the **Employee/Group** field
- Select **Account Number** as the **Sorting Method**

The completed **Payroll Configuration Print screen** is displayed as shown:

Payroll Statutory Print Configuration			
Printer	: Printer 1 (Ne02:)	Paper Type :	A4
No. of Copies	: 1		
Print Language	: English		<i>(Printing Dimensions)</i>
Method	: Neat Mode	Paper Size :	(8.27" x 11.69") or (210 mm x 297 mm)
Page Range	: All	Print Area :	(8.27" x 11.69") or (210 mm x 297 mm)
<u>Report Titles</u>			
ESI Monthly Statement			
(with Print Preview)			
From (blank for beginning)	: 1-8-2009		
To (blank for end)	: 31-8-2009		
Employee Category	: J All Items		
Employee/Group	: J All Items		
Sorting Method	: Account Number		
			<b>Print ?</b> Yes or No

Figure 10.82 Payroll Statutory Print Configuration screen

- Press **Enter** to Print.



The printed **ESI Monthly Statement** for August 2009 is displayed as shown:

EMPLOYEES' STATE INSURANCE - Monthly Statement									
Name & Address of the Factory or Establishment : <b>Spectrum Software Solutions</b> 14, Mysore Road, Bangalore									
Statement for the Period : 1-Aug-2009 to 31-Aug-2009									
Sl. No	Employee No	Employee Name	ESI No	Worked Days	Earned Wages	Fixed Wages	Employee's Contribution	Employer's Contribution	Total
1	554	Rajesh	KA/ESI/234/3353	26	7,800.00	7,800.00	137.00	371.00	508.00
2	553	Suresh	KA/ESI/345/2224	26	6,900.00	6,900.00	121.00	328.00	449.00
				<b>Total</b>	<b>14,700.00</b>	<b>14,700.00</b>	<b>258.00</b>	<b>699.00</b>	<b>957.00</b>

Figure 10.83 ESI Monthly Statement

**iv. Form 5**

As per Regulation 26, a Return of Contribution in Form 5 is required to be submitted to the appropriate Branch Office within 42 days of the expiry of the contribution period (i.e, 12th May or November 11th of each year). Such return of contribution should be prepared in quadruplicate and submitted separately for the main Code Number and each sub-codenumber.

The employer may make compliance from the parent unit and submit only one return in respect of all the branches or may make compliance through their Branch Offices/ Sales Offices separately in the Regions where such offices are located.

Go to **Gateway of Tally > Display > Payroll Reports > Statutory Reports > Employee State Insurance > Form 5**

In the **Payroll Statutory Print Configuration** screen

- Specify **01-04-2009** and **30-09-2009** in the **From** and **To** fields respectively
- Select **All Items** in the **Employee Category** field
- Select **All Items** in the **Employee/Group** field
- Select **Account Number** as the **Sorting Method**
- Specify **Bangalore** in the **Place** Field
- Specify **30-09-2009** in the **Date of Printing** field
- Type the name of the Signatory in the **Authorised Signatory Name** field
- Type the **Designation** details of the signing authority
- In the **Residential Address** field provide the Home Address of Authorised Signatory

The completed **Payroll Statutory Print Configuration** screen for ESI Monthly Statement is displayed as shown:

Payroll Statutory Print Configuration			
Printer	: Printer 1 (Ne02:)	Paper Type :	A4
No. of Copies	: 1		
Print Language	: English		<i>(Printing Dimensions)</i>
Method	: Neat Mode	Paper Size :	(8.27" x 11.69") or (210 mm x 297 mm)
Page Range	: All	Print Area :	(8.27" x 11.69") or (210 mm x 297 mm)
<u>Report Titles</u>			
Form 5			
(with Print Preview)			
From (blank for beginning)	:	1-4-2009	
To (blank for end)	:	30-9-2009	
Employee Category	:	↓ All Items	
Employee/Group	:	↓ All Items	
Sorting Method	:	Account Number	
Appearance of Employee Names	:	Name Only	
Place	:	Bangalore	
Date of Printing	:	31-3-2010	
Authorised Signatory Name	:	Mr. Ram	
Designation	:	CFO	
Residential Address	:	No-22, HSN Lay Out, Bangalore	
			Print ?
			Yes or No

Figure 10.84 Payroll Statutory Print Configuration screen

- Press **Enter** to Print

The printed **Form 5** is displayed as shown:

Original (Page1)  
FORM-5

Name of Branch Office **Koramangala** Employer's Code No. **KA/BN/12345/234234**

**RETURN OF CONTRIBUTIONS  
EMPLOYEES' STATE INSURANCE CORPORATION  
Regulation - 26**

Name & Address of the Factory or Establishment : **Spectrum Software Solutions  
14, Mysore Road,  
Bangalore**

PARTICULARS OF THE PRINCIPAL EMPLOYERS:

a)Name **Mr. Ram** b)Designation **CFO**  
c)Residential Address **No-22, HSN Lay Out,  
Bangalore**

Contribution Period From **1-Apr-2009** To **30-Sep-2009**

I furnish below the details of the employer's and employee's share of contribution in respect of the under mentioned Insured persons.I hereby declare that the return includes every employee,employed directly or through an immediate employer or in connection with the work of the factory / establishment or any work connected with the administration of the factory / establishment or purchase of raw materials,sale or distribution of finished products etc.,to whom the ESI Act, 1948 applies, in the contribution period to which this return relates and that the contributions in respect of Employer's and Employee's share have been correctly paid in accordance with the provisions of the Act and regulations.

Details of Total Contribution are as below:

Employer's Share	:	<b>1,863.00</b>
Employee's Share	:	<b>687.00</b>
Total Contribution	:	<b>2,550.00</b>

Details of Challans :

Sl No	Month	Date of Challan	Amount	Name of the Bank and Branch
1	<b>June</b>	30-Jun-2009	<b>821.00</b>	HDFC & 1002452
2	<b>July</b>	31-Jul-2009	<b>772.00</b>	HDFC & 232431
3	<b>August</b>	31-Aug-2009	<b>957.00</b>	HDFC & 100246

**Total amount paid 2,550.00**

**I declare that**

a) All the Records and Registers have been maintained as per provisions contained in ESI Act, Rules & Regulations framed therein.

b) During the period of return \_\_\_\_\_ No. of Declaration forms have been submitted.

c) During the above period \_\_\_\_\_ No. of TICs have been received.

d) During the above period \_\_\_\_\_ No. of PICs have been received.

e) During the above period \_\_\_\_\_ No. of PICs have been distributed amongst the eligible IPs.

f) During the above period \_\_\_\_\_ accidents have been reported to the concerned Branch Office.

g) During the period 2 No. of employees directly employed by us have been covered and a total wages of Rs.39,199.00 have been paid to such employees.

h) During the period \_\_\_\_\_ No. of employees directly employed by us have not been covered and a total wages of Rs. \_\_\_\_\_ have been paid to such employees.

Figure 10.85 Printed Form 5 - Page 1

The Page 2 of **Form 5** (includes the CA Form also) is displayed as shown:

Page 2

i) During the period \_\_\_\_\_ No. of employees employed through immediate employer have been covered and a total wages of Rs. \_\_\_\_\_ have been paid to such employees.

j) During the period \_\_\_\_\_ No. of employees employed through immediate employer have not been covered and a total wages of Rs. \_\_\_\_\_ have been paid to such employees.

k) Following components of wages have been taken into consideration for the purpose of payment of contribution :-

- 1 Basic
- 2 House Rent Allowance
- 3 Conveyance
- 4 Overtime Pay

l) Following components of wages have not been taken into consideration for the purpose of payment of contribution :-

- 1 Wages
- 2 Variable Pay

The above mentioned information is based on records and any information if found incorrect will render me liable for prosecutions under provisions of ESI Act and action for recovery of contribution due along with interest and damages as per provisions of the ESI Act.

Place : **Bangalore** Signature of the Employer :  
 Date : **31-Mar-2010** Designation : **CFO**  
 (with Rubber stamp)

**CERTIFICATE BY CHARTERED ACCOUNTANT**  
 ( To be submitted in case of Employers employing 40 or more Employees )

Certified that I have verified the above return from the records & Registers of M/s Spectrum Software Solutions and found it to be correct.

Signature & Seal Of  
 the Chartered Accountant with Membership No.

Important Instructions: Information to be given in Remarks Column (No.9)

If any I.P. is appointed for the first time and / or leaves during the contribution period indicate 'A' \_\_\_\_\_ (date) and / or 'L' \_\_\_\_\_ (date)

Please indicate Insurance Nos. in ascending order

Figures in Column 4,5 & 6 of the Return

Invariably strike totals of column 4,5 & 6 of the Return

No overwriting shall be made. Any corrections, if made, should be signed by the Employer

Every page of this Return should bear full signature and rubber stamp of the Employer

Daily wages in Column 7 of the return shall be calculated by dividing figures in Column 5 by figures in Column 4 to two decimal places

For \*CP ending 31st March, due date is 12th May  
 For CP ending 30th September, due date is 11th November

Figure 10.86 Printed Form 5 - Page 2

The Page 3 of **Form 5** is displayed as shown:

Page 3									
EMPLOYEES' STATE INSURANCE CORPORATION									
Employer's Name & Address		: Spectrum Software Solutions, 14, Mysore Road., Bangalore							
Employer's Code No.		: KA/BN/12345/234234				Branch Office		: Koramangala	
Period		: 1-Apr-2009 to 30-Sep-2009							
SI No.	Insurance No.	Name of Insured Person	No. of days for which wages paid	Total amount of wages paid	Employee's contribution deducted	Average Daily wages 5/4	Whether still continues working and drawing wages within the insurable wages ceiling	Name of the Dispensary of the I.P.	Remarks
1	2	3	4	5	6	7	7(A)	8	9
1	KAESI2343353	Rajesh	67	20,437.00	358.00	305.03	No	Koramangala	A: 10-Jun-2009 L: 10-Sep-2009
2	KAESI3452224	Suresh	70	18,762.00	329.00	268.03	Yes	Koramangala	A: 1-Jun-2009
<b>Total</b>				<b>39,199.00</b>	<b>687.00</b>				

Date of appointment and leaving the job may be given in remarks column

\_\_\_\_\_  
Signature of the Employer

(FOR OFFICIAL USE)

1. Entitlement position marked.
2. Total of col.5 of return checked and found correct/correct amount is indicated
3. Checked the amount of Employer's/Employee's contribution paid which is in order/observation memo. enclosed

\_\_\_\_\_  
Counter Signature

U D C
Head Clerk
Branch Officer

Figure 10.87 ESI Form 5 - Page 3

**v. ESI Form 6**

As per Regulation 32, a register of Employees covered under Employees State Insurance Scheme, containing information regarding the Insurance No., dispensary, other occupational details, Employer's Share and month wise (under that particular Half Year) ESI details (i.e., Gross wages, Number of working days and ESI Contribution for each employee) should be furnished. To generate Form 6, follow the steps given below:

Go to **Gateway of Tally > Display > Payroll Reports > Statutory Reports > Employee State Insurance > Form 6**

In the **Payroll Statutory Print Configuration** screen

- Type **01-04-2009** in the **From** field
- Type **30-09-2009** in the **To** field
- Select **All Items** in the **Employee Category** field
- Select **All Items** in the **Employee/Group** field
- Select **Account Number** as the **Sorting Method**

The completed **Payroll Statutory Print Configuration** screen is displayed as shown:

Printer : Printer 1 (Ne02:)	Paper Type : A4
No. of Copies : 1	
Print Language : English	<i>(Printing Dimensions)</i>
Method : Neat Mode	Paper Size : (8.27" x 11.69") or (210 mm x 297 mm)
Page Range : All	Print Area : (8.27" x 11.69") or (210 mm x 297 mm)
<u>Report Titles</u>	
Form 6	
(with Print Preview)	
From (blank for beginning) : 1-4-2009	
To (blank for end) : 30-9-2009	
Employee Category : ↓ All Items	
Employee/Group : ↓ All Items	
Sorting Method : Account Number	
	<b>Print ?</b> Yes or No

Figure 10.88 Payroll Statutory Print Configuration for ESI Form 6

- Press **Enter** to Print.

The printed **Form 6** is displayed as shown:

Page 1

**Spectrum Software Solutions**  
14, Mysore Road,  
Bangalore

**FORM 6**  
REGISTER OF EMPLOYEES  
EMPLOYEES' STATE INSURANCE CORPORATION  
(Regulation 32)

Contribution Period : From **1-Apr-2009** to **30-Sep-2009**

Sl. No	Insurance No.	Name of the insured person	* Name of dispensary to which attached	Occupation	Rate of wages etc., in the first wage period	Deptt. and shift, if any	If appointed or left service during the contribution period, date of appointment /	No. of days for which wages paid	Month: April	Employees' share of contribution
1	2	3	3(A)	4	5	6	7	8	9	10
1	KA/ESI/234/3353	Rajesh	Koramangala	Junior Executive	307.29	Sales	10-Sep-2009	0		
2	KA/ESI/345/2224	Suresh	Koramangala	Executive	205.77	Administration	1-Jun-2009	0		
<b>Total</b>										
										Employer's Share
										Grand Total
										Paid On

Note: The Figure in Columns 7 to 24 shall be in respect of wage periods ending in a particular calendar month.

Figure 10.89 Printed Form 6 - Page 1

The Page 2 of **Form 6** is displayed as shown:

Page 2

**Spectrum Software Solutions**  
14, Mysore Road,  
Bangalore

**FORM 6**  
REGISTER OF EMPLOYEES  
EMPLOYEES' STATE INSURANCE CORPORATION  
(Regulation 32)

Contribution Period : From **1-Apr-2009** to **30-Sep-2009**

Sl. No	Month: May		Month: June		Month: July		Employees' share of contribution
	No. of days for which wages paid/payable	Total amount of wages paid /payable	No. of days for which wages paid/payable	Total amount of wages paid /payable	No. of days for which wages paid/payable	Total amount of wages paid /payable	
1	11	0	14	6,453.00	17	6,184.00	108.00
2	0	0	21	6,173.00	20	5,689.00	100.00
			23	6,173.00	21	5,689.00	208.00
	<b>Total</b>		<b>Total</b>	<b>12,626.00</b>	<b>Total</b>	<b>11,873.00</b>	<b>208.00</b>
		Employer's Share		Employer's Share		Employer's Share	564.00
		Grand Total		Grand Total		Grand Total	772.00
		Paid On		Paid On		Paid On	31-Jul-2009
				30-Jun-2009			

Note: The Figure in Columns 7 to 24 shall be in respect of wage periods ending in a particular calendar month.

Figure 10.90 Printed Form 6 - Page 2



The Page 3 of **Form 6** is displayed as shown:

Page 3

**Spectrum Software Solutions**  
14, Mysore Road,  
Bangalore

**FORM 6**  
REGISTER OF EMPLOYEES  
EMPLOYEES' STATE INSURANCE CORPORATION  
(Regulation 32)

Contribution Period : From **1-Apr-2009** to **30-Sep-2009**

Sl. No	Month: August		Month: September		Summary			R- e- m- arks			
	No. of days for which wages paid/payable	Total amount of wages paid /payable	No. of days for which wages paid/payable	Total amount of wages paid /payable	Total No. of days for which wages paid /payable in Contribution	Total amount of wages paid /payable in Contribution Period (Rs)	Total Employee's share of Contribution				
1	20	21	22	23	24	25	26	27	28	29	30
2	26	7,800.00	137.00	10			67	20,437.00	358.00	305.03	
	26	6,900.00	121.00	30			70	18,762.00	329.00	268.03	
	Total	14,700.00	258.00	Total				39,199.00	687.00	573.06	
		Employer's Share	699.00		Employer's Share						
		Grand Total	957.00		Grand Total						
		Paid On	31-Aug-2009		Paid On						

Note: The Figure in Columns 7 to 24 shall be in respect of wage periods ending in a particular calendar month.

Figure 10.91 Printed Form 6 - Page 3

## Professional Tax Reports

As discussed earlier, Professional Tax is applicable to those individuals or professionals in India who are involved in any profession or trade. The state government of each state governs and administers the levy and collection of Professional Tax in the respective State. The state is empowered with the responsibility of structuring as well as formulating the professional tax criteria for the respective state. Professional tax is charged on the incomes of Individuals, profits of business or gains in vocations as per the list II of the Indian Constitution.

In India, the professional tax slabs vary from state to state and some of the states have formulated different professional tax slabs for men, women and the senior citizens of the respective states. The rates depend upon the profession, years in the profession and the amount of income or turnover and so on.

In Tally.ERP 9, the Professional Tax Report is generated based on the Slab Rates defined in the Professional Tax Ledger and it captures the amount of Professional Tax deducted under each slab rate.

### i. Professional Tax Computation Report

The Professional Tax Computation Report provides the summary of Amount deducted as Professional Tax from the Earnings of the Employees exceeding the prescribed threshold limits, in accordance with the Slab rates applicable for the particular state.

Go to **Gateway of Tally > Display > Payroll Reports > Statutory Reports > Professional Tax > Computation Report**

- From the **List of Ledgers** drop down, select **Professional Tax** and press **Enter**, the Payroll Statutory Print Configuration screen appears
- In the **Payroll Statutory Print Configuration** screen,
  - Specify **01-08-2009** and **31-08-2009** in the **From** and **To** fields respectively
  - Select **All Items** in the **Employee Category** field
  - Select **All Items** in the **Employee/Group** field
  - Type **Bangalore** in the **Place** field
  - Specify **31-08-2009** in the **Date of Printing** field

The completed **Payroll Statutory Print Configuration** screen is displayed as shown:

Payroll Statutory Print Configuration	
Printer	: Printer 1 (Ne02:)
No. of Copies	: 1
Print Language	: English
Method	: Neat Mode
Page Range	: All
Paper Type	: A4
<i>(Printing Dimensions)</i>	
Paper Size	: (8.27" x 11.69") or (210 mm x 297 mm)
Print Area	: (8.27" x 11.69") or (210 mm x 297 mm)
Report Titles	
PROFESSIONAL TAX PAYABLE BY EMPLOYER	
(with Print Preview)	
From (blank for beginning)	: 1-8-2009
To (blank for end)	: 31-8-2009
Employee Category	: <input checked="" type="checkbox"/> All Items
Employee/Group	: <input checked="" type="checkbox"/> All Items
Place	: Bangalore
Date of Printing	: 31-3-2010
Authorised Signatory Name	: Mr. Ram
<div style="border: 1px solid black; padding: 5px; display: inline-block;"> <b>Print ?</b>                      Yes or No                 </div>	

Figure 10.92 Payroll Statutory Print Configuration screen

- Press **Enter** to Print.



The printed **Professional Tax Computation** report for the month of August 2009 will appear as shown:

PROFESSIONAL TAX PAYABLE BY EMPLOYER							
Return of Tax payable for the period : <b>August, 2009</b>							
Name of the Employer : <b>Spectrum Software Solutions</b>							
Address : <b>14, Mysore Road, Bangalore</b>							
Registration Certificate No. : <b>KAPT/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	5,000.00		0.00	
2	Rs	5,000.00	to	8,000.00	2	60.00	120.00
3	Rs	8,000.00	to	10,000.00		100.00	
4	Rs	10,000.00	to	15,000.00	1	150.00	150.00
5	Rs	15,000.00	and above		3	200.00	600.00
<b>TOTAL</b>					<b>6.00</b>		<b>870.00</b>
Amount Paid : <b>870.00</b>							
Amount in Words : <b>Rs. Eight Hundred Seventy 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 Mr. Ram solemnly declare that above statements are true to the best of my knowledge and belief.							
Place : Bangalore							
Date : 31-Aug-2009							
Signature of Employer							

Figure 10.93 Printed PT Computation Report

## ii. Professional Tax Statement

The Professional Tax Statement provides the summary of Employee wise Gross Wages paid, No. of Working Days and the amount of Professional Tax deducted during the selected period. To generate the Professional Tax Statement for a month,

Go to **Gateway of Tally > Display > Payroll Reports > Statutory Reports > Professional Tax > Statement**

- From the **List of Ledgers** drop down, select **Professional Tax** and press **Enter**, the Payroll Statutory Print Configuration screen appears
- In the **Payroll Statutory Print Configuration** screen,
  - Specify **01-08-2009** and **31-08-2009** in the **From** and **To** fields respectively
  - Select **All Items** in the **Employee Category** field
  - Select **All Items** in the **Employee/Group** field
  - Select **Employee Name** as the **Sorting Method**

The completed **Payroll Statutory Print Configuration** screen will appear as shown:

Payroll Statutory Print Configuration			
Printer	: Printer 1 (Ne02:)	Paper Type :	A4
No. of Copies	: 1		
Print Language	: English		<i>(Printing Dimensions)</i>
Method	: Neat Mode	Paper Size :	(8.27" x 11.69") or (210 mm x 297 mm)
Page Range	: All	Print Area :	(8.27" x 11.69") or (210 mm x 297 mm)
Report Titles			
Professional Tax			
Professional Tax Monthly Statement			
(with Print Preview)			
From (blank for beginning) :	1-8-2009		
To (blank for end) :	31-8-2009		
Employee Category :	↓ All Items		
Employee/Group :	↓ All Items		
Sorting Method :	Employee Name		
			<b>Print ?</b> <span style="color: red;">Yes or No</span>

Figure 10.94 Payroll Statutory Print Configuration screen

- Press **Enter** to Print.

The printed **Professional Tax Statement** for August 2009 is displayed as shown:

<b>PROFESSIONAL TAX - Monthly Statement (Professional Tax)</b>					
Name & Address of the Factory or Establishment : <b>Spectrum Software Solutions</b> 14, Mysore Road, Bangalore					
Statement for the Period : 1-Aug-2009 to 31-Aug-2009					
Sl.No	Employee No.	Employee Name	Worked Days	Gross Wages	Value
1	551	Ajay	26	16,300.00	200.00
2	550	Mahesh	25	69,308.00	200.00
3	552	Rahul	22	23,692.00	200.00
4	554	Rajesh	26	7,800.00	60.00
5	553	Suresh	26	6,900.00	60.00
6	549	Vijay Kumar	26	14,800.00	150.00
<b>Total</b>				<b>1,38,800.00</b>	<b>870.00</b>

Figure 10.95 Printed Professional Tax Statement



You can view **PT Computation Report** from **Gateway of Tally > Display > Payroll Reports > Statutory Reports > Computation** menu, detailing Professional Tax collected and paid during a given period in the manner as discussed in **Provident Fund Computation Report** section.

## Gratuity Report

The Gratuity Report displays the provisional liability of an employer towards his employee in respect of gratuity payable at the time of cessation of employment either by resignation, death, retirement or termination.

The Gratuity Summary Report displays the gratuity amount payable in accordance with the pay components and formulae defined in the ledger master, as discussed earlier. In Tally.ERP 9, the Gratuity amount is calculated proportionately for eligible days in a year to the extent of completed months of service.

You can view the Gratuity Report either from Statutory Reports menu or Payroll Reports menu i.e., **Gateway of Tally > Display > Payroll Reports > Statutory Reports** or **Gateway of Tally > Display > Statutory Reports > Payroll Reports**.

Go to **Gateway of Tally > Display > Payroll Reports > Statutory Reports > Gratuity Report**

The **Gratuity Report** for the Employees eligible for Gratuity is displayed as shown:

Gratuity Summary		Spectrum Software Solutions		Ctrl + M	
For All Employees		1-Aug-2009 to 31-Aug-2009			
Particulars	Date of Joining	Date of Leaving	Gratuity Eligible Salary	Gratuity Amount	
<b>Primary Cost Category</b>			<b>1,00,500.00</b>	<b>7,764.00</b>	
<b>Administration</b>			<b>14,500.00</b>	<b>697.00</b>	
Suresh	1-6-2009		4,500.00	216.00	
Vijay Kumar	1-4-2009		10,000.00	481.00	
<b>Contract Employees</b>					
<b>R&amp;D</b>			<b>20,000.00</b>	<b>962.00</b>	
Rahul	1-4-2009		20,000.00	962.00	
<b>Sales</b>			<b>66,000.00</b>	<b>6,106.00</b>	
Ajay	1-4-2009		11,000.00	1,058.00	
Mahesh	1-4-2009		50,000.00	4,808.00	
Rajesh	10-6-2009	10-9-2009	5,000.00	240.00	
<b>Grand Total</b>				<b>7,764.00</b>	

Figure 10.96 Gratuity Summary Report

The above report displays the Gratuity Amount computed for each month for each Employee.



*In order to ascertain the **Gratuity** payable amount, set **Use for Gratuity** to **Yes** in the Pay Head master (i.e. Basic Pay, Dearness Allowance etc.)*



**Button Options in the Gratuity Report:**



- **F5: Employee Wise** – Allows you to display the Employee-wise Gratuity report.
- **F6: Till Date** – Allows to actual gratuity payable for each employee. The Gratuity Amount will be displayed only for those Employees who have completed the eligibility duration in the organisation.
- **F7: Employee Filters** – This option (**Ctrl+F7**) allows you to display the Gratuity report for a particular Employee Category with the required Group or Employee.

The above report displays the details of all employees along with the Date of Birth, Date of Joining and the Gratuity Eligible Salary, besides commenting on the total Gratuity liability as on date.

Press **F12: Configure** to configure for additional options

<u>Configuration</u>	
Show Employee Number	? Yes
Show Date of Birth	? Yes
Show Zero Valued Employees also	? <b>No_</b>

Figure 10.97 F12: Configuration screen

Tally.ERP 9 allows you to drill down to the **Gratuity Details report** from the above display.

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

The **Gratuity Details** screen is displayed as shown:

Months From		Months To	Eligibility days for Gratuity per year	Gratuity Amount
1	60		0	216.00
<b>Total</b>				<b>216.00</b>

Figure 10.98 Gratuity Details Report



*Once the employee is deactivated (i.e., when the date of leaving is filled in the Employee master), Tally.ERP 9 stops computing Gratuity for the deactivated employee. If the tenure of service of such an employee falls below the eligible slab for gratuity calculation, he/she will not be entitled for any gratuity amount. However, in cases where the tenure of service is spread over more than one eligible slab(s), he/she will be entitled to the sum total of all the slabs.*

The above report displays the detailed Gratuity computation for all the slabs entered during the Gratuity Pay Head Creation.



**POWER OF SIMPLICITY**

# **Getting Started with Income Tax**

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## Introduction

Income Tax refers to the tax that is levied on the personal or business income as per the Income Tax Act, 1961. The Tax which is levied on the Business Income for a firm or a corporate is referred as Corporate Tax and will not be dealt in this book. This book covers the personal income which is received as salary or professional fees. In particular, this book deals with the Income that originates from Salaries. To understand the Income Tax Act, it is important for you to understand the basic terms used in the Act which are described one by one.

### **Assessment Year**

As per section 2(9) of Income Tax Act, 1961, the Assessment Year means the period of twelve months commencing on the 1st day of April every year and ending on 31st March of the next year. for 2010-11, the assessment year will be from 1st April 2010 to 31st March 2011 for the Financial Year 2009-2010.

### **Previous Year**

Previous year refers to the Financial Year immediately preceding to the Assessment Year. e.g. for 2010-2011, the Previous year will be from 1st April 2009 to 31st March 2010.

### **Assessee**

As per Income Tax Act 1961 (Act no. 43), an assessee is a person by whom any tax or any other sum of money is payable under this Act, which includes:

- every person in respect of whom any proceeding under this Act has been taken for the assessment of his income 25[or assessment of fringe benefits] or of the income of any other person in respect of which he is assessable, or of the loss sustained by him or by such other person, or of the amount of refund due to him or to such other person
- every person who is deemed to be an assessee under any provision of this Act
- every person who is deemed to be an assessee in default under any provision of this Act

### **Person**

As per Income Tax Act, the person includes:

- an individual
- a Hindu Undivided family
- a Company or organisation
- a firm

- an association of persons or a body of individuals
- a local authority

## **Total Income**

### **i. Total Income for Resident**

As per the provisions of Income Tax Act, the total income of any previous year of a person who is an Indian resident includes all income from whatever source derived which:

- is received or is deemed to be received in India in such year by or on behalf of such person
- accrues or arises or is deemed to accrue or arise to him in India during such year
- accrues or arises to him outside India during such year

Provided that, in the case of a person not ordinarily resident in India within the meaning of sub-section (6) of section 6, the income which accrues or arises to him outside India shall not be so included unless it is derived from a business controlled in or a profession set up in India.

### **ii. For Non Resident Indian**

As per the provisions of Income Tax Act, the total income of any previous year of a person who is a non-resident includes all income from whatever source derived which:

- is received or is deemed to be received in India in such year by or on behalf of such person
- accrues or arises or is deemed to accrue or arise to him in India during such year.

## **Gross Total Income**

Total income computed in accordance with the provision of the Income Tax Act before making any deduction under Chapter VIA. Gross Total Income or Gross Salary includes the following:

- **Salary as per provisions contained in Section 17(1):** Includes all earning pay components.
- **Value of Perquisites u/s 17(2) (as per Form 12BA):** Includes all perquisites (Non-Monetary Benefits) values paid to the employees.
- **Profits in lieu of Salary u/s 17(3) (as per Form 12BA):** Includes Any compensation paid to the employees in connection with termination, modification of terms of employment, amount paid prior to employment etc.

## **Allowances exempted U/s 10**

Following are the allowances which are exempted U/s 10 of Income Tax from the Gross Salary for the Computation of Income Tax:

- Allowance provided to the Employees working in transport system
- Border Remote area allowance
- Children education allowance (for a maximum of two children)
- Children Hostel Expenditure Allowance (for a maximum of two children)
- Conveyance Allowance
- Counter Insurgency Allowance - provided to the members of armed forces operating in areas away from their permanent locations
- Field Area Allowance - Compensatory field area allowance provided in various areas of Arunachal Pradesh, Manipur, Nagaland, Sikkim, HP, UP and J&K.

- Gratuity - paid at the time of retirement
- High Altitude Allowance
- Highly Active Field Area Allowance
- House Rent Allowance
- Island Duty Allowance
- Leave Encashment on Retirement
- Leave Travel Allowance
- Medical Reimbursement
- Mining/Underground Allowance
- Modified Field Area Allowance
- Retrenchment Compensation - A Compensation given to workers at the time of closing down of Undertaking or transfer
- Tribal Scheduled Area Allowance
- Voluntary Retirement Allowance



*For more information on eligibility criteria for each allowance type you can refer to the Income Tax web site as these keeps changing from time to time.*

### **Deductions U/s 16**

Following are allowed as deductions from the Gross Salary for the computation of Taxable income U/s 16 of Income Tax Act:

- Entertainment Allowance - Entertainment allowance specially granted to an employee who is in receipt of Salary from Government.
- Professional Tax - Tax on Employment

### **Other Income Declared by Employee**

The **Other Income Declared by the Employee** Income from **House Property, Other sources** if any is added to the Gross Income for the computation of Taxable salary.

### **Deductions Under Chapter VI-A**

Following are additional deductions allowed as deductions from the remaining salary for the computation of Taxable Income:

- **Investments U/s 80C, 80CCF** - all the investments such as Insurance, Mutual funds, House loan principal amount etc. are considered as eligible investment for the computation of Taxable income.
- **Other expenses U/s 80D, 80DD, 80E etc.**- Other expenses such as Mediclaim, Donations, payment of interest on loan for higher education etc. are allowed as other deductions for the computation of Taxable Income.



**Relief U/s 89,90,91**

The special reliefs granted to some employees due to the dual taxation system are also allowed as Relief U/s 89,90 and 91 and is reduced from the Taxable Income based on the type of agreement with the other country.

**Taxable Income**

The Net Income which is arrived after considering all eligible exemptions, investments and deductions is known as Taxable Income. The Income Tax is computed on the Net Taxable Income for each employee.

## Lesson 1: Configuring Income Tax

Income Tax Configuration is a simple and one time process in Tally.ERP 9.

To configure Income Tax,

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



*The Payroll and Payroll Statutory features should be enabled in Tally.ERP 9, before configuring the Income Tax.*

- Set the option **Set/Alter Payroll Statutory Details** to **Yes**
- Under **Income Tax** section,
  - Specify your Company's TAN in the **Tax Assessment Number** field
  - Specify the Income Tax ward details in the **Income Tax Circle/Ward** field
  - Select the required **Deductor Type** based on the type of organisation from the **List of Company Type**
  - Specify the name of person who is responsible for deducting Income Tax in **Name of Person responsible** field
  - Specify the fathers name for the person responsible for deducting Income Tax in **Son/daughter of** field
  - In **Designation** field specify the formal designation of the person responsible for deducting Income Tax.



- ❑ **Tax Assessment Number:** The Tax Assessment Number (TAN) is a 10-digit alphanumeric number, issued by the Income Tax Department (ITD) to the collectors.
- ❑ **Income Tax Circle / Ward:** This will be provided by the IT department.
- ❑ **Deductor Type:** Deductor Type should be selected based on the Nature of Organisation from Government and Others.

The completed **Payroll Statutory Details** screen appears as shown:

<u>Payroll Statutory Details</u>	
<b><u>Provident Fund</u></b>	
Company Code	: KN/BN/12345/00129
Company Account Group Code	: KN/BN/12345/00009
Company Security Code	: KN/BN/12345/52145
<b><u>Employee State Insurance</u></b>	
Company Code	: KN/BN/12345/23457
ESI Branch Office	: Koramangala
Standard Working Days (per month)	: 26 Days
<b><u>Income Tax</u></b>	
Tax Assessment Number	: KARA07884F
Income Tax Circle / Ward	: Circle 1 Koramangala
Deductor Type	: Others
Name of Person responsible	: Rajesh
Son/daughter of	: Mr. Somnath
Designation	: CFO
<i>(Note: All the above details will be used in Challan, Forms &amp; Returns)</i>	

Figure 1.1 Payroll Statutory Details

- ❑ Press **Enter** accept and save.

Once the Income Tax is configured, the new menu options will be available under the Payroll Masters and Payroll Reports to configure Income Tax and to check the respective reports.

## Lesson 2: Income Tax Master Configuration

Tally.ERP 9 requires the following Master setup for the Income Tax to be computed successfully for all the Employees, for all the existing Payroll users:

- Pay Head Configuration
- Income Tax Configuration
- Employee Declarations

Following are the optional configurations:

- Declaring Previous Employer Income/Details
- Override Income Tax Exemption Value
- Override Income Tax Value

### Pay Head Configuration

All the existing Pay Heads have to be re-configured for Income Tax before processing the Payroll for successful Income Tax Computation. If there is any amount (perquisites) paid to Employees without using the Payroll Vouchers, the respective ledgers also needs to be identified for successful Income Tax computation.



*By default all the existing Pay Heads are considered as fully taxable and hence incorrect Tax Computation may be projected. To display the correct Tax Computation, you will have to reconfigure the Existing Pay Heads.*

*The Professional Tax and Provident Fund Pay Heads are configured for Income Tax by default.*

#### Example 1:

*Spectrum Software Services is already using Tally.ERP 9 Payroll and has the following Pay Heads:*

<i>Earnings Pay Heads</i>	<i>Deductions</i>	<i>Others</i>
<i>Basic Pay</i>	<i>Employee's PF</i>	<i>Gratuity</i>
<i>House Rent Allowance</i>	<i>Employee's ESI</i>	<i>Employer EPS Contribution</i>
<i>Conveyance</i>	<i>Professional Tax</i>	<i>Employer EPF Contribution</i>
<i>Overtime Pay</i>		<i>PF Admin Charges @0.01%</i>
<i>Variable Pay</i>		<i>EDLI Contribution @ 0.5%</i>
<i>Children Education Allowance</i>		<i>EDLI Admin Charges @0.01%</i>
		<i>Employer ESI Contribution</i>

*Bonus is also Paid to the Employees using normal Payment Voucher using the Bonus Ledger.*

To configure the existing Pay Heads for Income Tax,

Go to **Gateway of Tally > Payroll Info. > Income Tax Details > Pay Head Configuration**

- Move the cursor to the required Pay Head using up and down arrow keys and press **Enter**
- In the **Income Tax Configuration** screen,
- Select the required **Income Tax Component Type** for the selected **Pay Head** as shown:

**Income Tax Configuration**

Name of PayHead / Ledger : Basic Pay

Master Type : Payhead

Income Tax Component : **Basic Salary**

Method of Calculation

Deduct TDS Across Period(s)

**Income Tax Components**

- ↓ Not Applicable
- Allowance For Transport Employee
- Basic Salary**
- Bonus
- Border/Remote Area Allowance
- Children Education Allowance
- Children Hostel Expenditure Allowance
- Commission (As Fixed Percentage of Turnover)
- Conveyance Allowance
- Counter Insurgency Allowance
- Dearness Allowance (Considered for Retirement Benefits)
- Entertainment Allowance
- Field Area Allowance

19 more ... ↓

Figure 2.1 Income Tax Configuration - Income Tax Component selection

- Select the required **Method of Calculation** from **Projected** or **On Actuals**
- **Deduct TDS across Period(s)** will be defaulted to **Yes** for all **Projected** Pay Heads

The completed screen for **Income Tax Configuration** for **Basic Pay** appears as shown:

<u>Income Tax Configuration</u>	
Name of PayHead / Ledger	: Basic Pay
Master Type	: Payhead
Income Tax Component	: Basic Salary
Method of Calculation	: Projected
Deduct TDS Across Period(s)	: Yes

**Accept ?**

Yes or No

Figure 2.2 Completed Income Tax Configuration screen

- Press **Enter** to accept and save.



#### **Income Tax Configuration details**

- **Name of Pay Head /Ledger:** This will display the name of the selected component.
- **Master Type:** This will display the information whether the selected component is a Pay Head or a Ledger.
- **Income Tax Component:** The required Income Tax component type has been selected from the list of Income Tax Components for proper tax computation.
- **Method of Calculation:** The required method of Income Tax Calculation should be selected from Projected or On Actuals.
  - When the **Method of Calculation** is selected as **Projected**, the respective Pay Heads value/amount will be projected for Income Tax Computation for the entire year (based on the date of joining).
  - When the **Method of Calculation** is selected as **On Actuals**, the respective Pay Heads value/amount will be considered for Income Tax computation based on the actual (Voucher) value paid/payable to the Employee in that particular month.
- **Deduct TDS Across Period(s):** If this option is set to **Yes** and **Method of Calculation** is selected as **On Actuals**, the Income Tax computation for the respective Pay Head will be distributed across the remaining period. Else entire amount will be deducted in the same month in which it is paid/payable.

The **Pay Head Configuration** screen after setting the **Income Tax Configuration** for **Basic Pay** appears as shown:

Pay Head Configuration				
Spectrum Software Solutions				
Income Tax Pay Head & Ledger Configuration				
Note :- By default all the Pay Heads are considered as Fully Taxable				
Sl.No	Particulars	Income Tax Component	Method of Calculation	Deduct TDS Across Period(s)
1.	Basic Pay	Basic Salary	Projected	Yes
2.	Children Education Allowance	Other Earnings/Allowances (Fully Taxable)	Projected	Yes
3.	Conveyance	Other Earnings/Allowances (Fully Taxable)	Projected	Yes
4.	Employee's PF Deduction@12%	Other Earnings/Allowances (Fully Taxable)	Projected	Yes
5.	Gratuity	Other Earnings/Allowances (Fully Taxable)	Projected	Yes
6.	House Rent Allowance	Other Earnings/Allowances (Fully Taxable)	Projected	Yes
7.	Overtime Pay	Other Earnings/Allowances (Fully Taxable)	Projected	Yes
8.	Professional Tax	Other Earnings/Allowances (Fully Taxable)	Projected	Yes
9.	Variable Pay	Other Earnings/Allowances (Fully Taxable)	On Actuals	No

Completed **Income Tax Configuration** for **Children Education Allowance Pay Head** is as shown:

Income Tax Configuration

Name of PayHead / Ledger : Children Education Allowance

Master Type : Payhead

Income Tax Component : Children Education Allowance

Method of Calculation : Projected

Deduct TDS Across Period(s) : Yes

Accept ?

Yes or No

Figure 2.3 Completed Income Tax Configuration screen

Completed **Income Tax Configuration** for **Conveyance Pay Head** is as shown:

Income Tax Configuration	
Name of PayHead / Ledger	: Conveyance
Master Type	: Payhead
Income Tax Component	: Conveyance Allowance
Method of Calculation	: Projected
Deduct TDS Across Period(s)	: Yes

**Accept ?**  
Yes or No

Figure 2.4 Completed Income Tax Configuration screen

Completed **Income Tax Configuration** for **Employee’s Provident Fund Deduction Pay Head** is as shown:

Income Tax Configuration	
Name of PayHead / Ledger	: Employee's PF Deduction@12%
Master Type	: Payhead
Income Tax Component	: Provident Fund (EPF)
Method of Calculation	: Projected
Deduct TDS Across Period(s)	: Yes

**Accept ?**  
Yes or No

Figure 2.5 Completed Income Tax Configuration screen

Similarly, other Pay Heads can also be configured.

You can also configure the Ledgers which are used to make the payments to the Employees for the respective Income tax Components from the Pay Head Configuration screen.

To configure a Ledger for Income Tax,

- ❑ Click on **A: Add Ledger** or press **Alt+A** button
- ❑ Select the required **Ledger** from the **List of Ledgers**

Select Ledger		Spectrum Software Solutions			Ctrl + M
Income Tax Pay Head & Ledger Configuration		Name of Ledger			
Note - By default all the Pay Heads are considered as Fully Taxable					
Sl.No	Particulars	Component	Method of Calculation	Deduct TDS Across Period(s)	
<b>List of Ledgers</b>					
<b>Bonus</b>					
1.	Basic Pay		Projected	Yes	
2.	Children Education Allowance		Projected	Yes	
3.	Conveyance		Projected	Yes	
4.	Employee's PF Deduction@12%		Projected	Yes	
5.	Gratuity		On Actuals	No	
6.	House Rent Allowance		Projected	Yes	
7.	Overtime Pay	(Fully Taxable)	Projected	Yes	
8.	Professional Tax	(Fully Taxable)	Projected	Yes	
9.	Variable Pay	(Fully Taxable)	On Actuals	No	

Figure 2.6 List of Ledgers

- ❑ Select the required parameters in the **Income Tax Configuration** screen



The completed **Income Tax Configuration** screen for **Bonus Ledger** is displayed as shown:

Income Tax Configuration	
Name of PayHead / Ledger	: Bonus
Master Type	: Ledger
Income Tax Component	: Bonus
Method of Calculation	: On Actuals
Deduct TDS Across Period(s)	: No

**Accept ?**

Yes or No

Figure 2.7 Income Tax Configuration for Bonus Ledger

The completed **Pay Head Configuration** screen is displayed as shown:

Pay Head Configuration		Spectrum Software Solutions		Ctrl + M
Income Tax Pay Head & Ledger Configuration				
Note :- By default all the Pay Heads are considered as Fully Taxable				
Sl.No	Particulars	Income Tax Component	Method of Calculation	Deduct TDS Across Period(s)
1.	Basic Pay	Basic Salary	Projected	Yes
2.	Bonus	Bonus	On Actuals	No
3.	Children Education Allowance	Children Education Allowance	Projected	Yes
4.	Conveyance	Conveyance Allowance	Projected	Yes
5.	Employee's PF Deduction@12%	Provident Fund (EPF)	Projected	Yes
6.	Gratuity	Gratuity	On Actuals	No
7.	House Rent Allowance	House Rent Allowance	Projected	Yes
8.	Overtime Pay	Other Earnings/Allowances (Fully Taxable)	Projected	Yes
9.	Professional Tax	Professional Tax (Tax on Employment)	Projected	Yes
10.	Variable Pay	Other Earnings/Allowances (Fully Taxable)	On Actuals	No

Figure 2.8 Pay Head Configuration screen - completed

## Employee's Income Tax Declarations

The Employee's have to declare their savings, investment and other details such as rent paid, Conveyance, LTA etc. to get the correct Tax Computation after considering these declarations.

### Example 2:

*Spectrum Software Services collected the Income Tax Declaration details for all the Employees on 15.4.2010.*

### Rent Declaration for House Rent Allowance

House Rent Declarations are required to be made to get the benefit towards the House Rent Allowance of Income Tax. Tally.ERP 9 allows the option to declare the House Rent Paid (Payable) for single Employee or multiple Employees.

**Example 3:**

The HRA details as declared by the Employees is given below:

Sl. No.	Name of Employee	HRA Amount
1	Ajay	5000
2	Mahesh	10000
3	Rahul	6000
4	Vijay Kumar	7000

To declare the House Rent paid (payable),

Go to **Gateway of Tally > Payroll Info. > Declarations**

- Under **Exemptions**, select **Rent and Place of Accommodation** and press **Enter**

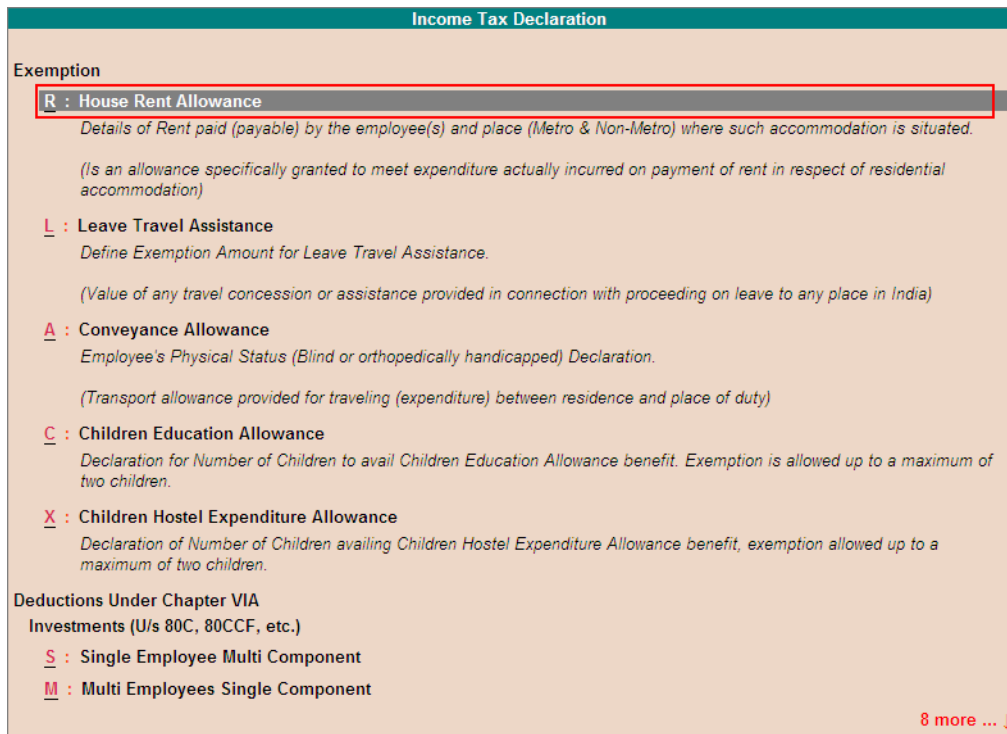


Figure 2.9 Income Tax Declaration screen

- In the **Employee Filter** sub screen, select **All Employee**

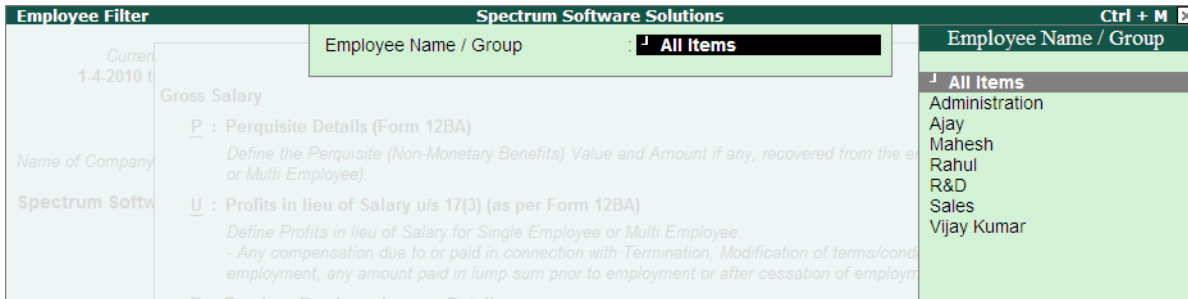


Figure 2.10 Employee Filter screen



*In the above screen you can select an individual Employee and enter the HRA details one by one for all the Employees.*

*Selecting **All Items** will allow you to enter the HRA details for all the Employees from single screen.*

- In the House Rent Declaration screen,
  - Specify the **Effective From** date as **1.4.2010**
  - Enter **Rent Declared** as **5000**
  - **Rent Proof** field can be skipped while entering the declaration
  - Select **Non-Metro** as **Place of Residence** for Bangalore city



- **Effective From:** The date from when the Rent is paid in the current financial year has to be specified.
- **Rent Declared:** Monthly Rent as declared by the Employee has to be specified in this field.
- **Rent Proof:** Actual Rent Paid by the Employee has to be entered in this field. This will be usually entered when the Employee provides the proof of the Rent Paid by him.
- **Place of Residence:** Will be **Metro** for New Delhi, Mumbai, Kolkata and Chennai. For all other cities it will be **Non-Metro**.

Similarly, you can specify the Rent Declaration for all other Employees also.

House Rent Declaration					
Spectrum Software Solutions			Ctrl + M		
Employee / Group : All Items		Financial Year : 1-Apr-2010 to 31-Mar-2011			
Type of Allowance : House Rent Allowance					
Employee Name	Employee Number	Effective From	Rent Declared	Rent Proof	Place of Residence
Ajay	551	1-4-2010	5,000.00		Non Metro
Mahesh	550	1-4-2010	10,000.00		Non Metro
Rahul	552	1-4-2010	6,000.00		Non Metro
Vijay Kumar	549	1-4-2010	7,000.00		Non Metro

Accept ?  
 Yes or No

Figure 2.11 Completed House Rent Declaration screen

**Example 4:**

The details required for Child Education Allowance, as given by the Employees are shown below:

SI. No.	Name of Employee	No. of Children
1	Ajay	1
2	Mahesh	2
3	Rahul	1
4	Vijay Kumar	-

Similar to **House Rent Allowance**, the **Child Education Allowance** declaration screen is displayed below:

Child Education Allowance		Spectrum Software Solutions		Ctrl + M
Employee / Group : All Items		Financial Year : 1-Apr-2010 to 31-Mar-2011		
Type of Allowance : Children Education Allowance				
Employee Name	Employee Number	Effective From	Number of Children	
Ajay	551	1-4-2010	1	
Mahesh	550	1-4-2010	2	
Rahul	552	1-4-2010	1	
Vijay Kumar	549			
				Accept ? Yes or No

Figure 2.12 Completed Child Education Allowance screen -1

Similarly, the declaration for **Children Hostel Expenditure Allowance**, **Conveyance Allowance** and **Leave Travel Allowance** can also be specified.

### Declaration of Investments U/s 80C & 80CCF

As per section 80C of the Income Tax Act, certain investments are deductible (up to a maximum of Rs 1 lakh) from gross total income. This tax exemption is available across individual tax slabs. As per finance bill 2010-2011, an additional investment of Rs 20,000 into Long Term Infrastructure Bonds is also allowed which increases the maximum amount from Rs 1,00,000 to Rs 1,20,000.

Some of the main schemes eligible for section 80C benefits are:

- PPF
- ELSS - Mutual Funds
- NSC
- KVP
- Life Insurance
- Senior Citizen Saving Scheme 2004
- Post Office Time Deposit Account
- etc...

**Example 5:**

*Below is the list of Investment Details as provided by the Employees for Deductions under 80C & 80CCF:*

<b>Sl. No.</b>	<b>Name of Employee</b>	<b>Housing Loan Repayment</b>	<b>Insurance Premium</b>	<b>Long Term Infrastructure Bonds</b>
1	Ajay	50,000	11,000	20,000
2	Mahesh	1,00,000	20,000	20,000
3	Rahul	-	7,000	10,000
4	Vijay Kumar	-	9,000	

To enter the **Employee Declaration** for Investments made under section **80C & 80CCF**,

- Bring the cursor to **Multi Employee Single Component** under **Investments (80C and 80CCF)** and press **Enter**
- Select **All Items** under **Employee Name/Group**
- Select **Type of Investment** under **Housing Loan Repayment** and press **Enter**



*You have to select the required **Investment Type** to submit the declaration for the respective Investment from the List.*

The **Investment Details** screen for **Housing Loan Repayment** appears as shown:

Investment Details		Spectrum Software Solutions		Ctrl + M	
Employee / Group : All Items		Financial Year : 1-Apr-2010 to 31-Mar-2011			
Nature of Perquisite : Housing Loan Repayment					
Employee Name	Employee Number	Effective From	Declared Amount	Proof Amount	
Ajay	551				
Mahesh	550				
Rahul	552				
Vijay Kumar	549				

Figure 2.13 Investment Details

In the **Investment Details** screen,

- For Ajay, specify the **Effective From** date as **1.4.2010**
- Specify the **Declared Amount** as **50,000**
- **Proof Amount** field can be skipped while entering the declaration



- **Effective From:** The date from when the Investment Proof is applicable. This will also be used for the Income Tax Computation for the previous period. If the Employee changes the Investment Declaration the same should be added with new **Effective From** date, keeping the earlier date and record intact. e.g. on 1.4.2010 Ajay has declared Housing Loan repayment as 50,000 and on 1.7.2010, the new amount is declared for Housing Loan as 75,000. You have to record both in the system.
- **Amount Declared:** Total Principal Amount payable during the year has to be specified in this field.
- **Proof Amount:** Actual Rent Paid by the Employee has to be entered in this field. This will be usually entered when the Employee provides the proof of the Rent Paid by him.

Similarly the **Investment Details** for **Housing Loan Repayment** can be entered for the remaining Employees also.

The completed **Investment Details** is displayed as shown:

Investment Details				
Spectrum Software Solutions				Ctrl + M
Employee / Group : All Items		Financial Year : 1-Apr-2010 to 31-Mar-2011		
Nature of Perquisite : Housing Loan Repayment				
Employee Name	Employee Number	Effective From	Declared Amount	Proof Amount
Ajay	551	1-4-2010	50,000.00	
Mahesh	550	1-4-2010	1,00,000.00	
Rahul	552			
Vijay Kumar	549			

Accept ?  
 Yes or No

Figure 2.14 Investment Details



### Insurance Premium Declaration

The completed Investment Details screen for Insurance Premium is displayed shown:

Investment Details		Spectrum Software Solutions		Ctrl + M	
Employee / Group : All Items		Financial Year : 1-Apr-2010 to 31-Mar-2011			
Nature of Perquisite : Insurance Premium					
Employee Name	Employee Number	Effective From	Declared Amount	Proof Amount	
Ajay	551	1-4-2010	11,000.00		
Mahesh	550	1-4-2010	20,000.00		
Rahul	552	1-4-2010	7,000.00		
Vijay Kumar	549	1-4-2010	9,000.00		
					Accept ? Yes or No

Figure 2.15 Insurance Premium - Investment Details

### Long Term Infrastructure Bonds Declaration (Sec 80CCF)

The completed **Investment Details** screen for **Long Term Infrastructure Bonds** is as shown:

Investment Details		Spectrum Software Solutions		Ctrl + M	
Employee / Group : All Items		Financial Year : 1-Apr-2010 to 31-Mar-2011			
Nature of Perquisite : Long-Term Infrastructure Bonds					
Employee Name	Employee Number	Effective From	Declared Amount	Proof Amount	
Ajay	551	1-4-2010	20,000.00		
Mahesh	550	1-4-2010	20,000.00		
Rahul	552	1-4-2010	10,000.00		
Vijay Kumar	549				
					Accept ? Yes or No

Figure 2.16 Investment Details - Long term Infrastructure bonds

Similarly, all other **Investment Details** can also be entered.



To enter the **Employee Declarations** for any other scheme apart from the ones given in the **List of Investments**, select **Other Eligible Investments** and specify the Values.

### Other Deductions (U/s 80D, 80DD, 80E etc.)

Under Chapter VIA, Other deductions in respect of maintenance including medical treatment of handicapped, medical insurance for self and dependants (including senior citizens, Donations, Interest Payment on Loan for higher education etc. are also allowed under section 80D, 80DD, 80E etc. These deductions are in addition to section 80C & 80CCF.

**Example 6:**

Below is the list of Investment Details as provided by the Employees for Deductions under section 80D, 80DD, 80E etc.

Sl. No.	Name of Employee	Mediclaime Insurance
1	Ajay	-
2	Mahesh	15,000
3	Rahul	5,000
4	Vijay Kumar	-

To declare the other Deductions allowed under **Chapter VIA (U/s 80D, 80DD, 80E etc.)**,

- Bring the cursor to **Multi Employee Single Component** under **Others (80D, 80DD, 80E etc.)** or press **Alt+O**
- In the **Effective From** field specify **1-4-2010**
- Select **Others** in the **Condition** field from the **List of Categories**
- Specify required Amount in the **Declared Amount** field for each Employee
- **Proof Amount** can be specified later when the Employees provide the required proofs

The completed **Chapter VIA - Others** declaration screen for **Mediclaime Insurance** is displayed as shown:

Chapter VIA - Others		Spectrum Software Solutions		Ctrl + M	
Employee / Group : All Items		Financial Year : 1-Apr-2010 to 31-Mar-2011			
Type of Deduction : Mediclaime Insurance					
Employee Name	Employee Number	Effective From	Condition	Declared Amount	Proof Amount
Ajay	551				
Mahesh	550	1-4-2010	Others	15,000.00	
Rahul	552	1-4-2010	Others	5,000.00	
Vijay Kumar	549				

Accept ?  
 Yes or No

Figure 2.17 Chapter VI - Other deductions for Mediclaime Insurance



- **Effective From:** The date from when the Investment Proof is applicable. This will be also used for the Income Tax Computation for the previous period. If the Employee changes the Investment Declaration the same should be added with new **Effective From** date, keeping the earlier date and record intact.
- **Condition:** Should be selected as Senior Citizens for Employees above 60 Years and for all other Employees Other Category should be selected.
- **Declared Amount:** Total Principal Amount payable during the year has to be specified in this field.
- **Proof Amount:** Actual Rent Paid by the Employee has to be entered in this field. This will be usually entered when the Employee provides the proof of the Rent Paid by him.

Similarly, you can specify the other Deductions for Chapter VIA (u/s 80D, 80DD, 80E etc.)

## Override Income Tax

The override feature in Tally.ERP 9 Income Tax allows you to do the following:

1. Allow to specify different Income and Exemption slabs for different Employees as they can differ based on the place of duty or based on the type of work. e.g. high altitude allowance differs based on the height (from sea level) of work place.
2. It also provides the flexibility to enter the already earned values without using the payroll module and now the tax can be computed on the entire value
3. It also allows you to override the tax computation which is done by Tally.ERP 9. This can be used if an Employee has got any special permission from the accessing officer for lesser deduction.

Tally.ERP 9 also allows you to override the existing Income and Exemption slabs or it also allows you to override the Tax amount which is computed by default. The override Exemption value if specified will be applicable for entire year, whereas the Tax override value will be applicable on monthly basis for the specified period.

For the detailed usage of Override options, please refer to the Help file.

## Tax Configuration

Tax Configuration is a comprehensive Master setup screen for Income Tax which allows you to Configure Pay Heads/ Ledgers, enter Declarations and specify other declaration details such as Tax Deducted by previous Employer, any other source or self tax declaration and declaration about the reliefs provided under section 89, 90 and 91 etc.

In other words, **Tax Configuration** screen is like a **Quick Setup** which guides the users to make all the necessary setup required for correct computation of Income Tax. Various items are arranged in the **Tax Configuration** screen in the same manner as **Form 16** to simplify the entire user experience.

For illustration purpose **Tax Configuration** for **HRA** is explained in this Chapter. You can refer to Tally.ERP 9 Reference Manual (Help File) for more information on using the **Tax Configuration Master Setup** screen.

To configure, Configure HRA Pay Head and enter the Employee Declaration for HRA,  
 Go to **Gateway of Tally > Payroll Info. > Income Tax Details > Tax Configuration**

- Bring the cursor to **House Rent Allowance** under **Allowance to the extent exempt u/s 10** as shown:

Tax Configuration		Spectrum Software Solutions	Ctrl + M
Tax Configuration		Financial Year: 1-Apr-2010 to 31-Mar-2011	
Particulars	Status		
<b>Gross Salary</b>			
Salary as per provisions contained in Sec 17(1)	J Not Applicable		
Value of Perquisites u/s 17(2) (as per Form 12BA)	J Not Applicable		
Profits in lieu of Salary u/s 17(3) (as per Form 12BA)	J Not Applicable		
<b>Allowance to the extent exempt under section 10</b>			
Allowance For Transport Employee	Not Configured		
Border/Remote Area Allowance	Not Configured		
Children Education Allowance	Configured		
Children Hostel Expenditure Allowance	Not Configured		
Conveyance Allowance	Configured		
Counter Insurgency Allowance	Not Configured		
Field Area Allowance	Not Configured		
Gratuity	Configured		
High Altitude Allowance	Not Configured		
Highly Active Field Area Allowance	Not Configured		
Hill Area Compensatory Allowance	Not Configured		
<b>House Rent Allowance</b>	<b>Configured</b>		
Island Duty Allowance	Not Configured		
Leave Encashment on Retirement	Not Configured		
Leave Travel Assistance	Not Configured		
Medical Allowance	Not Configured		
Mining/Underground Allowance	Not Configured		
Modified Field Area Allowance	Not Configured		
Other Earnings/Allowances (Fully Exempt)	Not Configured		
Other Earnings/Allowances (User Defined)	Not Configured		
18 more ... ↓			

Figure 2.18 Tax Configuration screen

As discussed earlier, Tax Configuration screen displays the details as per Form 16 and it also displays the status for each particular as Configured/Not Configured or Note Applicable.

- Press **Enter** to view the **Income Tax Allowance Setup** (Setup Helper)

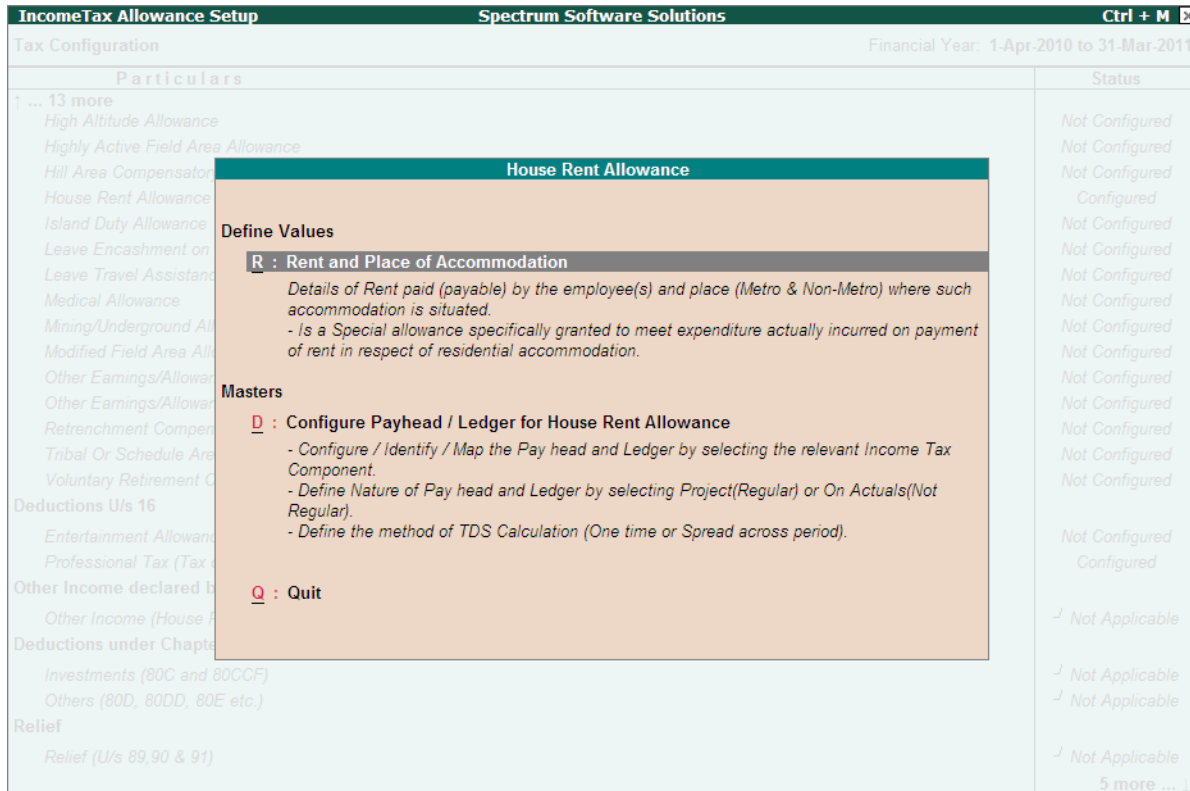


Figure 2.19 Income Tax Allowance Setup

The above setup screen is divided based on the type of allowance/income component/investment:

**Masters:** Allow you to configure the Pay Head/Ledger for the Income Tax

**Declaration or Define Value:** Allows you to enter the Employee Declaration details or define the required value details.

### i. HRA Configuration

As discussed earlier, the HRA Pay Head/Ledger can also be configured from the **Income Tax Allowance Setup** screen under **Tax Configuration** menu as explained:

- Press **Enter** on **Configure Pay Head/Ledger for House Rent Allowance**

The **Pay Head Configuration** screen is displayed below:

Pay Head Configuration				
Income Tax Pay Head & Ledger Configuration		Spectrum Software Solutions		
SI.No	Particulars	Income Tax Component	Method of Calculation	Deduct TDS Across Period(s)
1.	Basic Pay	Basic Salary	Projected	Yes
2.	House Rent Allowance	House Rent Allowance	Projected	Yes

Figure 2.20 Pay Head Configuration for HRA

You can see that the Pay Head Configuration screen when viewed from Tax Configuration menu display only the relevant Ledgers/Pay Heads to help the user in speedier configuration. For details on Configuration of Pay Heads, refer to the **Pay Head Configuration** section discussed earlier.



Since HRA is dependant on **Basic Pay**, the above screen also displays the **Basic Pay - Pay Head** so that the user can check and configure both the Pay Heads.

**ii. HRA Declaration**

To enter/modify the HRA values declared by one or all Employees,

- Press **Enter** on **Rent and Place of Accommodation**

House Rent Declaration					
Spectrum Software Solutions			Ctrl + M		
Employee / Group : All Items		Financial Year : 1-Apr-2010 to 31-Mar-2011			
Type of Allowance : House Rent Allowance					
Employee Name	Employee Number	Effective From	Rent Declared Amount	Rent Proof Amount	Place of Residence
Ajay	551	1-4-2010	5,000.00		Non Metro
Mahesh	550	1-4-2010	10,000.00		Non Metro
Rahul	552	1-4-2010	6,000.00		Non Metro
Vijay Kumar	549	1-4-2010	7,000.00		Non Metro

Figure 2.21 House Rent Declaration screen

The Declaration screen for House Rent allowance opens and it allows you to declare the HRA for one or all the Employees. If already declared you can alter the Declaration values from this screen.

## Previous Employer Details

To correctly compute the Income Tax values, you need to collect the details of the **Income Received** and Tax already Deducted/Paid by previous Employer for all the Employees who are joining in the middle of the financial year. The previous employer Income Details and tax details can be entered using the **Income/Income Exemption Details** and **Tax Deducted/Paid Details** respectively.

For the detailed usage of Previous Employer Income/Expenses/Tax Paid etc., refer to the help file (Tally.ERP 9 Reference Manual)

## Pay Head Creation for Income Tax Deduction

Though the Computation report displays the Income Tax value for all the Employees without creating the Income Tax deduction Pay Head, but its mandatory to create the this Pay Head and add the same to the Salary Details for all the Employees.



## Creating Income Tax Pay Head

To create the Income Tax Pay Head,

Go to **Gateway of Tally > Payroll Info. > Pay Heads > Create**

In the Pay Head Creation screen,

- Specify the **Name** of Pay Head as **TDS**
- Select **Employees' Statutory Deduction** from the **List of Pay Heads**
- Select **Statutory Pay Type** as **Income Tax** from the list as shown:

Pay Head Creation		Spectrum Software Solutions		Total Op. Bal.
Name	: TDS			
(alias)	:			
<b>Pay Head Info</b>		<b>Employees' Statutory Deductions</b>		
Pay Head Type	: Employees' Statutory Deductions	Employee State Insurance		
Statutory Pay Type	: <b>Income Tax</b>	<b>Income Tax</b>		
Under	:	PF Account (A/c No. 1)		
Affect Net Salary	? Yes	Professional Tax		
Name to appear in Payslip	: TDS	Voluntary PF (A/c No. 1)		
Calculation Type	: As Per Income Tax Slab			
Calculation Period	: Months			
<b>Rounding Info</b>				
Rounding Method	: Upward Rounding	Limit	: 1	
Opening Balance ( on 1-Apr-2010 ) :				

Figure 2.22 Pay Head creation - Statutory Pay Type selection

- In the field **Under** select **Current Liabilities** as the **Group**



You can configure the TDS Pay Head either under **Current Liabilities** or **Duties & Taxes**.

- Set the option **Affect Net Salary** to **Yes**
- Specify the required caption for the Pay Head in **Name to appear in Payslip** field
- **Calculation Type** is defaulted with **As Per Income Tax Slab**
- Select **Month** as the **Calculation Period**

- **Rounding Method and Limit** are defaulted for the **Income Tax Pay Head Creation**

The completed **Income Tax Pay Head Creation** screen is displayed as shown:

Pay Head Creation		Spectrum Software Solutions	
Name : TDS (alias) :			Total Op. Bal.
<b>Pay Head Info</b> Pay Head Type : Employees' Statutory Deductions Statutory Pay Type : Income Tax Under : Current Liabilities  Affect Net Salary ? Yes Name to appear in Payslip : TDS  Calculation Type : As Per Income Tax Slab Calculation Period : Months			
<b>Rounding Info</b> Rounding Method : Upward Rounding    Limit : 1			
Opening Balance ( on 1-Apr-2010 ) :			Accept ? Yes or No

Figure 2.23 Completed Income Tax Pay Head creation

- Press **Enter** to accept and save.

### Create/Alter Salary Details

After creating the **Income Tax (TDS) Deduction Pay Head** you have to include this Pay Head in the **Salary Details** for all the **Employees** for successful deduction of **Income Tax** when there salaries are processed.

To alter the **Salary Details**,

Go to **Gateway of Tally > Payroll Info. > Salary Details > Alter**

- Select the required **Employee (Mahesh)** and press **Enter**
- In the **Salary Details** screen, bring the cursor at the end and select **TDS Pay Head** to add
- Press **End of List**

The completed **Salary Details Alteration** screen is displayed as shown:

Salary Details Alteration						
Spectrum Software Solutions						
Name : Mahesh (550)						
Under : Sales ( Primary)						
Salary Details						
Effective From	Pay Head	Rate	Per	Pay Head Type	Calculation Type	Computed On
1-Apr-2010	Basic Pay	50,000.00	Months	Earnings for Employees	On Attendance	Basic Pay
	House Rent Allowance			Earnings for Employees	As Computed Value	
	Conveyance	1,000.00	Months	Earnings for Employees	Flat Rate	
	Children Education Allowance	1,000.00	Months	Earnings for Employees	Flat Rate	
	Variable Pay			Earnings for Employees	As User Defined Value	
	Gratuity			Gratuity		
	Professional Tax			Employees' Statutory Deductions	As Computed Value	On Current Earnings Total
	Employee's PF Deduction@12%			Employees' Statutory Deductions	As Computed Value	Basic Pay
	Employee's ESI Deduction@1.75%			Employees' Statutory Deductions	As Computed Value	(Basic Pay + House Rent Allowance) + Conveyance + Overtime Pay + Variable Pay
	Employer EPS @8.33%			Employer's Statutory Contributions	As Computed Value	Basic Pay
	Employer's EPF@3.67%			Employer's Statutory Contributions	As Computed Value	Employee's PF Deduction@12% - Employer EPS @8.33%
	Employer ESI Contribution@4.75%			Employer's Statutory Contributions	As Computed Value	(Basic Pay + House Rent Allowance) + Conveyance + Overtime Pay + Variable Pay
	TDS			Employees' Statutory Deductions	As Per Income Tax Slab	

Accept ?  
 Yes or No

Figure 2.24 Salary Details Alteration screen

- Press **Enter** to accept and save

Similarly, alter the **Salary Details** for all the Employees can be altered to add the **TDS Pay Head**. Once all the above configuration are successfully completed, you can process the salaries and deduct the required TDS.

## Lesson 3: Processing Payroll

Typically, Payroll Processing comprises of the following activities:

- ❑ Recording of Attendance and Production details (on time / work)
- ❑ Processing Payroll Vouchers
- ❑ Payment of Salaries and other statutory payments

There are three types of Payroll Vouchers namely **Attendance Voucher**, **Payroll Voucher** and **Payment Voucher**, which are by default preset in Tally.ERP 9 to record above Payroll transactions.

Payroll Vouchers are used for the purposes of operating your payroll and also records the attendance of the employees for a given period. These vouchers are basically used to input information pertaining to Payroll processing.

Payroll Vouchers are used for the purposes of operating your payroll and also records the attendance of the employees for a given period. These vouchers are basically used to input information pertaining to Payroll processing.

### Recording Attendance

An Attendance Voucher allows you to record the attendance/ production units for employees. Tally.ERP 9 gives you the flexibility to enter the attendance records through a single attendance voucher for a payroll period, or through multiple attendance vouchers as and when required within a payroll period.

In Tally.ERP 9, the auto-fill facility (**Alt+A**) is used to pre-fill the required Attendance/Production types data for the selected employee group/ employee for the specified period.

**Example 1:**

On 30th April, 2010 the attendance records of M/s. Spectrum Software Services displayed the following details:

<i>Attendance/ Production Types</i>	<i>Vijay Kumar</i>	<i>Rahul</i>	<i>Mahesh</i>	<i>Ajay</i>
<i>Days Absent</i>	1	1	0	0
<i>Overtime hours</i>	900 Min (15hr x 60min)	-	-	720 Min (12hr x 60min)

In the above scenario, separate attendance vouchers are required to be entered for recording Present days and Overtime hours.

To record the Attendance details,

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

- Press **Ctrl+F5** for **Attendance Voucher**

The **Attendance Voucher Creation** screen is displayed as shown:

Attendance Voucher Creation		Spectrum Software Solutions		List of Employees	
Attendance No. 1					
Employee Name	Attendance/Production Type	Ajay	Sales	Primary Cost Category	
		Mahesh	Sales	Primary Cost Category	
		Rahul	R&D	Primary Cost Category	
		Vijay Kumar	Administration	Primary Cost Category	
Narration:					

Figure 3.1 Attendance Voucher Creation screen

- Press **F2** and specify the date as **30-4-2010**
- Press **Enter**

- Press **Alt+A** (Attendance Auto Fill) to pre-fill employee payroll details
- In the **Attendance Auto Fill** screen,
  - Specify the **Voucher Date** as **30-04-2010** if not specified earlier
  - Select **Primary Cost Category** as **All Items** (If separate cost categories are used to capture employee cost, then select the respective Employee category)
  - Select **All Items** as **Employee/ Group** (if you want to generate payroll voucher for individual employee/ group, select the respective employee or group)
  - Select **Absent** as **Attendance Type** in the **Attendance/ Production Type** field
  - Specify the require value that should be prefilled for all Employees e.g. **0**

The completed **Attendance Auto Fill** screen is displayed as shown:

The screenshot shows a green background with the following text:

Attendance Auto Fill

Voucher Date : 30-4-2010  
Employee Category : Primary Cost Category  
Employee/Group : All Items

Auto Fill Values

Attendance/Production Type : Absent  
Default Value to Fill : 0  
(Value entered above will be prefilled for all the Employees)

Figure 1.2 Attendance Auto Fill screen

- Press **Enter** to accept the screen



*Separate Attendance vouchers are required for recording attendance on **Work and Production**.*

*If you opt for **Present** as **Attendance Type**, then you need to record the negative attendance of the employees.*

The **Attendance Voucher** is prefilled with **0** for all required Employees as shown:

Attendance Voucher Creation		Spectrum Software Solutions		Ctrl + M
Attendance No. 1				30-Apr-2010 Friday
Employee Name	Attendance/Production Type	Value	Unit	
Ajay	Absent	Cur Bal: 0 Days	0	Days
Mahesh	Absent	Cur Bal: 0 Days	0	Days
Rahul	Absent	Cur Bal: 0 Days	0	Days
Vijay Kumar	Absent	Cur Bal: 0 Days	0	Days
Narration:				

Figure 1.3 Attendance Voucher

- Specify the attendance details as given in the table above

The completed **Attendance Voucher Creation** screen with the attendance details screen is displayed as shown:

Attendance Voucher Creation		Spectrum Software Solutions		Ctrl + M
Attendance No. 1				30-Apr-2010 Friday
Employee Name	Attendance/Production Type	Value	Unit	
Ajay	Absent	Cur Bal: 0 Days	0 Days	
Mahesh	Absent	Cur Bal: 0 Days	0 Days	
Rahul	Absent	Cur Bal: 1 Days	1 Days	
Vijay Kumar	Absent	Cur Bal: 1 Days	1 Days	
Narration: Attendance for April 2010.				Accept ? Yes or No

Figure 3.4 Completed Attendance Voucher Screen

1. Press **Enter** to accept the completed Attendance Voucher screen.

In the same way, create an Attendance Voucher for **Overtime Hours**.



The completed **Attendance Voucher** for **Overtime Hours** is displayed as shown:

Attendance Voucher Creation		Spectrum Software Solutions		Ctrl + M
Attendance No. 2				30-Apr-2010 Friday
Employee Name	Attendance/Production Type	Value	Unit	
Ajay	Overtime	Cur Bal: 12- 0.0 Hrs	12 Hrs	
Mahesh	Overtime	Cur Bal:	0 Hrs	
Rahul	Overtime	Cur Bal:	0 Hrs	
Vijay Kumar	Overtime	Cur Bal: 15- 0.0 Hrs	15 Hrs	
Narration: Overtime Details for April 2010.				Accept ? Yes or No

Figure 3.5 Attendance Voucher Screen - Overtime

- Press **Enter** to accept.

## Processing Payroll Vouchers

A payroll voucher is used to record all employee-related transactions. It enables you to compute all the values for the respective Pay Heads (Earnings and Deductions).

The calculations are made on the basis of the definitions specified in the pay head masters, pay structure and attendance entries. In Tally.ERP 9, you can pass payroll vouchers manually for individual employee as well as for the entire group/ organisation by using the Auto Fill facility (**Alt+A**).

### Example 2:

*On 30th April, 2010, M/s. Spectrum Software Solutions processes Payroll for all the employees and entitled the following employees for Variable Pay.*

Particulars	Vijay Kumar	Rahul	Mahesh	Ajay
Variable Pay	1500	-	1000	-

## Processing User Defined Pay Heads

The value for the **User Defined Pay Heads** should be entered prior to computation of Salary.

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

1. Press **Ctrl+F4** for **Payroll Voucher**
2. Press **F2**, specify the date as **30-4-2010** and press **Enter**
3. Press **Alt+A** (Payroll Auto Fill) to pre-fill employee payroll details  
In the **Payroll Auto Fill** screen,
  - Select **User Defined Pay Heads** in the **Process for** field



*In Tally.ERP 9, the following processes are preset for faster processing of Payroll:*

- **User Defined Pay Heads:** This process is used for processing the **User Defined Pay Heads** e.g. Variable Pay, Incentives.
  - **Salary:** This process is used for processing salaries for a specified period, wherein Salaries are disbursed through Cash or a bank transfer.
  - **ESI Contribution:** This process is used for processing Employer's contributions towards ESI for a specified period.
  - **PF Contribution:** This process is used for processing Employer's Provident Fund (PF) contributions for a specified period.
- 
- Specify **1-4-2010** in the **From** field
  - Specify **30-4-2010** in the **To** field
  - Select **All Items** as **Employee/Group**
  - Select **Salary Payable** in the **Payroll Ledger** field



*You can select Cash as the Payroll Ledger if you are directly making the payment from Payroll Voucher itself.*

The completed **Payroll Auto Fill** screen is displayed as shown:

Payroll Auto Fill	
Process for	: User Defined
From (blank for beginning)	: 1-4-2010
To (blank for end)	: 30-4-2010
Employee Category	: Primary Cost Category
Employee/Group	: J All Items
Payroll Ledger	: <b>Salary Payable</b>

Figure 1.6 Payroll Autofill with payment Ledger list

- Press **Enter** to accept the screen

The **Payroll Voucher** opens and allows the user to enter the user defined Pay Head values one by one for all the Employees.

- Specify **1000** as **Variable Pay** for **Mahesh**
- Similarly, specify **1500** as **Variable Pay** for **Vijay Kumar** and press **Enter**

The completed **Payroll Voucher Creation** screen is displayed as shown:

Payroll Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Payroll</b>	No. 1			30-Apr-2010 Friday
<i>Payroll Auto Fill - (Salary)</i>				
Account : <b>Salary Payable</b> Cur Bal: 0.00 Cr				
Particulars				Amount
<b>Primary Cost Category</b>				<u>2,500.00 Dr</u>
Ajay				
Variable Pay		Dr	Cur Bal: 0.00 Cr	
<b>Mahesh</b>				<u>1,000.00 Dr</u>
Variable Pay	1,000.00	Dr	Cur Bal: 1,000.00 Dr	
<b>Rahul</b>				
Variable Pay		Dr	Cur Bal: 0.00 Cr	
<b>Vijay Kumar</b>				<u>1,500.00 Dr</u>
Variable Pay	1,500.00	Dr	Cur Bal: 1,500.00 Dr	
Narration:				<u>2,500.00 Dr</u>
Pay Period : 1-Apr-2010 to 30-Apr-2010				
Accept ?				
Yes or No				

Figure 3.7 Completed Payroll Voucher

4. Press **Enter** to accept.

## Processing Salary with Income Tax Deduction

Once the User Defined Pay Head Values are entered (if any), the salary can be processed by following the steps given below:

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

1. Press **Ctrl+F4** for **Payroll Voucher**
2. Press **F2**, specify the date as **30-4-2010** and press **Enter**
3. Press **Alt+A** (Payroll Auto Fill) to pre-fill employee payroll details

In the **Payroll Auto Fill** screen,

- Select **Salary** in the **Process for** field
- Select **Declared Value** in the **Compute Income Tax based On** field as shown:

Payroll Auto Fill		Process Base
Process for	: Salary	
Compute Income tax Based On	: <b>Declared Value</b>	<b>Declared Value</b>
From (blank for beginning)	: 1-4-2010	Proof Value
To (blank for end)	: 30-4-2010	
Employee Category	: Primary Cost Category	
Employee/Group	: <b>All Items</b>	
Payroll Ledger	:	

Figure 1.8 Payroll Auto Fill screen



*Compute Income Tax based On:*

- **Declared Value:** This option should be selected to compute Income Tax based on Declaration Amount as given by the Employees.
- **Proof Value:** This option should be selected to compute Income Tax based on the Amount as per the actual Proofs given by the Employees.

- Select all other parameters as explained earlier

The completed **Payroll Auto Fill** screen for **Salary** process is displayed as shown:

Payroll Auto Fill	
Process for	: Salary
Compute Income tax Based On	: <b>Declared Value</b>
From (blank for beginning)	: 1-4-2010
To (blank for end)	: 30-4-2010
Employee Category	: Primary Cost Category
Employee/Group	: <b>All Items</b>
Payroll Ledger	: <b>Salary Payable</b>

Figure 1.9 Completed Payroll Auto Fill

- Press **Enter** to pre-fill the Payroll Voucher with all Pay values for all Employees including **Income Tax deduction (TDS)**

The completed **Payroll Voucher Creation** screen is displayed as shown:

Payroll Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Payroll</b>	No. 2			30-Apr-2010 Friday
<i>Payroll Auto Fill - (Salary)</i>				
Account : <b>Salary Payable</b> Cur Bal: 2,500.00 Cr				
Particulars				Amount
<b>Primary Cost Category</b>				<b>1,39,107.00 Dr</b>
<b>Ajay</b>				<b>18,080.00 Dr</b>
Basic Pay	11,000.00	Dr	Cur Bal: 11,000.00 Dr	
House Rent Allowance	4,400.00	Dr	Cur Bal: 4,400.00 Dr	
Conveyance	2,000.00	Dr	Cur Bal: 2,000.00 Dr	
Children Education Allowance	1,000.00	Dr	Cur Bal: 1,000.00 Dr	
Overtime Pay	1,200.00	Dr	Cur Bal: 1,200.00 Dr	
Professional Tax	200.00	Cr	Cur Bal: 200.00 Cr	
Employee's PF Deduction@12%	1,320.00	Cr	Cur Bal: 1,320.00 Cr	
Employee's ESI Deduction@1.75%		Cr	Cur Bal: 0.00 Cr	
TDS		Cr	Cur Bal: 0.00 Cr	
<b>Mahesh</b>				<b>60,210.00 Dr</b>
Basic Pay	50,000.00	Dr	Cur Bal: 50,000.00 Dr	
House Rent Allowance	20,000.00	Dr	Cur Bal: 20,000.00 Dr	
Conveyance	1,000.00	Dr	Cur Bal: 1,000.00 Dr	
Children Education Allowance	1,000.00	Dr	Cur Bal: 1,000.00 Dr	
Professional Tax	200.00	Cr	Cur Bal: 200.00 Cr	
Employee's PF Deduction@12%	6,000.00	Cr	Cur Bal: 6,000.00 Cr	
Employee's ESI Deduction@1.75%		Cr	Cur Bal: 0.00 Cr	
TDS	5,590.00	Cr	Cur Bal: 5,590.00 Cr	
				20 more ... ↓
Narration:				1,39,107.00 Dr
Pay Period : 1-Apr-2010 to 30-Apr-2010 ,Computed tax based on :				
Declared Value				
				Accept ? Yes or No

Figure 3.10 Completed Payroll Voucher

- Press **Enter** to accept.

The Employer PF Contribution and Employer ESI contribution processes can also be completed by using the respective Auto Fill processes.

### Processing Payments

In Tally.ERP 9, the Payment Vouchers are used to effect salary disbursement, PF payment, ESI Payment, Professional Tax payment and Income Tax payment.

To automate the above payments, Auto Fill facility has been provided in the Payment Voucher screen for error free processing.

#### Example 3:

*On 30th April 2010, M/s. Spectrum Software Solutions paid the salaries due for the month of April 2010. The PF, ESI, PT and Income Tax were also paid on 30th April 2010.*

For illustration, only Income Tax Payment is explained in detail and remaining payments follow the similar process.

Before passing the Income Tax payment voucher, necessary Bank Accounts should be created. To make the **Income Tax** payment, follow the steps given below:

Go to **Gateway of Tally > Accounting Vouchers > Press F5 for Payment Vouchers**

- Press **F2**, specify the date as **30-04-2010** and press **Enter**
- Press **Alt+A** (Payroll Auto Fill) to pre-fill employee payroll details

In the **Payment Auto Fill** screen,

- Select **Income Tax Challan** in the **Process for** field as shown.
- Specify **01-04-2010** as **From** period
- Specify **31-04-2010** as **To** period
- Specify **Voucher Date** as **30-04-2010**
- Select **Primary Cost Category** in the **Employee Category** field
- Select **All Items** in the **Employee/Group** field
- Select **HDFC Bank** in the **Bank / Cash Ledger** field as shown.
- Select **Salary Payable** in the **Payroll Ledger** field

The completed **Payment Auto Fill** screen is displayed as shown:

<u>Payment Auto Fill</u>	
Process for	: Income Tax Challan
From (blank for beginning)	: 1-4-2010
To (blank for end)	: 30-4-2010
Voucher Date	: 30-4-2010
Employee Category	: Primary Cost Category
Employee/Group	: All Items
Bank / Cash Ledger	: HDFC Bank
Payroll Ledger	: <b>TDS</b>

Figure 3.11 Payment Auto Fill screen

- Press **Enter** and the employee Income Tax details will appear by default as shown:

Accounting Voucher Creation		Spectrum Software Solutions	Ctrl + M
<b>Payment</b>	No. 1		30-Apr-2010 Friday
<i>Payroll Auto Fill - (Income Tax Challan)</i>			
Account : <b>HDFC Bank</b> Cur Bal: 8,053.00 Cr			
Particulars			Amount
TDS			8,053.00
Cur Bal: 0.00 Dr			
Primary Cost Category			
Ajay			
Mahesh            5,590.00 Dr			
Rahul             671.00 Dr			
Vijay Kumar     1,792.00 Dr			
Provide Details			<input checked="" type="checkbox"/> Yes
Narration:			<u>8,053.00</u>

Figure 1.12 Payment Voucher

- Set **Provide Details** to **Yes**  
In the **Provide Details** screen,
  - In **Cheque / DD No** field, specify the correct cheque or DD number (e.g. 23342)
  - In **Cheque / DD No** field, specify the date of Cheque or DD (e.g. 30.04.2010)
  - Specify name of depositor (e.g. Ramesh) in **Depositor Name** field
  - In **Bank & Branch Code** field, specify the Bank Name and Branch Details (e.g. HDFC & Koramangala)
  - In **BSR Code** field, specify the banks BSR code
  - Specify 30.4.2010 as Challan Date
  - Specify 4343338 in the Challan Number in number field

The completed **Payment Details** screen is displayed as shown:

Payment Details	
Cheque / DD No	: 23342
Cheque / DD Date	: 30-Apr-2010
Depositor Name	: Ramesh
Bank & Branch Code	: HDFC & Koramangala
BSR Code	: 4253433
Challan Date	: 30-Apr-2010
Challan Number	: <b>4343338</b>
<i>(Note : All the Above Details Will Be Used in Challan, Forms &amp; Returns)</i>	

- Press **Enter** to accept the **Provide Details** screen

The completed **Income Tax Payment Entry** screen is displayed as shown:

Accounting Voucher Creation		Spectrum Software Solutions		Ctrl + M
<b>Payment</b>	No. 1			30-Apr-2010 Friday
<i>Payroll Auto Fill - (Income Tax Challan)</i>				
Account : <b>HDFC Bank</b> Cur Bal: 8,053.00 Cr				
Particulars				Amount
<b>TDS</b>				8,053.00
Cur Bal: 0.00 Dr				
Primary Cost Category				
Ajay				
Mahesh            5,590.00 Dr				
Rahul             671.00 Dr				
Vijay Kumar     1,792.00 Dr				
Provide Details        : <b>Yes</b>				
Narration:				
Income Tax payment for April 2010.				8,053.00
				<div style="border: 1px solid black; padding: 5px; display: inline-block;">           Accept ?            Yes or No         </div>

Figure 3.13 Payment Voucher

4. Press **Enter** to accept.

To print the **Income Tax Challan (ITNS 281)**,

- Press **Page Up** in the Accounting Voucher Alteration screen and press **Alt+P**  
In the **Payment Voucher** print configuration screen,



- Set **Print Challan** to **Yes** as shown:

Voucher Printing	
Printer	: Printer 1 (Ne02:)
No. of Copies	: 1
Print Language	: English
Method	: Neat Mode
Page Range	: All
Paper Type	: A4
Paper Size	: (8.27" x 11.69") or (210 mm x 297 mm)
Print Area	: (8.27" x 11.69") or (210 mm x 297 mm)
(Printing Dimensions)	
Report Titles	
Payment Voucher	
(with Print Preview)	
Without Company Phone No.	
Print Challan	? <b>Yes</b>
Print Payment Advice	: No
Payment Advice Date	: 30-4-2010
Print Due Date	? No
Show Company's PAN/IT Number	? No
<div style="border: 1px solid black; padding: 5px; display: inline-block;"> <b>Print ?</b>                      Yes or No                 </div>	

Figure 1.14 Voucher Printing configuration

- Print **Enter** to print Challan

The printed ITNS 281 Challan is displayed as shown:

T.D.S./T.C.S TAX CHALLAN						Single Copy (to be sent to ZAO)												
<b>CHALLAN No./ ITNS</b> 281	Tax Applicable (Tick one)* <b>TAX DEDUCTED AT SOURCE FROM</b> (0020) COMPANY DEDUCTEES <input checked="" type="checkbox"/> (0021) NON-COMPANY DEDUCTEES <input type="checkbox"/>				<b>Assessment Year</b> 2011-12													
Tax Deduction Account No. (T.A.N.) <b>KARA07884F</b>																		
Full Name <b>SPECTRUM SOFTWARE SOLUTIONS</b>																		
Complete Address with City & State <b>14, Mysore Road,, Bangalore</b>																		
<b>Karnataka</b>																		
Tel. No. <b>080-22587457</b>					Pin <b>560022</b>													
<b>Type of Payment</b> TDS Payable by Taxpayer (200) <input checked="" type="checkbox"/> TDS Regular Assessment (Raised by I.T. Deptt.) (400) <input type="checkbox"/>			Code * <b>92B</b>		<b>FOR USE IN RECEIVING BANK</b> Debit to A/c / Cheque credited on DD MM YY SPACE FOR BANK SEAL Rs. 8,053.00													
<b>DETAILS OF PAYMENTS</b>			Amount (in Rs. Only)															
Income Tax			7,818.45															
Surcharge																		
Education Cess			234.55															
Interest																		
Penalty																		
Total			8,053.00															
Total (in words): <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr> <th>CRORES</th> <th>LACS</th> <th>THOUSANDS</th> <th>HUNDREDS</th> <th>TENS</th> <th>UNITS</th> </tr> </thead> <tbody> <tr> <td>Zero</td> <td>Zero</td> <td>Eight</td> <td>Zero</td> <td>Five</td> <td>Three</td> </tr> </tbody> </table>							CRORES	LACS	THOUSANDS	HUNDREDS	TENS	UNITS	Zero	Zero	Eight	Zero	Five	Three
CRORES	LACS	THOUSANDS	HUNDREDS	TENS	UNITS													
Zero	Zero	Eight	Zero	Five	Three													
Paid in Cash/ Debit to A/c /Cheque No. <b>23342</b>				Dated <b>30-Apr-2010</b>														
Drawn on <b>HDFC &amp; Koramangala</b> <small>(Name of the Bank and Branch)</small>																		
Date : _____ Signature of person making payment _____																		
----- Tear Here -----																		
<b>Taxpayers Counterfoil (To be filled up by taxpayer)</b>																		
TAN <b>KARA07884F</b>																		
Received from <b>SPECTRUM SOFTWARE SOLUTIONS</b> <small>(Name)</small>																		
Cash/ Debit to A/c /Cheque No. <b>23342</b>				For Rs. <b>8,053</b>														
Rs. (in words) <b>Eight Thousand Fifty Three Only.</b>																		
Drawn on <b>HDFC &amp; Koramangala</b> <small>(Name of the Bank and Branch)</small>																		
_____ Deductees																		
on account of Tax Deducted at Source (TDS) from <b>92B</b> for the Assessment Year <b>2011-12</b>																		
Rs. 8,053.00																		

Figure 1.15 ITNS 281 Challan

## Lesson 4: Income Tax Reports

Tally.ERP 9 helps to generate the following Income Tax reports for Employer and Employees:

- Computation Report
- Salary Projection
- Challan Reconciliation
- Returns
  - Quarterly
    - Form 24Q
    - Annexure I to 24Q
    - Annexure II to 24Q
  - Annual
    - Form 16
    - Form 12BA
    - ITR-1
- E-Return
  - E-24Q
  - Print Form 27A
- Exception Reports
  - PAN Not Available
  - Other Records
  - TDS Variance

### Computation Report

The Computation Report displays the Employee wise Income Tax Computation details in the Form 16 format. Along with the Total Tax payable, it also displays the balance tax payable, tax already paid and tax amount to be deducted in the subsequent month.

Tally.ERP 9 provides the flexibility to configure the Pay Heads or add the declaration/proof amounts by pressing **Ctrl+Enter** on the required **Income Tax Component**.

To view the Income Tax Computation report,

Go to **Gateway of Tally > Display > Payroll Reports > Statutory Reports > Income Tax > Computation**

Employee selection screen is displayed as shown:

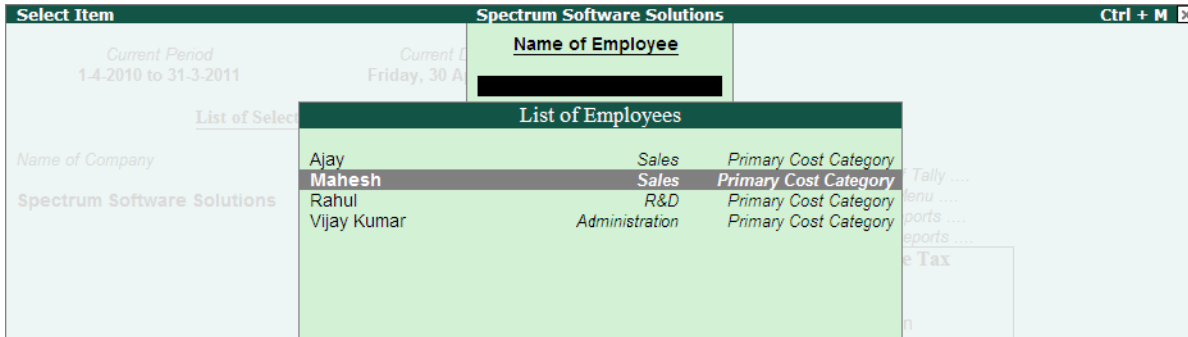


Figure 4.1 Employee Selection screen

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

The **Computation** report for the respective Employee is displayed as shown:

Income Tax Computation		Spectrum Software Solutions		Ctrl + M	
Income Tax Computation for: Mahesh			Financial Year: 1-Apr-2010 to 31-Mar-2011		
Employee No. :	550	PAN Number :	BCDEF1234G	Total Income Tax :	67,074.00
Gender :	Male	Computed based on :	Declared Value	Less: Deducted till Apr - 2010:	5,590.00
Date of Joining :	1-4-2010	Computed for the month :	Apr - 2010	Balance Deductible :	61,484.00
Date of Birth :	23-4-1971	Assessment Year :	2011 - 2012	Tax Per Month from May - 2010:	5,590.00
S.No	Particulars	Amount	Amount		
1.	<b>Gross Salary</b>		8,65,000.00		
	Salary as per provisions contained in Sec 17(1)	8,65,000.00			
	Value of Perquisites u/s 17(2) (as per Form 12BA)				
	Profits in lieu of Salary u/s 17(3) (as per Form 12BA)				
2.	<b>Less: Allowance to the extent exempted U/s 10</b>		72,000.00		
	Children Education Allowance	2,400.00			
	Conveyance Allowance	9,600.00			
	House Rent Allowance	60,000.00			
3.	<b>Balance (1 - 2)</b>		7,93,000.00		
4.	<b>Deductions U/s 16</b>		2,400.00		
	Entertainment Allowance				
	Professional Tax (Tax on Employment)	2,400.00			
5.	<b>Total Income from Salary (3 - 4)</b>		7,90,600.00		
6.	<b>Add: Other Income declared by Employee</b>				
7.	<b>Gross Total Income (5 + 6)</b>		7,90,600.00		
8.	<b>Deductions under Chapter VI-A</b>		1,35,000.00		
	Investments (80C and 80CCF)	1,20,000.00			
				13 more ... ↓	
	<b>Balance Tax Payable/Deductible (12 - 13)</b>		61,484.00		

Figure 4.2 Income Tax Computation report

The above report displays the Employee details on the top of the screen, on the right hand top corner it gives the overall Tax deduction snapshot. In the remaining report each Income Tax Component values are displayed.

You can click **Ctrl+Enter** on any of the **Income Tax Component** shown in italics. The relevant button gets highlighted only when the cursor is on the relevant income Tax Component as shown:

Income Tax Computation		Spectrum Software Solutions		Ctrl + M	
Income Tax Computation for: <b>Mahesh</b>				Financial Year: 1-Apr-2010 to 31-Mar-2011	
Employee No.	: 550	PAN Number	: BCDEF1234G	Total Income Tax	: 82,524.00
Gender	: Male	Computed based on	: Proof Value	Less: Deducted till Apr - 2010:	5,590.00
Date of Joining	: 1-4-2010	Computed for the month	: Apr - 2010	Balance Deductible	: 76,934.00
Date of Birth	: 23-4-1971	Assessment Year	: 2011 - 2012	Tax Per Month from May - 2010:	6,994.00
S.No	Particulars	Amount	Amount		
1.	<b>Gross Salary</b>				8,65,000.00
	<i>Salary as per provisions contained in Sec 17(1)</i>	8,65,000.00			
	<i>Value of Perquisites u/s 17(2) (as per Form 12BA)</i>				
	<i>Profits in lieu of Salary u/s 17(3) (as per Form 12BA)</i>				
2.	<b>Less: Allowance to the extent exempted U/s 10</b>				12,000.00
	<i>Children Education Allowance</i>	2,400.00			
	<i>Conveyance Allowance</i>	9,600.00			
3.	<b>Balance (1 - 2)</b>				8,53,000.00
4.	<b>Deductions U/s 16</b>				2,400.00
	<i>Entertainment Allowance</i>				
	<i>Professional Tax (Tax on Employment)</i>	2,400.00			
5.	<b>Total Income from Salary (3 - 4)</b>				8,50,600.00
6.	<b>Add: Other Income declared by Employee</b>				
7.	<b>Gross Total Income (5 + 6)</b>				8,50,600.00
8.	<b>Deductions under Chapter VI-A</b>				1,20,000.00
	<i>Investments (80C and 80CCF)</i>				
	<i>Others (80D, 80DD, 80E etc.)</i>	1,20,000.00			
	<b>Balance Tax Payable/Deductible (12 - 13)</b>				76,934.00
Q: Quit		Enter: Config			
				Ctrl + N	

Figure 4.3 Income Tax Computation

By default the Computation report displays only relevant **Income Tax Computations** as per the applicability.

To view the all the Income Tax Components,

- Press **F3** or click on **F3: Show all** button from Income Tax Computation screen

The Computation screen with all components is displayed as shown:

Income Tax Computation		Spectrum Software Solutions		Ctrl + M	
Income Tax Computation for : Mahesh				Financial Year: 1-Apr-2010 to 31-Mar-2011	
Employee No. :	550	PAN Number :	BCDEF1234G	Total Income Tax :	67,074.00
Gender :	Male	Computed based on :	Declared Value	Less: Deducted till Apr - 2010:	5,590.00
Date of Joining :	1-4-2010	Computed for the month :	Apr - 2010	Balance Deductible :	61,484.00
Date of Birth :	23-4-1971	Assessment Year :	2011 - 2012	Tax Per Month from May - 2010:	5,590.00
S.No	Particulars	Amount	Amount		
1.	Gross Salary				8,65,000.00
	Salary as per provisions contained in Sec 17(1)	8,65,000.00			
	Value of Perquisites u/s 17(2) (as per Form 12BA)				
	Profits in lieu of Salary u/s 17(3) (as per Form 12BA)				
2.	Less: Allowance to the extent exempted U/s 10				72,000.00
	Allowance For Transport Employee				
	Border/Remote Area Allowance				
	Children Education Allowance	2,400.00			
	Children Hostel Expenditure Allowance				
	Conveyance Allowance	9,600.00			
	Counter Insurgency Allowance				
	Field Area Allowance				
	Gratuity				
	High Altitude Allowance				
	Highly Active Field Area Allowance				
	Hill Area Compensatory Allowance				
	House Rent Allowance	60,000.00			
					37 more ... ↓
	<b>Balance Tax Payable/Deductible (12 - 13)</b>				<b>61,484.00</b>

Figure 4.4 Income Tax Computation sheet with all Components

By default the above screen displays the Income Tax Computation based on the Declaration submitted. To change the computation based on the actual proofs submitted,

- Press **F5** or click on **F5: Proof Value** button from Income Tax Computation screen

The IT computation based on Proof Values is displayed as shown:

Income Tax Computation		Spectrum Software Solutions		Ctrl + M	
Income Tax Computation for : <b>Mahesh</b>				Financial Year: 1-Apr-2010 to 31-Mar-2011	
Employee No. :	550	PAN Number :	BCDEF1234G	Total Income Tax :	82,524.00
Gender :	Male	Computed based on :	Proof Value	Less: Deducted till Apr - 2010:	5,590.00
Date of Joining :	1-4-2010	Computed for the month :	Apr - 2010	Balance Deductible :	76,934.00
Date of Birth :	23-4-1971	Assessment Year :	2011 - 2012	Tax Per Month from May - 2010:	6,994.00
S.No	Particulars	Amount	Amount		
1.	<b>Gross Salary</b>				8,65,000.00
	Salary as per provisions contained in Sec 17(1)	8,65,000.00			
	Value of Perquisites u/s 17(2) (as per Form 12BA)				
	Profits in lieu of Salary u/s 17(3) (as per Form 12BA)				
2.	<b>Less: Allowance to the extent exempted U/s 10</b>				12,000.00
	Children Education Allowance	2,400.00			
	Conveyance Allowance	9,600.00			
3.	<b>Balance (1 - 2)</b>				8,53,000.00
4.	<b>Deductions U/s 16</b>				2,400.00
	Entertainment Allowance				
	Professional Tax (Tax on Employment)	2,400.00			
5.	<b>Total Income from Salary (3 - 4)</b>				8,50,600.00
6.	<b>Add: Other Income declared by Employee</b>				
7.	<b>Gross Total Income (5 + 6)</b>				8,50,600.00
8.	<b>Deductions under Chapter VI-A</b>				1,20,000.00
	Investments (80C and 80CCF)	1,20,000.00			
	Others (80D, 80DD, 80E etc.)				
	<b>Balance Tax Payable/Deductible (12 - 13)</b>				76,934.00

Figure 4.5 Tax Computation based on Proof Value

You can also view the Computation for each Income Tax Component by pressing **Enter** on the respective component.



*The display for computation for each individual component can be seen only for those items which have the declared/proof values. This report will help you to understand the actual computation that is carried in the background.*

To view the detailed computation for **House Rent Allowance**,

- Bring the cursor on press **F5** or click on **F5: Proof Value** button from Income Tax Computation screen

The HRA Computation screen appears as shown:

HRA Calculation		Spectrum Software Solutions		Ctrl + M
Employee Name : Mahesh		1-Apr-2010 to 31-Mar-2011		
Employee No. : 550				
Particulars	Total	Actuals as at 30-Apr-2010	Projection as at 31-May-2010	9 more ... → Projection as at 30-Jun-2010
<b>A. House Rent Allowance received/receivable</b>	2,40,000.00	20,000.00	20,000.00	20,000.00
<b>B. An amount equal to 50% of the Salary if place of accommodation is Metro else 40% of the Salary</b>	2,40,000.00	20,000.00	20,000.00	20,000.00
a) HRA Nett Salary (Basic + DA + Commission)	6,00,000.00	50,000.00	50,000.00	50,000.00
b) Metro & Non Metro Percentage		Metro / Non Metro 40 %	40 %	40 %
<b>C. Actual Rent Paid Less 10% of Salary</b>	60,000.00	5,000.00	5,000.00	5,000.00
a) Rent Paid / Declared	1,20,000.00	10,000.00	10,000.00	10,000.00
b) 10% of HRA Nett Salary	60,000.00	5,000.00	5,000.00	5,000.00
<b>Exempted is least of A,B &amp; C</b>	60,000.00	5,000.00	5,000.00	5,000.00

Figure 4.6 HRA Computation



### Salary Projection

The Salary Projection report provides the details of the Earnings and Deduction Pay Head values which are considered for Income Tax for a selected Employees. It provides the projection for twelve months and displays the actuals if payroll is already processed for any given month.

To display the Salary Projection report,

Go to **Gateway of Tally > Display > Payroll Reports > Statutory Reports > Income Tax > Salary Projection**

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

Salary Projection					
Spectrum Software Solutions					Ctrl + M
Employee Name : Mahesh		1-Apr-2010 to 31-Mar-2011			
Employee No. : 550					
Particulars	Total	Actuals as at 30-Apr-2010	Projection as at 31-May-2010	Projection as at 30-Jun-2010	8 more ... → Projection as at 31-Jul-2010
<b>Earnings</b>					
Basic Pay	6,00,000.00	50,000.00	50,000.00	50,000.00	50,000.00
House Rent Allowance	2,40,000.00	20,000.00	20,000.00	20,000.00	20,000.00
Conveyance	12,000.00	1,000.00	1,000.00	1,000.00	1,000.00
Children Education Allowance	12,000.00	1,000.00	1,000.00	1,000.00	1,000.00
Variable Pay	1,000.00	1,000.00			
<b>Total Earnings</b>	<b>8,65,000.00</b>	<b>73,000.00</b>	<b>72,000.00</b>	<b>72,000.00</b>	<b>72,000.00</b>
<b>Deductions</b>					
Professional Tax	2,400.00	200.00	200.00	200.00	200.00
Employee's PF Deduction@12%	72,000.00	6,000.00	6,000.00	6,000.00	6,000.00
TDS	5,590.00	5,590.00			
<b>Total Earnings</b>	<b>79,990.00</b>	<b>11,790.00</b>	<b>6,200.00</b>	<b>6,200.00</b>	<b>6,200.00</b>
<b>Total Earnings</b>	<b>7,85,010.00</b>	<b>61,210.00</b>	<b>65,800.00</b>	<b>65,800.00</b>	<b>65,800.00</b>

Figure 4.7 Salary Projection

## Challan Reconciliation

All the Income Payment Challan details can be reconciled from one single menu known as Challan reconciliation.

To reconcile Challan details,

Go to **Gateway of Tally > Display > Payroll Reports > Statutory Reports > Income Tax > Challan Reconciliation**

The **Challan Reconciliation** screen is displayed as shown:

Income Tax Challan Reconciliation										
Spectrum Software Solutions									Ctrl + M	
Income Tax Challan Reconciliation									1-Apr-2010 to 30-Apr-2010	
Date	Particulars	Period		Cheque/DD No.	Name of Bank	BSR Code	Challan No.	Challan Vch No.	Amount	
		From	To							
30-4-2010	HDFC Bank	1-4-2010	30-4-2010	23342	HDFC & Koramangala	4253433	4343338	30-4-2010	1	8,053.00

Figure 4.8 Challan Reconciliation

- Press **F5** to reconcile and specify the updated Challan details

The completed **Challan Reconciliation** screen appears as shown:

Income Tax Challan Reconciliation		Spectrum Software Solutions					Ctrl + M			
Income Tax Challan Reconciliation		1-Apr-2010 to 30-Apr-2010								
(Reconciliation)										
Date	Particulars	Period		Cheque/DD No.	Name of Bank	BSR Code	Challan No.	Challan Date	Vch No.	Amount
		From	To							
30-4-2010	HDFC Bank	1-4-2010	30-4-2010	23342	HDFC & Koramangala	4253433	4343338	2-5-2010	1	8,053.00

Accept ?

Yes or No

Figure 4.9 Challan Reconciliation

- Press **Enter** to accept the updated details

## Returns

The following Income Tax returns can be generated from Tally.ERP 9:

- Quarterly
  - Form 24Q
  - Annexure I to 24Q
  - Annexure II to 24Q
- Annual
  - Form 16
  - Form 12BA
  - ITR-1

### Form 24Q

Form 24Q is a Quarterly statement which contains the details of the salary paid and tax deducted from the employees, that an Employer needs to submit to the department in each Quarter.

To print Form 24Q,

Go to **Gateway of Tally > Display > Payroll Reports > Statutory Reports > Income Tax > Returns > Form 24Q**

- Specify the **Name, Designation** and **Address** of the person responsible for deducting the TDS along
- Select the **Quarter** which the TDS returns have to filed
- Specify the **Date** and **Place**.

Printing ITForm24 Quarterly			
Printer : Snagit 7 (Ne00:)		Paper Type :	Letter
No. of Copies : 1			
Print Language: English			(Printing Dimensions)
Method : Neat Mode		Paper Size :	(8.50" x 10.98") or (216 mm x 279 mm)
Page Range : All		Print Area :	(8.03" x 10.63") or (204 mm x 270 mm)
Report Titles			
ITForm24 Quarterly			
(with Print Preview)			
<i>Without Company Phone No.</i>			
Name : Rajesh	Quarter Period for : Q1 - [April - June]		
Designation : CFO	Type of deductor : Others		
Address	Place : Bangalore		
Flat No. : 14,	Date : 7-7-2011		
Name of the premises/building : Ganesh Plaza			
Road/Street/Lane : Mysore Road			
Area/Location :			
Town/City/District : Bangalore			
State : Karnataka			
Pin Code : 560022			
Telephone No. : 080-22587457			
E-mail : sale@spectrum.com			
			Print ? Yes or No

Figure 4.10 Printing Form 24 Q Screen

- Press **Enter** to Print Form 24Q

The print preview of Form 24Q appears as shown:

**FORM NO. 24Q**  
(See section 192 and rule 31A)

**Quarterly statement of deduction of tax under sub-section (3) of section 200 of the Income-tax Act, 1961  
in respect of salary for the quarter ended June 2010**

1. (a) Tax Deduction Account No. : KARA07884F  
 (b) Permanent Account No. : KTAHE4514V  
 (c) Financial year : 2010 - 2011  
 (d) Assessment year : 2011 - 2012  
 (e) Has any statement been filed earlier for this quarter (Yes/No) :  
 (f) If answer to (e) is 'Yes'  
 then Provisional Receipt No. of original statement :

2. Particulars of the deductor (employer)

(a) Name : Spectrum Software Solutions  
 (b) Type of deductor : Others  
 (c) Branch/Division (if any) :  
 (d) Address :  
 Flat No. : 14, Mysore Road,  
 Name of the premises/building : Bangalore  
 Road/street/lane :  
 Area/location :  
 Town/City/District :  
 State : Karnataka  
 Pin code : 560022  
 Telephone No. : 080-22587457  
 E-mail :

3. Particulars of the person responsible for deduction of tax

(a) Name : Rajesh  
 (b) Address :  
 Flat No. : 14,  
 Name of the premises/building : Ganesh Plaza  
 Road/street/lane : Mysore Road  
 Area/location :  
 Town/City/District : Bangalore  
 State : Karnataka  
 Pin code : 560022  
 Telephone No. : 080-22587457  
 E-mail : sale@spectrum.com

4. Details of tax deducted and paid to the credit of Central Government ?

Sr.No	TDS Rs.	Surcharge Rs.	Education Cess Rs.	Interest Rs.	Others Rs.
(301)	(302)	(303)	(304)	(305)	(306)
1	7,818.00		235.00		

Figure 4.11 Form 24Q - Page 1



- Press **Enter** to print Annexure I to Form 24Q

**ANNEXURE I**

**Deductee wise break-up of TDS**

(Please use separate Annexure for each line - item in the table at S.No. 04 of main Form 24Q)

Details of salary paid and tax deducted thereon from the employees

BSR code of the branch where tax is deposited : 4253433      Name of Employer : Spectrum Software Solutions

Date on which tax deposited : 30-Apr-2010

Challan Serial No. : 4343338

Section (which payment made) : 92B      TAN : KARA07884F

Total TDS to be allocated : 8,053.00

Interest : 0.00

Others : 0.00

Total of the above : 8,053.00

Sr.No	Employee reference No. provided by employer	PAN of the employee	Name of the employee	Date of payment /credit	Taxable amount or which tax deducted Rs.	TDS
(313)	(314)	(315)	(316)	(317)	(318)	(319)
1	550	BCDEF1234G	Mahesh	30-4-2010	6,59,800.00	5,427.00
2	552	CDEFG1234H	Rahul	30-4-2010	2,74,750.00	651.00
3	549	DEFGH1234I	Vijay Kumar	30-4-2010	3,68,430.00	1,740.00
<b>Total</b>					<b>13,02,980.00</b>	<b>7,818.00</b>

Sr.No	Surcharge	Education Cess	Total Tax Deducted (319+320+321)	Total tax deposited Rs.	Date of deduction	Date of deposit	Reason for nondeduction/lower deduction*
(313)	(320)	(321)	(322)	(323)	(324)	(325)	(326)
1		163.00	5,590.00	5,590.00	30-4-2010	30-4-2010	
2		20.00	671.00	671.00	30-4-2010	30-4-2010	
3		52.00	1,792.00	1,792.00	30-4-2010	30-4-2010	
<b>Total</b>		<b>235.00</b>	<b>8,053.00</b>	<b>8,053.00</b>			

**Verification**

I, Rajesh hereby certify that all the particulars furnished above are correct and complete.

Place : **Bangalore**      Signature of person responsible for deducting tax at source

Date : **7-Jul-2011**      Name : Rajesh; Designation : CFO

Figure 4.14 Form 24Q - Annexure I

Shown above is the Annexure I for the month of April 2010. Similarly, the Annexure I for May 2010 and June 2010 for that Quarter can also be printed.

To print the Annexure I for the remaining months, select the respective Quarter in the Print Configuration screen

### Annexure II to 24Q

Annexure II has to be filed along with Form 24Q only in the last Quarter (4th Quarter).

To print Annexure II,

Go to **Gateway of Tally > Display > Payroll Reports > Statutory Reports > Income Tax > Returns > Annexure II to Form 24Q**

Specify the details as shown in the Print Configuration screen:

Printing Form 24Q - Annexure II			
Printer	: RND Printer (Ne01:)	Paper Type	: Letter
No. of Copies	: 1		
Print Language	: English		(Printing Dimensions)
Method	: Neat Mode	Paper Size	: (8.50" x 10.98") or (216 mm x 279 mm)
Page Range	: All	Print Area	: (8.19" x 10.71") or (208 mm x 272 mm)
Report Titles			
Form 24Q - Annexure II			
(with Print Preview)			
<i>Without Company Phone No.</i>			
Name	: Rajesh	Quarter Period for	: Q4 -
Designation	: CFO	Place	: Ban
		Date	: 12-4
			<b>Print ?</b> Yes or No

Figure 4.15 Printing Form 24Q – Annexure II

- Press **Enter** to print Annexure II to Form 24Q



The print preview of Annexure II to Form 24Q appears as shown:

**Page 1 (A)**

<b>Spectrum Software Solutions</b> 14, Mysore Road, Bangalore <b>Form 24Q - Annexure II</b> 1-Apr-2010 to 31-Mar-2011						
<b>ANNEXURE II</b> Details of salary paid/credited during the Financial Year (2010 - 2011) and net tax payable						Page 1 (A)
Serial Number	Permanent Account Number (PAN) of the employee	Name of the Employee	Write (W) for woman, (S) for senior citizen and (G) for others	Date from which employed with current employer		Total amount of salary (See note 4 appearing at the end of the main Form)
(327)	(328)	(329)	(330)	(331)		(332)
				Date From	Date To	
1.	ABCDE1234F	Ajay	G	1-4-2010	31-3-2011	18,700.00
2.	BCDEF1234G	Mahesh	G	1-4-2010	31-3-2011	72,000.00
3.	CDEFG1234H	Rahul	G	1-4-2010	31-3-2011	28,266.00
4.	DEFGH1234I	Vijay Kumar	G	1-4-2010	31-3-2011	40,534.00

Place : Bangalore	Signature of person responsible for paying salary
Date : 12-Apr-2012	Name : Rajesh; Designation : CFO

Figure 4.16 Form 24Q - Annexure II

**Page 1 (B)**

<p align="center"><b>Spectrum Software Solutions</b> 14, Mysore Road, Bangalore</p> <p align="center"><b>Form 24Q - Annexure II</b> 1-Apr-2010 to 31-Mar-2011</p> <p align="right">Page 1 (B)</p> <p align="center"><b>ANNEXURE II</b></p> <p align="center">Details of salary paid/credited during the Financial Year (2010 - 2011) and net tax payable</p>					
Serial Number	Total deduction under section 16(ii) and 16(iii) (specify each deduction separately)	Income chargeable under the head Salaries (Column 332 minus 333)	Income (including loss from house property) under any head other than the head Salaries offered for TDS [section 192(2B)]	Gross total income (Total of columns 334 and 335)	Aggregate amount of deductions under sections 80C, 80CCC and 80CCD (Total to be limited to amount specified in section 80CCE)
(327)	(333)	(334)	(335)	(336)	(337)
1.	200.00	18,500.00		18,500.00	82,320.00
2.	200.00	71,800.00		71,800.00	1,20,000.00
3.	200.00	28,066.00		28,066.00	19,320.00
4.	200.00	40,334.00		40,334.00	11,900.00

Figure 4.17 Form 24Q - Annexure II

**Page 1 (C)**

<p align="center"><b>Spectrum Software Solutions</b> 14, Mysore Road, Bangalore</p> <p align="center"><b>Form 24Q - Annexure II</b> 1-Apr-2010 to 31-Mar-2011</p> <p align="right">Page 1 (C)</p> <p align="center"><b>ANNEXURE II</b></p> <p align="center">Details of salary paid/credited during the Financial Year (2010 - 2011) and net tax payable</p>					
Serial Number	Amount deductible under any other provision(s) of Chapter VI-A	Total Amount deductible under Chapter VI-A ( Total of columns 337 and 338)	Total taxable income (columns 336 minus column 339)	Total tax (i) income-tax on total income	(ii) surcharge
(327)	(338)	(339)	(340)	(341)	(342)
1.		82,320.00	(-)63,820.00		
2.		1,20,000.00	(-)48,200.00		
3.		19,320.00	8,746.00		
4.		11,900.00	28,434.00		

Figure 4.18 Form 24Q - Annexure II

**Page 1 (D)**

<b>Spectrum Software Solutions</b> 14, Mysore Road, Bangalore <b>Form 24Q - Annexure II</b> 1-Apr-2010 to 31-Mar-2011 Page 1 (D)					
<b>ANNEXURE II</b> Details of salary paid/credited during the Financial Year (2010 - 2011) and net tax payable					
Serial Number	(iii) education cess	Income tax Relief under section 89, when salary etc., is paid in arrear or in advance	Net tax payable( columns 341+342 +343-344)	Total amount of tax deducted at source for the whole year [aggregate of the amount in column 322 of Annexure I for all the four quarters in respect of each employee]	Shortfall in tax deduction(+) /Excess tax deduction(-) [column 345 minus column 346]
(327)	(343)	(344)	(345)	(346)	(347)
1.				5,590.00	(-)5,590.00
2.				671.00	(-)671.00
3.				1,792.00	(-)1,792.00
4.					

Figure 4.19 Form 24Q - Annexure II

Annexure II to Form 24Q is required to be printed while filing the returns for the last Quarter (4th Quarter).

## Form 16

Form 16 is the Certificate issued for tax deducted at source from income chargeable under the head Salaries.

To view the Form 16,

Go to **Gateway of Tally > Display > Payroll Reports > Statutory Reports > Income Tax > Returns > Form 16**

- Select the required **Employee** from the **List of Employees** and press **Enter**
- Specify the following details:
  - **Name:** Specify the name of the person responsible for Income Tax Deduction.
  - **Son/Daughter of:** Specify the father's name for the TDS Deductor
  - **Designation:** Specify the designation of the person responsible for TDS Deduction
  - **From:** By default displays 1-4-2010 which can be changed.
  - **To:** Enter the To date (by default it will be 31.03.2011)
  - **Challan Date Till:** In this field enter the date to consider the challan payments made.
  - **Type of Copy:** Specify **Original** or **Duplicate** as required
  - **Place:** Enter the name of the Place (e.g. **Bangalore**)
  - **Date of Printing:** Specify the Date of issue of Form 16
  - **Quarter/Acknowledgement:** Mention the acknowledgement number of the TDS returns filed against the appropriate Quarter.
  - **CIT (TDS) Details:** In this section enter the address of the Commissioner of Income Tax having jurisdiction for TDS deduction for the assessee.
    - **Address:** Enter the address of the commissioner office
    - **City:** Mention the City name
    - **Pin Code:** Enter the PIN Code.

The completed **Print Configuration** screen for printing **Form 16** is displayed as shown:

Printing Form 16			
Printer	: RND Printer (Ne01:)	Paper Type	: Letter
No. of Copies	: 1		
Print Language	: English		(Printing Dimensions)
Method	: Neat Mode	Paper Size	: (8.50" x 10.98") or (216 mm x 279 mm)
Page Range	: All	Print Area	: (8.19" x 10.71") or (208 mm x 272 mm)
Report Titles			
Form 16			
(with Print Preview)			
Without Company Phone No.			
Name	: Rajesh	Quarter	: Acknowledgement
Son/Daughter	: Mr. Sundar Mohan	Apr-Jun	: 12345
Designation	: CFO	Jul-Sep	: 4587
From (blank for beginning)	: 1-4-2010	Oct-Dec	: 5594
To (blank for end)	: 31-3-2011	Jan-Mar	: 41478
Challan Date till	: 31-3-2011	CIT(TDS) Details	
Type of Copy	: Default	Address	: No-222, P
Place	: Bangalore	City	: Bangalo
Date of Printing	: 31-3-2011	Pin Code	: 560068
			<b>Print ?</b>
			Yes or No

Figure 4.20 Form 16 - Print Configuration screen

- Press **Enter** to print **Form 16** for the selected Employee

The printed Form 16 is displayed as shown:

FORM NO. 16			
[See rule 31(l)(a)]			
PART A			
Certificate under section 203 of the Income-tax Act, 1961 for Tax deducted at source on Salary			
Name and Address of the Employer Spectrum Software Solutions 14, Mysore Road, Bangalore		Name and Designation of the Employee Vijay Kumar Manager	
PAN of the Deductor KTAHE4514V	TAN of the Deductor KARA07884F	PAN of the Employee DEFGH1234I	
CIT (TDS) Address : No-222, Raheja Arcade City : Bangalore Pincode : 560068		Assessment Year 2011 - 2012	Period From : 1-Apr-2010 To : 31-Mar-2011
Summary of tax deducted at source			
Quarter	Receipt Numbers of original statements of TDS under sub-section(3) of section 200	Amount of tax deducted in respect of the employee	Amount of tax deposited / remitted in respect of the employee
Quarter 1	12345	1,792.00	1,792.00
Quarter 2			
Quarter 3			
Quarter 4			
<b>Total</b>		<b>1,792.00</b>	<b>1,792.00</b>
PART B			
Details of Salary paid and any other income and tax deducted			
<b>1. Gross Salary</b>			
a) Salary as per Provisions contained in sec.17(1)		41,334.00	
b) Value of perquisites u/s 17(2) (as per Form No.12BA, wherever applicable)			
c) Profits in lieu of salary under section 17(3) (as per Form No.12BA, wherever applicable)			
<b>Total</b>			<b>41,334.00</b>
<b>2. Less: Allowance to the Extent u/s 10</b>			
Conveyance Allowance		800.00	
			800.00
<b>3. Balances (1-2)</b>			<b>40,534.00</b>
<b>4. Deductions</b>			
Professional Tax (Tax on Employment)		200.00	
			200.00
<b>5. Aggregate of deductions</b>			<b>200.00</b>
<b>6. Income Chargable under the head 'salaries' (3-5)</b>			<b>40,334.00</b>
<b>7. Add: Any other income reported by the employee</b>			
Income From House Property			
Income From Other Sources			
<b>8. Gross total income (6+7)</b>			<b>40,334.00</b>
<b>9. Deductions under Chapter VIA</b>			
(A) Section 80C, 80CCC and 80CCD			
i) Section 80C			14,800.00
Employee Provident Fund (EPF)	2,900.00		
Insurance Premium	9,000.00		
Provident Fund (EPF)	2,900.00		

Figure 4.21 Form 16 - Page 1

	ii) Section 80CCC: Contribution to Certain Pension Funds			
	iii) Section 80CCD: Contribution to Notified Pension Scheme			
	Total of 80C, 80CCC & 80CCD (Max 1,00,000.00)			14,800.00
	(B) Other Sections (e.g. 80E, 80G etc.,) Under Chapter VI-A			
	Total of Other Sections 80E, 80G etc.,			
10.	Aggregate of deductible amount under Chapter VIA			14,800.00
11.	Total Income (8-10)			25,534.00
12.	Tax on total income			
13.	Education cess @ 3% (on tax computed as S.No.12)			
14.	Tax Payable (12 + 13)			
15.	Less: Relief under section 89 (attach details)			
16.	Tax Payable (14-15)			
<b>Verification</b>				
I Rajesh son/daughter of Mr. Sundar Mohan Working in the capacity of CFO (designation) do hereby certify that a sum of Rs. 1,792.00 [INR One Thousand Seven Hundred Ninety Two (in words)] has been deducted at source and paid to the credit of the Central Government. I further certify that the information given above is true and correct based on the books of account, documents and other available records.:				
Place	: Bangalore	Signature of person responsible for deduction of tax Full Name : Rajesh		
Date	: 31-Mar-2011			
Designation	: CFO			

Figure 4.22 Form 16 - Page 2

Similarly, you can print the **Form 16** for all the Employees.

### Form 12BA

Form 12BA is the statement displaying the particulars of perquisites, other benefits or amenities and profits in lieu of salary with value thereof.

Form 12BA can be printed from the following menu:

Go to **Gateway of Tally > Display > Payroll Reports > Statutory Reports > Income Tax > Returns > Form 12BA**

In this book, printed Form 12BA is not shown as the perquisites are not handled in the case study.

### ITR-1

Tally.ERP 9 also allows you to print or email the Form ITR-1 which are used to file the Income Tax return. Similar to Form 16, ITR-1 is also printed separately for each employee.

To generate the form ITR-1,

Go to **Gateway of Tally > Display > Payroll Reports > Statutory Reports > Income Tax > Returns > ITR-1**

- Select the required **Employee** from the **List of Employee** and press **Enter**

The **Print Configuration** screen for **ITR-1** is displayed as shown:

Printing INDIAN INCOME TAX RETURN	
Printer : RND Printer (Ne01:)	Paper Type : Letter
No. of Copies : 1	
Print Language : English	<i>(Printing Dimensions)</i>
Method : Neat Mode	Paper Size : (8.50" x 10.98") or (216 mm x 279 mm)
Page Range : All	Print Area : (8.19" x 10.71") or (208 mm x 272 mm)
Report Titles	
INDIAN INCOME TAX RETURN	
(with Print Preview)	
<i>Without Company Phone No.</i>	
Assessing Officer Designation : CFO	
From (blank for beginning) : 1-4-2010	
To (blank for end) : 31-3-2011	
Place : Bangalore	
Date of Printing : 24-4-2011	
Print Acknowledgement ? Yes	
<div style="border: 1px solid black; padding: 5px; display: inline-block;"> <b>Print ?</b>                      Yes or No                 </div>	

Figure 4.23 Print Configuration for ITR-1

- Press **Enter** to print the ITR-1

The printed ITR-1 form is displayed as shown:

ITR-1		INDIAN INDIVIDUAL INCOME TAX RETURN		AY 2011 - 12
A1) FIRST NAME		A2) MIDDLE NAME		
Vijay				
A3) LAST NAME		A4) PERMANENT ACCOUNT NUMBER		
Kumar		DEFGH1234I		
A5) SEX	A6) DATE OF BIRTH	A7) INCOME TAX WARD/CIRCLE		
<input checked="" type="checkbox"/> Male <input type="checkbox"/> Female	24-May-1974	Circle 1 Koramangala		
A8) FLAT/DOOR/BUILDING		A9) ROAD/STREET		
14, Woods Street,		Bangalore		
A10) AREA/LOCALITY		A11) TOWN/CITY/DISTRICT		
A12) STATE		A13) PINCODE		
A14) EMAIL ADDRESS				
vijay@spectrum.com				
A15) RESIDENTIAL/OFFICE PHONE NO. WITH STD CODE			A16) MOBILE NO.	
080-55669878				
A17) Fill only one if you belong to <input type="checkbox"/> Government <input type="checkbox"/> PSU <input checked="" type="checkbox"/> Others				
A18) Fill only one <input checked="" type="checkbox"/> Tax Refundable <input type="checkbox"/> Tax Payable <input type="checkbox"/> Nil Tax Balance				
A19) Fill only one <input checked="" type="checkbox"/> Resident <input type="checkbox"/> Non-Resident <input type="checkbox"/> Resident but not ordinarily resident				
A20) Fill only one (filed) <input checked="" type="checkbox"/> Before due date-139(1) <input type="checkbox"/> After due date-139(4) <input type="checkbox"/> Revised Return-139(5)				
In response to notice <input type="checkbox"/> 142(1) <input type="checkbox"/> 148 <input type="checkbox"/> 153A/153C				
A21) If revised <input type="text"/> and <input type="text"/>				
<small>(Receipt Number of Original Return) (Date of Filing Original Return)</small>				
PART B - GROSS TOTAL INCOME			Whole-Rupee(₹) only.	
B1) Income from Salary/Pension		B1	40,334.00	
<small>(Note: Ensure to fill Sch TDS 1 given in page 2)</small>				
B2) Income from One House Property		B2		
B3) Income from Other Sources		B3		
<small>(Note: Ensure to fill Sch TDS 2 given in page 2)</small>				
B4) Gross Total Income (B1 + B2 + B3)		B4	40,334.00	
PART C - DEDUCTIONS AND TAXABLE TOTAL INCOME				
<small>(Refer to Instructions for Limits on Amount of Deductions as per 'Income Tax Act')</small>				
C1) 80C	11,900.00	C2) 80CCC		C3) 80CCD
C4) 80CCF		C5) 80D		C6) 80DD
C7) 80DDB		C8) 80E		C9) 80G
C10) 80GG		C11) 80GGA		C12) 80GGC
C13) 80U				
C14) Total Deductions ( Add items C1 to C13 )		C14	11,900.00	
C15) Taxable Total Income( B4 - C14 )		C15	28,434.00	

Figure 4.24 ITR-1 Page 1



PERMANENT ACCOUNT NUMBER <input type="text" value="DEFGH1234I"/>			
<b>PART D - TAX COMPUTATION AND TAX STATUS</b>			
Tax Payable on Total Income (C15)	Secondary & Higher Education Cess	Total Tax & Cess (D1 + D2)	
D1) <input type="text"/>	D2) <input type="text"/>	D3) <input type="text"/>	
Relief U/s 89	Relief U/s 90/91	Balance Tax after Relief (D3-D4-D5)	
D4) <input type="text"/>	D5) <input type="text"/>	D6) <input type="text"/>	
Total Interest U/s 234A/234B/234C	Total Tax and Interest (D6+D7)	Total Advance Tax Paid	
D7) <input type="text"/>	D8) <input type="text"/>	D9) <input type="text"/>	
Total Self Assessment Tax Paid	Total TDS Deducted (D9+D10+D11)	Total Prepaid Taxes	
D10) <input type="text"/>	D11) <input type="text" value="1,792.00"/>	D12) <input type="text" value="1,792.00"/>	
Tax Payable (D8-D12, If D8>D12)	Refund (D12-D8, If D12>D8)		
D13) <input type="text"/>	D14) <input type="text"/>		
Bank Account Details (Mandatory in all cases irrespective of refund due or not)			
D15) Account Number	<input type="text" value="001254624565"/>		
D16) MICR Code	<input type="text"/>		
D17) Type of Account	<input type="checkbox"/> Current <input checked="" type="checkbox"/> Savings		
D18) Fill only one: Refund by	<input type="checkbox"/> Cheque <input type="checkbox"/> deposited directly in to your bank account		
D19) Exempt Income only for reporting purposes (From Dividends, Agricultural Income < Rs 5000/-)	<input type="text"/>		
<b>VERIFICATION</b>			
I Vijay Kumar son/daughter of Suresh Kumar solemnly declare that to the best of my knowledge and belief, the information given in the return is correct and complete and that the amount of total income and other particulars shown therein are truly stated and are in accordance with the provisions of the Income-tax Act, 1961, in respect of income chargeable to Income-tax for the previous year relevant to the Assessment Year 2011 - 12			
Place	<input type="text" value="Bangalore"/>	Date	<input type="text" value="24-Apr-2011"/>
		SIGN HERE -> <input type="text"/>	
Name of the TRP	TRP PIN (10 Digits)	Amount to be paid to TRP	TRP Signature
<b>Sch IT - DETAILS OF ADVANCE TAX AND SELF ASSESSMENT TAX PAYMENTS</b>			
BSR Code (Col.i)	Date of Deposit (Col.ii)	Challan No. (Col.iii)	Tax Paid (Col.iv)
<b>Sch TDS1 - DETAILS OF TAX DEDUCTED AT SOURCE FROM SALARY</b>			
TAN (Col.i)	Name of the Employer (Col.ii)	Income Under Salary (Col.iii)	Tax Deducted (Col.iv)
KARA07884F	Spectrum Software Solutions	40,334.00	1,792.00
<b>Sch TDS2 - DETAILS OF TAX DEDUCTED AT SOURCE FROM INCOME OTHER THAN SALARY</b>			
TAN (Col.i)	Name of the Deductor (Col.ii)	Tax Deducted (Col.iii)	Amt out of (iii) claimed this YR (Col.iv)

Figure 4.25 ITR-1 Page 2

ITR - V		ACKNOWLEDGEMENT		AY 2011 - 12
Received with thanks from <u>Vijay Kumar</u> a return of income in				
ITR No. <input checked="" type="checkbox"/> 1(SAHAJ) <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4S(SUGAM) <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/> 6 for assessment year 2011 - 12 , having the following particulars				
A1) FIRST NAME		A2) MIDDLE NAME		
Vijay				
A3) LAST NAME		A4) PERMANENT ACCOUNT NUMBER		
Kumar		DEFGH1234I		
A5) SEX	A6) DATE OF BIRTH	A7) INCOME TAX WARD/CIRCLE		
<input checked="" type="checkbox"/> Male <input type="checkbox"/> Female	24-May-1974	Circle 1 Koramangala		
A8) FLAT/DOOR/BUILDING		A9) ROAD/STREET		
14, Woods Street,		Bangalore		
A10) AREA/LOCALITY		A11) TOWN/CITY/DISTRICT		
A12) STATE		A13) PINCODE		
A20) Fill only one (filed) <input checked="" type="checkbox"/> Before due date-139(1) <input type="checkbox"/> After due date-139(4) <input type="checkbox"/> Revised Return-139(5)				
In response to notice <input type="checkbox"/> 142(1) <input type="checkbox"/> 148 <input type="checkbox"/> 153A/153C				
COMPUTATION OF INCOME AND TAX RETURN				Whole-Rupee(₹) only.
B1) Gross Total Income	B1			40,334.00
B2) Deductions under Chapter VI-A	B2			11,900.00
B3) Total Income	B3			28,434.00
B4) Current Loss If any	B4			
B5) Net Tax Payable	B5			
B6) Interest Payable	B6			
B7) Total Tax and Interest Payable	B7			
B8) Total Advance Tax Paid	B8			
B9) Total Self Assessment Tax Paid	B9			
B10) Total TDS Deducted	B10			1,792.00
B11) Total TCS Deducted	B11			
B12) Total Prepaid Taxes (B8+B9+B10+B11)	B12			1,792.00
B13) Tax Payable (B7-B12, If B7 > B12)	B13			
B14) Refund (B12-B7, If B12 > B7)	B14			

Figure 4.26 ITR-1 Page 3

## E-Return

The following Income Tax E-returns can be generated from Tally.ERP 9:

- E-24Q
- Print Form 27A

Go to **Gateway of Tally > Display > Payroll Reports > Statutory Reports > Income Tax > E-Return**

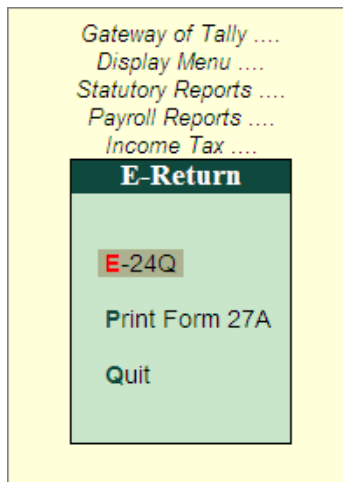


Figure 4.27 E-Return Menu

### 4.4.1 E-24Q

E- 4Q is a Quarterly e-return which contains the details of the salary paid and tax deducted from the employees, that an Employer needs to submit to the department in each Quarter.

To export E-24Q

Go to **Gateway of Tally > Display > Statutory Reports > Payroll Reports > Income Tax > E-Return > E-24Q**

In Quarterly Return screen press **Backspace** to make changes in **Person Responsible Details** or **Other Details** fields.

- By default, the **Language and Format** is preset as **Restricted (ASCII Only)** and **SDF (Fixed Width)** respectively.
- In **Export Location** field enter the details of the path to where the txt file to be exported
- In **Output File Name** field the test file name will be displayed as **ITeTDS.txt** which can be changed by the users.
- Press **Enter** to accept the **Person Responsible Details** (The Address details are automatically defaulted from the Company masters in the Person Responsible Details column)

- As per the new E-return structure it is must to specify either **Mobile Number** or **STD Code with Telephone number** in E-24Q file.
  - **Mobile Number:** This field is provided to specify the mobile number of the assessee
  - **STD Code:** This field is provided to enter the STD code
  - **Telephone:** This filed is provided to enter the telephone number of the assessee



*As per the new E-return structure it is must to specify either **Mobile Number** or **STD Code with Telephone Number** in E-24Q file.*

*If the user tries to navigate without specifying the **Mobile number** or **STD Code** or **Telephone number** application will not allows to move further.*

- In **Email** field enter **mail ID of Person responsible** for income tax deduction and payment to the income tax department.
- Select **Yes** or **No** as applicable, in **Is Change in Address since last Return** field.
- Under **Other Details**,
  - **Type of Deductor** details will be captured form the **TDS Details** defined in **F11: Features**.
  - In **Category (deductor/Collector)** field select the **Deductor Category**. e.g. Association of Person (AOP)
  - In **Quarter Period for** field select the appropriate Quarter for which the e-return to be generated.

The **Quarterly Return** configuration screen is displayed as shown:

Spectrum Software Solutions			
Exporting E-24Q			
Language	: Restricted (ASCII Only)		
Format	: SDF (Fixed Width)		
Export Location	: C:\Tally.ERP9		
Output File Name	: ITeTDS.txt		
Open Exported File ?	Yes		
<u>Person Responsible Details</u>	<u>Other Details</u>		
Name	: Rajesh		
Designation	: CFO		
Address			
Flat No.	: 14,		
Name of the Building	: Ganesh Plaza		
Road/Street/Lane	: Mysore Road		
Area/Location	:		
Town/City/District	: Bangalore		
State	: Karnataka		
Pin Code	: 560022		
Mobile No.	: 9985968554		
STD Code	: 080		
Telephone No.	: 22587457		
E-mail	: sale@spectrum.com		
Is Change in Address since last Return?	: No		
<table border="1"> <tr> <td style="text-align: center;">Export ?</td> </tr> <tr> <td style="text-align: center;">Yes or No</td> </tr> </table>		Export ?	Yes or No
Export ?			
Yes or No			
<small>NOTE : Validate the exported file through the NSDL's File Validation Utility before</small>			

Figure 4.28 Quarterly Return Configuration Screen

- Press **Enter** to Export Quarterly Return in 26Q

The exported file is placed in the Tally.ERP 9 Directory with the file name as specified above.

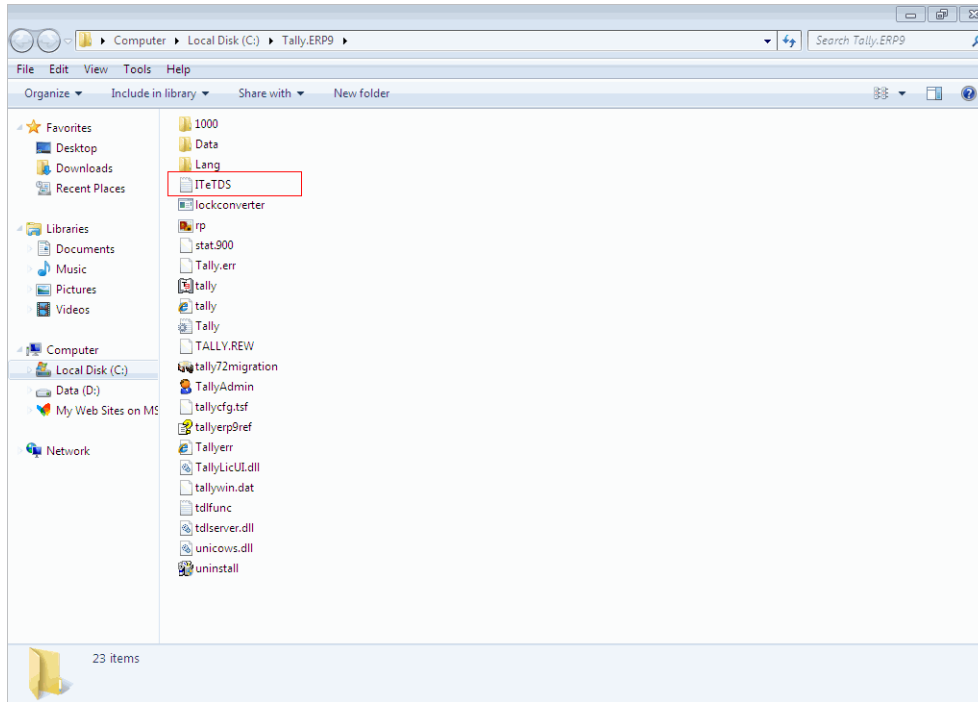


Figure 4.29 Exported File in Tally.ERP 9 Folder

The exported file (form 24Q) is required to be validated with the File Validation Utility (a freely downloadable utility from NSDL website) and after validation, the returns should be submitted to the department in CD along with Form 27A in Physical Form.



*It is mandatory to validate the TDS returns with File Validation Utility to confirm to the requirements as prescribed by the Income tax department. In case of any errors in exported file (Returns), the FVU prompts a error message with error code, the assessee may correct the same and revalidate the returns. The File Validation Utility is available for Quarterly and Annual returns separately.*

*Tally.ERP 9 exports Form 24Q in the text (.txt) format as prescribed by NSDL.*

## Print Form 27A

Form 27A is a summary of TDS return which contains control totals of **Amount Paid** and **Income Tax deducted at source**. Form 27A is to be filed in physical form with each return i.e., Form 24Q. In case of returns submitted in the physical form, form 27A need not be attached.

To print Form 27A

Go to **Gateway of Tally > Display > Statutory Reports > Payroll Reports > Income Tax > E-Return > Print Form 27A**

In **Printing Form 27A** screen,

- Accept the **Person Responsible** and **Address details** (The Address details are automatically defaulted from Company master)
- In **Quarter Period for** field select the appropriate quarter from the Period list
- **Type of Deductor** details will be captured form the **TDS Details** defined in **F11: Features**
  - Specify the **Place** and **Date** of filing returns

The completed Printing Form 27A configuration screen is displayed as shown:

Printing Form27A			
Printer	: RND Printer (No01:)	Paper Type :	A4
No. of Copies :	1		
Print Language :	English		(Printing Dimensions)
Method	: Neat Mode	Paper Size :	(8.27" x 11.69" or 210 mm x 297 mm)
Page Range :	All	Print Area :	(7.95" x 11.38" or 202 mm x 289 mm)
Report Titles			
Form27A			
(with Print Preview)			
Without Company Phone No.			
Name	: Rajesh	Quarter Period for	: Q1 - [April - June]
Designation	: CFO	Type of deductor	: Others
Address		Place	: Bangalore
Flat No.	: 14,	Date	: 7-7-2011
Name of the premises/building :	Ganesh Plaza		
Road/Street/Lane	: Mysore Road		
Area/Location	:		
Town/City/District	: Bangalore		
State	: Karnataka		
Pin Code	: 560022		
Telephone No.	: 22587457		
E-mail	: sale@spectrum.com		
			<div style="border: 1px solid black; padding: 5px; display: inline-block;"> <b>Print ?</b>                      Yes or No                 </div>

Figure 4.30 Printing Form 27A Screen

- Press **Enter** to Print Form 27A

The print preview of Form 27A is displayed as shown:

**Form No. 27A**

Form for furnishing information with the statement of deduction of tax at source filed on computer media for the period  
( From 01/04/10 to 30/06/10 )

1 (a) Tax Deduction Account No.  (d) Financial Year   
 (b) Permanent Account No.  (e) Assessment Year   
 (c) Form No. 24Q (f) Previous receipt number

*(In Case return / statement has been filed earlier)*

2 Particulars of the deductor

(a) Name	Spectrum Software Solutions
(b) Type of deductor*	Government
(c) Branch / Division (if any)	
(d) Address	
Flat No.	14, Mysore Road,
Name of the premises / building	Bangalore
Road / Street / Lane	
Area / Location	
Town / City / District	
State	Karnataka
Pin code	560022
Telephone	080-22587457
E-mail	

3 Name of the person responsible for deduction of tax

(a) Name	
(b) Address	
Flat No.	14,
Name of the premises / building	Ganesh Plaza
Road / Street / Lane	Mysore Road
Area / Location	
Town / City / District	Bangalore
State	Karnataka
Pin code	560022
Telephone	22587457
E-mail	sale@spectrum.com

4 Control totals

Sr.No.	No. of deductee party records	Amount paid ₹	Tax deducted ₹	Tax deposited (Total challan amount) ₹
Total	3	1,63,000.00	8,053.00	8,053.00

5 Total Number of Annexures enclosed

6 Other Information

**VERIFICATION**

I, \_\_\_\_\_, hereby certify that all the particulars furnished above are correct and complete.

Place: Bangalore Signature of person responsible for deducting tax at source \_\_\_\_\_  
 Date: 7-Jul-2011 Name and designation of person responsible for deducting tax at source Rajesh, CFO

\*Mention type of deductor- Government or Others  
 # dd/mm/yy :- date/month/year

Figure 4.31 Print Form 27A

## Exception Reports

The following Exception Reports for Income Tax can be generated in Tally.ERP 9:

- PAN Not Available
- Other Records
- TDS Variance

You can get the required information from the above reports to get the correct Income Tax Computation details.

### PAN Not Available

For correct Tax computation, its necessary that you specify the PAN number for all the Employees. The tax will be computed at higher rate if the PAN number for the Employee is not provided. You can check the information of Employees for whom the PAN is not provided from **PAN Not Available** screen.

Go to **Gateway of Tally > Display > Payroll Reports > Statutory Reports > Income Tax Reports > Exception Reports > PAN Not Available**

The **PAN Not Available** report is displayed as shown:

PAN Not Available <span style="float: right;">Spectrum Software Solutions <span>Ctrl + M</span> <span>✕</span></span>		
For Exceptions Only (Where PAN Details Are Not Entered)		
Particulars	Contact Number	Income Tax Number (PAN)
Ajay	9908989911	-

Figure 4.32 PAN Not Available -1



- Press **F5 (F5: All Items)** to view all the Employees PAN details as shown:

PAN Not Available		
Spectrum Software Solutions		Ctrl + M
For All Employees (Where PAN Details Are Not Entered)		No. of Employees : 4 PAN Empty : 20 %
Particulars	Contact Number	Income Tax Number (PAN)
Ajay	9908989911	
Mahesh	0803232321	BCDEF1234G
Rahul	08042324131	CDEFG1234H
Vijay Kumar	080-55669878	DEFGH1234I

Figure 4.33 PAN Not Available - All Employees

- Specify the PAN Details for all the Employees for which PAN is not entered

The completed **PAN Not Available** screen is displayed as shown:

PAN Not Available			Spectrum Software Solutions		Ctrl + M
For All Employees (Where PAN Details Are Not Entered)			No. of Employees	:	4
			PAN Empty	:	20 %
Particulars	Contact Number	Income Tax Number (PAN)			
Ajay	9908989911	ABCDE1234F			
Mahesh	0803232321	BCDEF1234G			
Rahul	08042324131	CDEFG1234H			
Vijay Kumar	080-55669878	DEFGH1234I			
					Accept ?
					Yes or No

Figure 4.34 Completed PAN Not Available screen

- Press **Enter** to save the details.

### Other Records

The other Records report displays Employee’s personal details, contact details and Bank details.

To view **Other Records** for Employees,

Go to **Gateway of Tally > Display > Payroll Reports > Statutory Reports > Income Tax Reports > Exception Reports > Other Records**

The **Employee Other** records report is displayed as shown:

Employees Other Records		Spectrum Software Solutions			Ctrl + M	
For All Employees						
Name of the Employee	Employee Number	Joining Date	Date of Resignation / Retirement	Date of Birth	Gender	Designation
						6 more ... →
Primary Cost Category Administration						
Vijay Kumar	549	1-Apr-2010		24-May-1974	Male	Manager
R&D						
Rahul	552	1-Apr-2010			Male	Manager
Sales						
Ajay	551	1-Apr-2010			Male	Area Sales Manager
Mahesh	550	1-Apr-2010		23-Apr-1971	Male	Sr. Manager

Figure 4.35 Employee Other Records

You can scroll on the right side to view the remaining details.

### TDS Variance

The TDS Variance report provides the Details of TDS amount which is actually payable for not paid for any of the **Employees Groups** or **all Employees**. This will provide the useful information to the Employer to ensure that the remaining amount is recovered by the Employer in the subsequent months.

To view the **TDS Variance** report,

Go to **Gateway of Tally > Display > Payroll Reports > Statutory Reports > Income Tax Reports > Exception Reports > TDS Variance**

- Select the required **Employees** or **All Employees** and press **Enter**

The **TDS Variance** report for all the Employees is displayed as shown:

TDS Variance		
Spectrum Software Solutions		Ctrl + M
For All Employees Under Group	: All Items	1-Apr-2010 to 31-Mar-2011
Particulars	TDS Amount	Variance Amount
April	8,053.00	
May		
June		
July		
August		
September		
October		
November		
December		
January		
February		
March		
<b>Grand Total</b>	8,053.00	

Figure 4.36 TDS Variance report

The Variance report displays the Actual TDS amount collected in each month and month wise variable amount.

For more details on usage and description of each field, refer to Help file (Tally.ERP 9 Reference Manual).

# **Tally.ERP 9 Series A Release 4.93**

## **Income Tax**

# Agenda

- Enabling Income Tax
- Configuring Employee Masters
- Creating/Altering IT Pay Head
- Income Tax Master Configuration
- Income Tax Reports

Current Period: 1 Current Date: \_\_\_\_\_

Company: ABC Company

Statutory & Taxation

**Payroll Statutory Details**

Provident Fund

Company Code : KAR/PF/001 ? No  
 Company Account Group Code : PF/005-A ? No  
 Company Security Code : PF/ABC-001 ? No

Employee State Insurance

Company Code : KAR/ESI/001 ? Yes  
 ESI Branch Office : Indranagar ? Yes  
 Standard Working Days (per month) : 26 Days

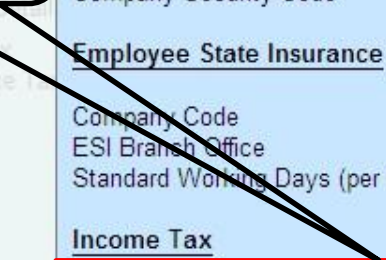
Income Tax

Tax Assessment Number : AREDR1235A  
 Income Tax Circle / Ward : Basavangudi  
 Deductor Type : Others  
 Name of Person responsible : Albert  
 Son/daughter of : Wilson  
 Designation : **Proprietor**

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

F1: Accounts F2: Inventory F3: Statutory F4: Tally.NET

Provide  
Income Tax  
Details



**Income Tax Computation** ABC Company **Ctrl + M**

Income Tax Computation for : Akash Financial Year: 1-Apr-2010 to 31-Mar-2011

Employee No. : 001	PAN Number : AREDU7896E	Total Income Tax : 7,798.00
Gender : Male	Computed based on : Proof Value	Less: Deducted till Dec - 2010: 5,700.00
Date of Joining : 1-4-2010	Computed for the month : Dec - 2010	Balance Deductible : 2,098.00
Date of Birth : 4-4-1983	Assessment Year : 2011 - 2012	Tax Per Month from Jan - 2010: 700.00

S.No	Particulars	Amount	Amount
1.	<b>Gross Salary</b>		2,75,432.00
	Salary as per provisions contained in Sec 17(1)	2,75,432.00	
	Value of Perquisites u/s 17(2) (as per Form 12BA)		
	Profits in lieu of S		
2.	Less: Allowance		
3.	Balance (1 - 2)		2,75,432.00
4.	Deductions U/s 1		2,400.00
	Entertainment Allowance		
	Professional Tax (Tax on Employment)	2,400.00	
5.	Total Income from Salary (3 - 4)		2,73,032.00
6.	Add: Other Income declared by Employee		
7.	Gross Total Income (5 + 6)		2,73,032.00
8.	Deductions under Chapter VI-A		37,333.00
	Investments (80C and 80CCF)	37,333.00	
	Others (80D, 80DD, 80E etc.)		
9.	Total Income chargeable to Tax (7 - 8)		2,35,700.00
10.	Tax on Total Income		7,798.00
			9 more ... ↓
	<b>Balance Tax Payable/Deductible (12 - 13)</b>		2,098.00

Tally.ERP 9 Identifies,

- All earning components are considered as fully taxable
- PF and PT are considered for Deduction

F1: Condensed  
 F3: Show All  
 F4: Employee  
 F5: Declared Value  
 A: Employee Alter  
 I: Override Tax



**Employee Alteration**

ABC Company

Ctrl + M

Name : Ravi Kumar  
 (alias) :  
 Under : Accounts Dept.  
           ( Primary)  
 Date of Joining : 15-May-2010  
 Date of Resignation / Retirement : 31-Dec-2010  
 Reason for Leaving : Relocating to Different State

**General Info**

Employee Number : 003  
 Designation : Accounts Manager  
 Function : Accountant  
 Location : Bangalore  
 Gender : Male  
 Date of Birth : 21-Nov-1976  
 Blood Group : A2B Negative  
 Father / Mother Name : Mr. Elumalai  
 Spouse Name : Ms. Deepika  
 Address : No. 5/1, Prakashnagar  
           10th Main  
           Bangalore  
 Contact Numbers : 9865362142  
 E-Mail ID : karthik@gmail.com

**Payment Details**

Bank Name : HDFC Bank  
 Branch : Kormangala  
 Bank A/c Number : 045263321233  
 MICR Code Number : F5458002

**Statutory Details**

Income Tax Number (PAN): AREDA4578B  
 PF Account Number : PF/003  
 EPS Account Number: PF/003  
 PF Date of Joining : 15-May-2010  
 PF Date of Relieving : 31-Dec-2010  
 ESI Number :  
 ESI Dispensary Name:

Income Tax slab will be applied based on Gender & Date of Birth (Senior Citizen)

Income Tax rate gets selected based on PAN availability & non availability

Name : Akash (001)  
 Under : Accounts Dept.  
 ( Primary)

List of Pay Heads

End of List  
 Sales Commission

TDS

Salary Details

Effective From	Pay Head	Rate	Per	Pay Head Type	Calculation Type
1-Apr-2010	Basic Salary	15,000.00	Months	Earnings for Employees	On Attendance
	Dearness Allowance			Earnings for Employees	As Computed Valu
	House Rent Allowance			Earnings for Employees	As Computed Valu
	Convayance Allowance	800.00	Months	Earnings for Employees	Flat Rate
	Special Incentives			Earnings for Employees	As User Defined Valu
	Professional Tax			Employees' Statutory Deductions	As Computed Valu
	Employee's ESI Contribution			Employees' Statutory Deductions	As Computed Valu
	Employer's ESI Contribution			Employer's Statutory Contributions	As Computed Valu
	Employee PF Contribution@12%			Employees' Statutory Deductions	As Computed Valu
	Employer's PF Contribution@8.33%			Employer's Statutory Contributions	As Computed Valu
	Employer's PF Contribution@3.67%			Employer's Statutory Contributions	As Computed Valu
	Employee's Voluntary PF			Employees' Statutory Deductions	As Computed Valu
	TDS			Employees' Statutory Deductions	As Per Income Tax Sla

- F3: Company
- F3: New Cmp
- ⌵: Show All Periods
- G: Groups
- Q: Employee Groups
- E: Pay Heads
- P: Employee
- T: Attd Type
- U: Units
- V: Vch Types
- F11: Features
- F12: Configure

# Income Tax Master Configuration

- Pay Head Configuration
- Declarations
- Override Exemption Value
- Override Tax Value
- Tax Configuration
- Previous Employer Details

## Income Tax Pay Head &amp; Ledger Configuration

Sl.No	Particulars	Income Tax Component	Method of Calculation	Deduct TDS Across Period(s)
1.	Basic Salary	Basic Salary	On Projection	Yes
2.	Conveyance Allowance	Conveyance Allowance	On Projection	Yes
3.	Dearness Allowance	Dearness Allowance (Considered for Retirement Benefits)	On Projection	Yes
4.	Employee PF Contribution@12%	Provident Fund (EPF)	On Projection	Yes
5.	House Rent Allowance	House Rent Allowance	On Projection	Yes
6.	Professional Tax	Professional Tax (Tax on Employment)	On Projection	Yes
7.	Sales Commission	Other Earnings/Allowances (Fully Taxable)	On Actuals	Yes
8.	Special Incentives	Other Earnings/Allowances (Fully Taxable)	On Actuals	No

Pay Head Configuration  
is Completed

# Declarations

- Exemptions U/s 10
  - Rent and Place of Accommodation
  - Children Education Allowance
  - Children Hostel Expenditure Allowance
  - Conveyance Allowance
  - Leave Travel Allowance
- Deductions Under Chapter VIA
  - Investments (U/s 80C and 80CCF)
  - Others (U/s 80D, 80DD, 80E etc.)



House Rent Declaration ABC Company Ctrl + M

Employee / Group : All Items Financial Year : 1-Apr-2010 to 31-Mar-2011  
Type of Allowance : House Rent Allowance

Employee Name	Employee Number	Effective From	Rent Declared Amount	Rent Proof Amount	Place of Residence
Akash	001	1-4-2010	5,000.00		Metro
Imran	005	1-4-2010	6,000.00		Non Metro
Ravi Kumar	003	1-4-2010	8,000.00		Metro
		1-9-2010	9,000.00		Non Metro
Sujitha	004	1-4-2010	6,000.00		Non Metro
Vinitha	002	1-4-2010	4,000.00		Non Metro

Specify the Rent details, details of Actual rent Paid and Accommodation  
*Note: Actual rent Paid can be entered later also*

Place of Residence

- Metro
- Non Metro**



Current Period: 1-4-2010 to 31-3-2011  
 Current Date: Thursday, 31 Mar, 2011

List of Selected Companies

Name of Company	Date of Last Entry
ABC Company	31-Mar-2011

Gateway of Tally ....  
 Payroll Info. ....

**Income Tax Details**

- Pay Head Configuration
- Declarations
- Override Exemption Value**
- OveRride Tax Value
- Tax Configuration
- PrEvious Employer Details
- Quit

If the employer wants to override the earnings (Income) or Exemption value or even Tax value of the employee it can be done from the Override options

Product	Version	License	Configuration	Calculator	Ctrl + N
 POWER OF SIMPLICITY Tally.ERP 9	Series A Release 3.0 (PreAlpha)	Latest Latest	Serial Number 790003098	Stat 133	Latest
	Edition Users	Gold Unlimited	Site ID General1.8 Account ID tally1@tallysolutions.com	Proxy Server with ODBC on Port 9900	None 1>



# Tax Configuration

- Gross Salary
- Allowance to the extent exempt U/s 10
- Deduction U/s 16
- Other Income reported by Employee
- Deductions under Chapter VI-A
- Relief
- Tax Deduction Details

**Conveyance Allowance** | **ABC Company** | **Ctrl + M**

Employee / Group : Accounts Dept. | Financial Year : 1-Apr-2010 to 31-Mar-2011  
 Type of Allowance : Conveyance Allowance

Employee Name	Employee Number	Effective From	Employee Status
Akash	001	1-4-2010	Others
		1-5-2010	Physically Challenged
		1-12-2010	Others
Ravi Kumar	003	1-4-2010	Others
Vinitha	002	1-4-2010	Others

Specify the required details and save

**Employee Status**

- Others
- Physically Challenged

Current Period: 1-4-2010 to 31-3-2011  
 Current Date: Thursday, 31 Mar, 2011

List of Selected Companies

Name of Company	Date of Last Entry
Payroll - Income Tax	31-Mar-2011

Gateway of Tally ....  
 Payroll Info. ....  
 Income Tax Details ....

**Previous Employer Details**

- Income/Exemption Details
- Tax Deducted/Paid Details
- Quit

Previous Employer Income/Exemption and Tax Deduction Details can be provided from the above masters

- F1: Select Cmp
- F1: Shut Cmp
- F2: Date
- F2: Period
- F3: Company
- F3: Cmp Info
- F4: Connect
- F4: Disconnect
- F11: Features
- F12: Configure

Product	Version	License	Configuration	Calculator	Ctrl + N
 POWER OF SIMPLICITY Tally.ERP 9	Series A Release 3.0 (PreAlpha)	Serial Number 790003098 Latest Latest	Stat 133 Latest		
		Site ID General1.8 Account ID tally1@tallysolutions.com	Proxy None		
	Edition Gold Users Unlimited	Tally.NET subscription valid till 31-Mar-2011	Server Port 9000 Running as ODBC Server	1>	

Payroll Auto Fill - (Salary)

Account : Salary Payable  
Cur Bal: 1,19,726.00 Cr

Particulars Amount

<b>Akash</b>										<b>16,453.00 Dr</b>
Basic Salary	10,000.00	Dr	Cur Bal:	1,18,333.00	Dr					
Dearness Allowance	4,000.00	Dr	Cur Bal:	47,333.00	Dr					
House Rent Allowance	5,600.00	Dr	Cur Bal:	66,266.00	Dr					
Conveyance Allowance	800.00	Dr	Cur Bal:	9,600.00	Dr					
Professional Tax	200.00	Cr	Cur Bal:	200.00	Cr					
Employee PF Contribution@12%	1,680.00	Cr	Cur Bal:	1,400.00	Cr					
Employee's Voluntary PF	1,120.00	Cr	Cur Bal:	933.00	Cr					
TDS	<b>947.00</b>	Cr	Cur Bal:	583.00	Cr					

**Vinita** **7,995.00 Dr**

Basic Salary	4,000.00	Dr	Cur Bal:	47,742.00	Dr
Dearness Allowance	1,600.00	Dr	Cur Bal:	19,097.00	Dr
House Rent Allowance	2,240.00	Dr	Cur Bal:	26,736.00	Dr
Conveyance Allowance	800.00	Dr	Cur Bal:	9,600.00	Dr
Sales Commission	625.00	Dr	Cur Bal:	4,875.00	Dr
Professional Tax	150.00	Cr	Cur Bal:	100.00	Cr
Employee PF Contribution@12%	672.00	Cr	Cur Bal:	672.00	Cr
Employee's Voluntary PF	448.00	Cr	Cur Bal:	448.00	Cr

Income Tax amount Deducted

Narration: **24,448.00 Dr**  
Pay Period : 1-Apr-2010 to 30-Apr-2010 ,Computed tax based on :  
Declared Value



T.D.S./T.C.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 checked="" type="checkbox"/> (0021) NON-COMPANY DEDUCTEES <input type="checkbox"/>	<b>Assessment Year</b> 2011-12
Tax Deduction Account No. (T.A.N.) <b>AREDR1235A</b>		
Full Name <b>ABC COMPANY</b>		
Complete Address with City & State <b>Electronic City, Phase 2, Bangalore, E-Mail :abc@abc.com</b>		
<b>Karnataka</b>		
Tel. No. <b>123456789</b>		Pin <b>560047</b>
<b>Type of Payment</b>	Code * <b>92B</b>	<b>FOR USE IN RECEIVING BANK</b>  Debit to A/c / Cheque credited on <div style="border: 1px solid black; height: 20px; width: 100%;"></div> DD    MM    YY  <b>SPACE FOR BANK SEAL</b>
TDS Payable by Taxpayer	(200) <input checked="" type="checkbox"/>	
TDS Regular Assessment (Raised by I.T. Deptt.)	(400) <input type="checkbox"/>	
<b>DETAILS OF PAYMENTS</b>		
	Amount (In Rs. Only)	
Income Tax	<b>919.42</b>	
Surcharge		
Education Cess	<b>27.58</b>	
Interest		
Penalty		
Total	<b>947.00</b>	
Total (In words):		

# Payroll Income Tax Reports

- Computation
- Salary Projection
- Returns ○ Form 16 ○ Form 12BA ○ ITR 1
- Challan Reconciliation
- Exception Reports ○ PAN Not Available ○  
Other Records ○ TDS Variance





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## Creating Loans and Advances Pay Head in Tally.ERP 9

To create the Salary Advance Deduction Pay Head to deduct the Loans given to Employees,

Go to **Gateway of Tally > Payroll Info. > Pay Heads > Create**

1. Enter Pay Head name in the **Name** field
2. Select **Loans and Advances** as the **Pay Head Type** from the list of **Pay Head Type**
3. Select **Loans and Advances (Assets)** from the **List of Groups** in the **Under** field
4. By default, **Affect Net Salary** is set to **Yes**. Type **No**, if you do not want this component to be included in the Pay Slip
5. By default, the Pay Head component name entered in the **Name** field will appear in the Pay Slip, if you want to change the default Pay Head component name then alter it in **Name to appear in Payslip** field
6. In the **Calculation Type** field select **As User Defined Value** from the **List of Calculation**

Pay Head Creation		ABC Company	Total Op. Bal.
Name	: Salary Advance Deduction		
(alias)	:		
<b>Pay Head Info</b>			
Pay Head Type	: Loans and Advances		
Under	: Loans & Advances (Asset) (Current Assets)		
Affect Net Salary	? Yes		
Name to appear in Payslip	: Salary Advance Deduction		
Calculation Type	: As User Defined Value		
Opening Balance ( on 1-Apr-2013 ) :			
		Accept ? <b>Yes or No</b>	

[Img-64]

7. Press **Enter** to accept.

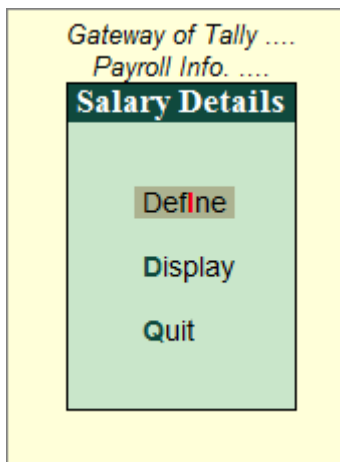
**Note:** In case if the interest is also recovered from the Employee's salary for the Loan/Advance given, Interest calculation feature can be used to calculate the EMI for each month and the same can be recovered by selecting the **Calculation Type** as **Flat Rate**.

## Defining Salary Structure in Tally.ERP 9

**Salary Details** is used to define the Pay Structure for an Employee or an Employee Group.

To define Salary Details,

Go to **Gateway of Tally > Payroll Info. > Salary Details**



[Img-71]

To speed up the entry of individual Employee's Pay Structure you can define the [Pay Structure for the Employee Group](#) with those Pay Heads which applies for most of the employees and copy the same to individual employees.

If required, a Pay Head component or its value may be added, deleted or altered at Individual Employee level. To define Salary Details for Employees refer Defining Salary Details for an Employee.

## Defining Salary details for Employee Group in Tally.ERP 9

To create Salary Details for an Employee Group,

Go to **Gateway of Tally > Payroll Info. > Salary Details > Define**

1. Select the **Employee Group**, e.g. **Accounts** in the **Name** field from the **List of Groups/Employees**
2. In the Salary Details screen, specify the Date in **Effective From** field
3. In the Pay Head field, the **Start Type** list displays Two options namely, **Copy From Employee** and **Copy From Employee Group**, and **Start Afresh**

**Note:** If the Pay Head details are available in other Employee Group, then the option **Copy From Employee Group** will be displayed for selection.

If the option **Allow Copy From Employee** is enabled in **F12: Configuration**, then the

option **Copy From Employee** will be displayed

- If you select **Copy From Employee Group**, the **Salary Details** defined for the Employee Group will appear in the screen
- If you select **Copy From Employee**, the Salary Details defined for any Employee, irrespective of Employee Group, can be selected
- If you select **Start Afresh**, you have to select the Pay Heads from the List of Pay Heads and enter the values for the necessary Pay Heads, if required.

4. Select the **Pay Heads** from the **List of Pay Heads**

5. Enter the values in the **Rate** Column, if applicable

6. The **Pay Head Type**, **Calculation Type** and **Calculated On** fields display the details provided at the Pay Head creation level

Salary Details Alteration						
ABC Company						
Name : Accounts						
Under : Primary						
Salary Details						
Effective From	Pay Head	Rate	Per	Pay Head Type	Calculation Type	Computed On
1-Apr-2013	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	
	Bonus			Earnings for Employees	As User Defined Value	
	Canteen Deduction			Deductions From Employees	As User Defined Value	
	Overtime	110.00	Hrs	Earnings for Employees	On Production	
	Professional Tax			Employees' Statutory Deductions	As Computed Value	On Current Earnings Total
	Reimbursement			Reimbursements to Employees	As User Defined Value	
	Variable Pay			Earnings for Employees	As User Defined Value	
	Gratuity			Gratuity		
	Salary Advance Deduction			Loans and Advances	As User Defined Value	
	Employees' EPF Deduction @ 12%			Employees' Statutory Deductions	As Computed Value	Basic Pay
	Employees' ESI Deduction @ 1.75%			Employees' Statutory Deductions	As Computed Value	(Basic Pay + House Rent Allowance) + Conveyance + Overtime
	Employees' NPS Deduction @ 10% - Tier I			Employees' Statutory Deductions	As Computed Value	Basic Pay
	Income Tax			Employees' Statutory Deductions	As Per Income Tax Slab	
	Employer EPS @ 8.33%			Employer's Statutory Contributions	As Computed Value	Basic Pay
	Employer's EPF @ 3.67%			Employer's Statutory Contributions	As Computed Value	Employees' EPF Deduction @ 12% - Employer EPS @ 8.33%
	Employer ESI @ 4.75%			Employer's Statutory Contributions	As Computed Value	(Basic Pay + House Rent Allowance) + Conveyance + Overtime
	Employer NPS @ 10%			Employer's Statutory Contributions	As Computed Value	Basic Pay

[Img-72]

7. Press **Enter** to accept and save.

**Note:** If you are using any Pay Head component having **Calculation Type: As Computed Value** and **Compute: On Current Earnings Total** then while defining Salary Details, the sequence of the component has to be selected accordingly.

## Defining Salary Details for an Employee in Tally.ERP 9

To create **Salary Details** for an Employee,

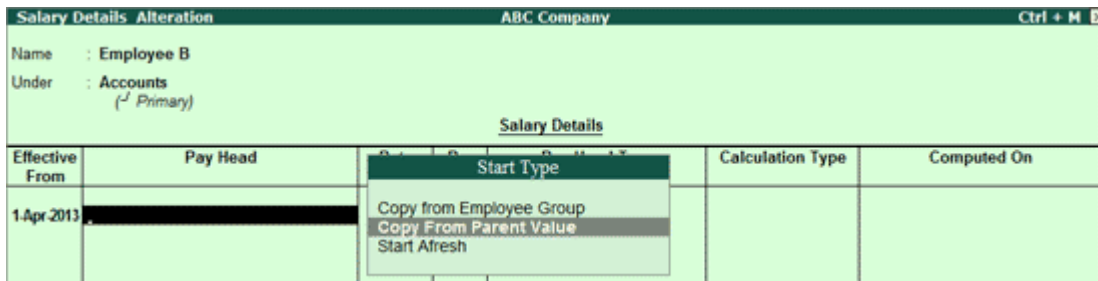
Go to **Gateway of Tally > Payroll Info. > Salary Details > Define**

1. Select the Employee in the **Name** field from the **List of Groups/Employees**
2. Enter the **Effective From** date
3. In the Pay Head field, the **Start Type** list displays three options namely, **Copy From Employee**, **Copy From Parent Value** and **Start Afresh**

**Note:** If the Pay Head details are available in the parent group, then the option **Copy From Parent Value** will be displayed for selection.

If the option **Allow Copy From Employee** is enabled in **F12: Configuration**, then the option Copy From Employee will be displayed.

- If you select **Copy From Employee**, the Salary Details defined for any Employee, irrespective of Employee Group, can be selected.
- If you select **Copy From Employee Group**, the **Salary Details** defined for the Employee Group will appear in the screen
- If you select **Copy From Parent Value**, the **Salary Details** defined for the Employee Group to which the Employee belongs will appear in the screen
- If you select **Start Afresh**, you have to select the Pay Heads from the List of Pay Heads and enter the values for the necessary Pay Heads, if required.



Effective From	Pay Head	Start Type	Calculation Type	Computed On
1-Apr-2013		Copy from Employee Group Copy From Parent Value Start Afresh		

[Img-73]

**Note:** If the Pay Head details are available in the parent group, then the option **Copy From Parent Value** will be displayed for selection, else you will get only **Start Afresh**. If the option **Allow Copy From Employee** is enabled in F12: Configuration, then the option Copy From Employee will be displayed.

4. Modify **values** for the necessary Pay Heads as per Employees eligibility

Salary Details Alteration		ABC Company			Ctrl + M	
Name : Employee B						
Under : Accounts (J Primary)						
Salary Details						
Effective From	Pay Head	Rate	Per	Pay Head Type	Calculation Type	Computed On
1-Apr-2013	Copy From Parent Value					
	Basic Pay	10,000.00	Months	Earnings for Employees	On Attendance	
	House Rent Allowance			Earnings for Employees	As Computed Value	Basic Pay
	Conveyance	800.00	Months	Earnings for Employees	Fiat Rate	
	Bonus			Earnings for Employees	As User Defined Value	
	Canteen Deduction			Deductions From Employees	As User Defined Value	
	Overtime	110.00	Hrs	Earnings for Employees	On Production	
	Professional Tax			Employees' Statutory Deductions	As Computed Value	On Current Earnings Total
	Reimbursement			Reimbursements to Employees	As User Defined Value	
	Variable Pay			Earnings for Employees	As User Defined Value	
	Gratuity			Loans and Advances	As User Defined Value	
	Salary Advance Deduction			Employees' Statutory Deductions	As Computed Value	Basic Pay
	Employees' EPF Deduction @ 12%			Employees' Statutory Deductions	As Computed Value	(Basic Pay + House Rent Allowance) + Conveyance + Overtime
	Employees' ESI Deduction @ 1.75%			Employees' Statutory Deductions	As Computed Value	Basic Pay
	Employees' NPS Deduction @ 10% - Tier I			Employees' Statutory Deductions	As Per Income Tax Slab	Basic Pay
	Income Tax			Employer's Statutory Contributions	As Computed Value	Basic Pay
	Employer EPS @ 8.33%			Employer's Statutory Contributions	As Computed Value	Employees' EPF Deduction @ 12% - Employer EPS @ 8.33%
	Employer's EPF @ 3.67%			Employer's Statutory Contributions	As Computed Value	(Basic Pay + House Rent Allowance) + Conveyance + Overtime
	Employer ESI @ 4.75%			Employer's Statutory Contributions	As Computed Value	Basic Pay
	Employer NPS @ 10%			Employer's Statutory Contributions	As Computed Value	Basic Pay

[Img-74]

- Press **Enter** to Accept and save.

### Salary Details Configuration

Go to **Gateway of Tally > Payroll Info. > Salary Details > Alter**

- Select the required **Employee/ Employee Group** from the **List of Groups/Employees**
- Press **F12: Configure**

Salary Details Configuration	
Allow to Override Slab Percentage	? <b>Yes</b>
Allow Copy From Employee	? Yes
Show Pay Head Type	? Yes
Show Calculation Type	? Yes
Show Computed On	? Yes

[Img-75]

- Allow to Override Slab Percentage:** Set **Allow to Override Slab Percentage** to **No** to prevent changes made to Slab Percentages. You can set it to **Yes**, to override the percentages already defined at the Pay Head Level

E.g. If you have defined Slab Rate for HRA as 40% in the Pay Head level, and if you wish to change the Slab Rate percentage in the Salary details screen. Set **Allow to Override Slab Percentage** to **Yes** in Salary details configuration screen and Tally.ERP 9 will allow you to

Override the percentage e.g. to 50% and so on. (Metro Cities & Non Metro Cities).

- **Allow Copy From Employee:** If you want copy the **Salary Details** of an employee who belongs to a different Employee Group, set this option to **Yes**
- **Show Pay Head Type:** Set **Show Pay Head Type** to **Yes** to display if the Pay Head is an Earning or a Deduction in the Salary Details screen
- **Show Calculation Type:** Set **Show Calculation Type** to **Yes** to display the method of calculation adopted (**As Computed Value, As User Defined Value, Flat Rate, On Attendance** or **On Production**)
- **Show Computed On:** Set **Show Computed On** to **Yes** to display the **Computation Information** (On Current Deductions Total, On Current Earnings Total, On Current Sub Total, On Specified Formula)

## Creating Attendance / Production Voucher in Tally.ERP 9 Payroll

Attendance voucher allows you to enter **Attendance, Overtime, Leave** or **Production** details. You can enter separate vouchers for each day or a single voucher for a given pay period, say a month, with aggregated values. You can also enter data for one or more or all employees. Similarly, one or more Attendance types together in a single voucher.

### **Attendance Voucher – Manual Entry**

Go to **Gateway of Tally > Payroll Vouchers > Ctrl+F5: Attendance**

1. Click on **F2: Date** or press **F2** to change the date
2. Select the Employee from the **List of Employees**
3. Select the **Attendance/Production Type** from the List
4. Enter the **Value**
5. Select **End of List** from the **List of Employees**

Attendance Voucher Creation		ABC Company		Ctrl + M	
Attendance No. 1				30-Apr-2013 Tuesday	
Employee Name	Employee Number	Attendance/Production Type	Value	Unit	
Employee A	0065	Absent	Cur Bal: 0 Days	0 Days	
Employee B	0067	Absent	Cur Bal: 1 Days	1 Days	
Employee C	0069	Absent	Cur Bal: 1 Days	1 Days	
Employee D	0072	Absent	Cur Bal: 2 Days	2 Days	
Employee Q	0076	Absent	Cur Bal: 0 Days	0 Days	
Employee A	0065	Overtime	Cur Bal: 5- 0.00 Hrs	5 Hrs	
Employee B	0067	Overtime	Cur Bal: 1- 0.00 Hrs	1 Hrs	
Employee C	0069	Overtime	Cur Bal: 1- 0.00 Hrs	1 Hrs	
Employee D	0072	Overtime	Cur Bal: 3- 0.00 Hrs	3 Hrs	
Employee Q	0076	Overtime	Cur Bal: 2- 0.00 Hrs	2 Hrs	

Narration:  
Attendance details for April 2013 without using Auto-fill

[Img-127]

- Press **Enter** to **Accept** and save

### Attendance Voucher using Auto Fill

In the Attendance Voucher, you can use the **A: Payroll Auto Fill** button to speed up data entry process.

**Auto Fill** enables the user to fill all employees of a selected Employee Category (if **more than One Payroll Category** enabled) and/or a selected Employee Group and enter data for selected type of **Attendance/Production Type** for the employees.

Go to **Gateway of Tally > Payroll Vouchers > Ctrl+F5: Attendance**

- Click on **F2: Date** or press **F2** to enter the date
- Click on **A: Attd Auto Fill** button or press **Alt+A**
- Enter/Alter the **Voucher Date**, if required
- Select the appropriate **Employee Category**
- Select the **Employee/Group** from the **List of Group/Employees**
- Select the **Attendance/Production Type** from the list
- Enter the required number of days in the **Default Value to Fill** field (e.g. 0 days for absent and 26 days for present etc.)

**Attendance Auto Fill**

Voucher Date : 30-4-2013  
 Employee Category : Primary Cost Category  
 Employee/Group : All Items

**Auto Fill Values**

Attendance/Production Type : Absent  
 Default Value to Fill : 0  
 (Value entered above will be prefilled for all the Employees)  
 Sort by : **Employee Name**

**Sorting Methods**

Employee Name  
 Employee Number

[Img-128]

8. In the **Sort by** field, select the **Sorting Method** based on which the Employee details will appear in the Voucher **Employee Name** or **Employee Number Only**.
9. Enter the **Value** against the **Employee Name**

Attendance Voucher Creation		ABC Company		Ctrl + M	
Attendance No. 1				30-Apr-2013 Tuesday	
Employee Name	Employee Number	Attendance/Production Type		Value	Unit
Employee A	0065	Absent	Cur Bal: 0 Days		0 Days
Employee B	0067	Absent	Cur Bal: 1 Days		1 Days
Employee C	0069	Absent	Cur Bal: 1 Days		1 Days
Employee D	0072	Absent	Cur Bal: 2 Days		2 Days
Employee Q	0076	Absent	Cur Bal: 0 Days		0 Days

Narration:  
Attendance details for April 2013 using Attendance Auto fill

Accept ?  
 Yes or No

[Img-129]

8. Accept to save the **Attendance Voucher**.

Similarly, you can record the details for the **Paid Leave, Overtime** or **Production** using **Attendance Auto Fill**

**F12: Configure**

Click on **F12: Configure** or press **F12** to change the default view for the Attendance Voucher



<u>Attendance Configuration</u>	
Skip Date field in Create Mode (faster entry!)	? Yes
Show Resigned / Retired Employees	? Yes
Show Balances as on Voucher Date	? Yes
Show Employee Number	? <b>Yes</b>

[Img-130]

**Skip Date field in Create Mode (faster entry!):** Set this option to **Yes** to skip the Date selection for faster data entry. By default the **Date of Last Entry** will be taken as the Voucher Date

**Show Resigned / Retired Employees:** Set this option to **Yes** to display the Resigned / Retired employees also during the Voucher entry

**Show Balances as on Voucher Date:** Set this option to **Yes** to display the **Current Balance** as per Voucher date for each Employee

**Show Employee Number:** Set this option to **Yes** to display the Employee Number for employees during the Voucher entry

## User Defined Pay Head Process in Tally.ERP 9 Payroll

The **User Defined** pay process is used for capturing the values for **User Defined Pay Heads** before processing the actual Salary. This will result in correct salary computation at faster speed.

To process **User Defined Pay Heads**,

Go to **Gateway of Tally > Payroll Vouchers > Ctrl + F4: Payroll**

1. Press **F2** to change the **Voucher Date**
2. Click **A: Payroll Auto Fill** or press **Alt+A**
3. Select the **User defined** in **Process for** field
4. Enter the **From** and **To** date
5. Select the appropriate **Employee Category**
6. Select the **Employee/Group** from the **List of Employees / Group**
7. Select the appropriate **Payroll Ledger** from the **List of Ledger Accounts**
8. Set **Use Mode of Payment/Transaction Type** to **Yes**. This will open a new option called Mode of Payment/Transaction Type. Setting this option to Yes will allow user to filter employees based on Banking details defined in employee's master.

- Select the appropriate **Use Mode of Payment/Transaction Type**

9. Set the option **Set Employee-wise Bank Allocations** to **Yes**

<u>Payroll Auto Fill</u>	
Process for	: <b>^ User Defined</b>
From (blank for beginning)	: <b>1-4-2013</b>
To (blank for end)	: <b>30-4-2013</b>
Employee Category	: <b>Primary Cost Category</b>
Employee/Group	: <b>^ All Items</b>
Payroll Ledger	: <b>HDFC Bank</b>
Use Mode of Payment/Transaction Type	: <b>Yes</b>
Mode of Payment/Transaction Type	: <b>Inter Bank Transfer</b>
Set Employee-wise Bank Allocations	? <b>Yes</b>

[Img-131]

8. Enter the **User Defined Pay Head Values**, e.g. Variable Pay, Salary Advance Deductions if any etc.

9. Enter the required Narrations if any. The Payroll Voucher shows the Pay period by default in the Narration field.

Attitude

Payroll Voucher Creation		ABC Company		Ctrl + M	
Payroll No. 1				30-Apr-2013 Tuesday	
<b>Payroll Auto Fill - (Salary)</b>					
Account : Salary Payable Cur Bal: 0.00 Cr					
Particulars					Amount
↑ ... 10 more					
Reimbursement		Dr	Cur Bal: 0.00 Cr		
Variable Pay	1,500.00	Dr	Cur Bal: 1,500.00 Dr		
Salary Advance Deduction	300.00	Cr	Cur Bal: 300.00 Cr		
					<u>850.00 Dr</u>
<b>Employee C</b>					
Bonus		Dr	Cur Bal: 0.00 Cr		
Canteen Deduction	500.00	Cr	Cur Bal: 500.00 Cr		
Reimbursement		Dr	Cur Bal: 0.00 Cr		
Variable Pay	1,350.00	Dr	Cur Bal: 1,350.00 Dr		
Salary Advance Deduction		Cr	Cur Bal: 0.00 Cr		
					<u>1,150.00 Dr</u>
<b>Employee D</b>					
Bonus	250.00	Dr	Cur Bal: 250.00 Dr		
Canteen Deduction	300.00	Cr	Cur Bal: 300.00 Cr		
Reimbursement		Dr	Cur Bal: 0.00 Cr		
Variable Pay	1,200.00	Dr	Cur Bal: 1,200.00 Dr		
Salary Advance Deduction		Cr	Cur Bal: 0.00 Cr		
					<u>1,000.00 Dr</u>
<b>Employee Q</b>					
Bonus	200.00	Dr	Cur Bal: 200.00 Dr		
Canteen Deduction	200.00	Cr	Cur Bal: 200.00 Cr		
Reimbursement		Dr	Cur Bal: 0.00 Cr		
Variable Pay	1,000.00	Dr	Cur Bal: 1,000.00 Dr		
Salary Advance Deduction		Cr	Cur Bal: 0.00 Cr		
					<u>5,750.00 Dr</u>
Narration: Pay Period : 1-Apr-2013 to 30-Apr-2013					
					<div style="border: 1px solid black; padding: 5px; display: inline-block;">           Accept ?            Yes or No         </div>

[Img-132]

10. Press **Enter** to save the voucher

## Salary Process in Tally.ERP 9 Payroll

To process the Salary,

Go to **Gateway of Tally > Payroll Vouchers > Ctrl + F4: Payroll**

1. Press **F2** to change the **Voucher Date**
2. Click **A: Payroll Auto Fill** or press **Alt+A**
3. Select the **Salary** in **Process for** field
4. Select **Declared Value** in the **Compute Income Tax Based on** field, to compute tax based on declared amount

Note: To Compute Income Tax on the Proof amounts, select Proof Value in the **Compute Income tax Based on** field.

5. Enter the **From** and **To** date
6. Select the appropriate **Employee Category**
7. Select the **Employee/Group** from the **List of Employees / Group**
8. Select the appropriate **Payroll Ledger** from the **List of Ledger Accounts**

<u>Payroll Auto Fill</u>	
Process for	: <b>Salary</b>
Compute Income Tax based on	: <b>Declared Value</b>
From (blank for beginning)	: <b>1-4-2013</b>
To (blank for end)	: <b>30-4-2013</b>
Employee Category	: <b>Primary Cost Category</b>
Employee/Group	: <b>↓ All Items</b>
Payroll Ledger	: <b>Salary Payable</b>

[Img-133]

**Note:** If the Salary payment is done through Cash, you can select **Cash** as **Payroll Ledger**.

9. Enter the **User Defined Pay Head Values**, e.g. Variable Pay, Salary Advance Deductions if any etc.
10. Enter the required Narrations if any. The Payroll Voucher shows the Pay period by default in the Narration field.

Attitude

Payroll Voucher Creation		ABC Company		Ctrl + M
<b>Payroll</b> No. 2				30-Apr-2013 Tuesday
Account : Salary Payable Cur Bal: 5,750.00 Cr		<b>Payroll Auto Fill - (Salary)</b>		
Particulars				Amount
<b>Primary Cost Category</b>				<b>1,23,493.00 Dr</b>
<b>Employee A</b>				<b>28,600.00 Dr</b>
Basic Pay	25,000.00	Dr	Cur Bal: 25,000.00 Dr	
House Rent Allowance	10,000.00	Dr	Cur Bal: 10,000.00 Dr	
Conveyance	1,200.00	Dr	Cur Bal: 1,200.00 Dr	
Overtime	600.00	Dr	Cur Bal: 600.00 Dr	
Professional Tax	200.00	Cr	Cur Bal: 200.00 Cr	
Employees' EPF Deduction @ 12%	3,000.00	Cr	Cur Bal: 3,000.00 Cr	
Employees' ESF Deduction @ 1.75%		Cr	Cur Bal: 0.00 Cr	
Employees' PFSD Deduction @ 1% - Tier I	2,500.00	Cr	Cur Bal: 2,500.00 Cr	
Income Tax		Cr	Cur Bal: 0.00 Cr	
Employees' PFSD Deduction @ 1% - Tier I	2,500.00	Cr	Cur Bal: 2,500.00 Cr	
<b>Employee B</b>				<b>11,914.00 Dr</b>
Basic Pay	9,667.00	Dr	Cur Bal: 9,667.00 Dr	
House Rent Allowance	3,867.00	Dr	Cur Bal: 3,867.00 Dr	
Conveyance	800.00	Dr	Cur Bal: 800.00 Dr	
Overtime	110.00	Dr	Cur Bal: 110.00 Dr	
Professional Tax	150.00	Cr	Cur Bal: 150.00 Cr	
Employees' EPF Deduction @ 12%	1,160.00	Cr	Cur Bal: 1,160.00 Cr	
Employees' ESF Deduction @ 1.75%	253.00	Cr	Cur Bal: 253.00 Cr	
Employees' PFSD Deduction @ 1% - Tier I	967.00	Cr	Cur Bal: 967.00 Cr	
31 more ... ↓				
Narration: Pay Period : 1-Apr-2013 to 30-Apr-2013 ,Computed tax based on : Declared Value				1,23,493.00 Dr
				<div style="border: 1px solid black; padding: 5px; display: inline-block;"> <b>Accept ?</b>                      Yes or No                 </div>

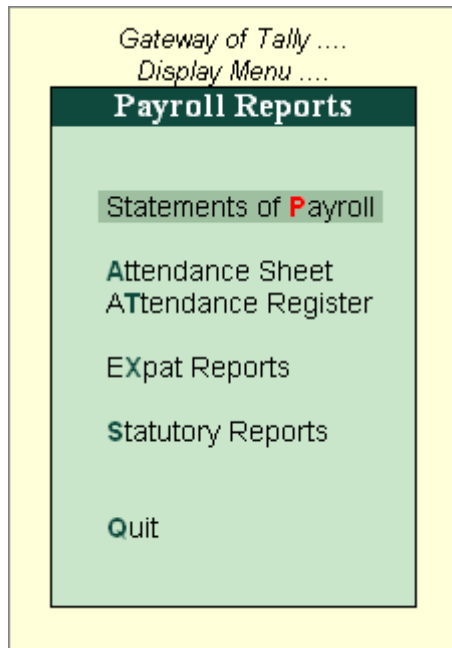
[Img-134]

11. Press **Enter** to save the Voucher

## Payroll Reports in Tally.ERP 9 Payroll

To view Payroll Reports,

Go to **Gateway of Tally > Display > Payroll Reports**



[Img-159]

The **Payroll Reports** menu displays:

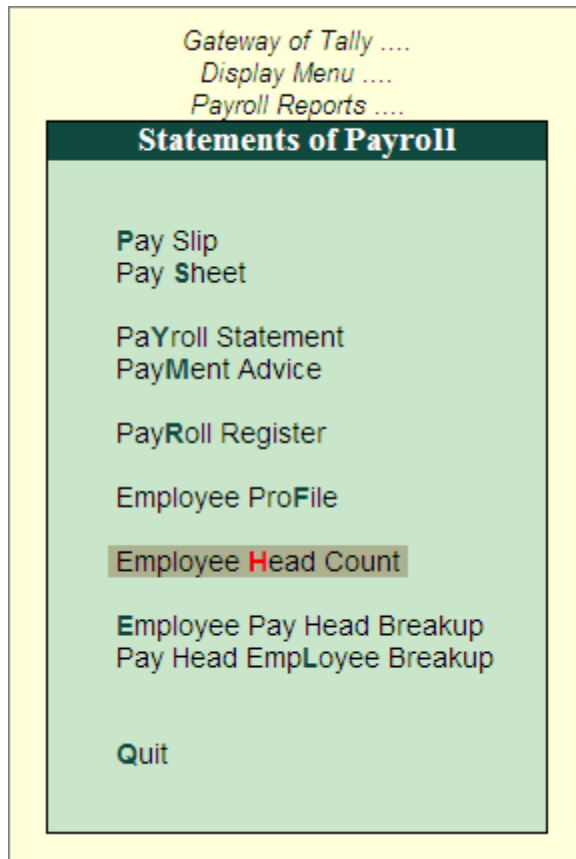
- **Statements of Payroll**
- **Attendance Sheet**
- **Attendance Register**
- **Expat Reports**
- **Statutory Reports**

**Note:** The **Statutory Reports** option will be displayed only if the **Payroll Statutory Features** is enabled.

## Statements of Payroll in Tally.ERP 9 Payroll

To view the Statements of Payroll,

Go to **Gateway of Tally > Display > Payroll Reports > Statements of Payroll**



[Img-160]

The Statements of Payroll menu displays:

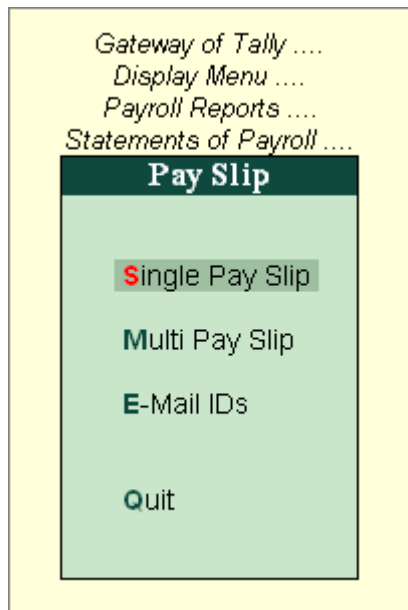
- **Pay Slip**
- **Pay Sheet**
- **Payroll Statement**
- **Payment Advice**
- **Payroll Register**
- **Employee Profile**
- **Employee Head Count Report**
- **Employee Pay Head Breakup**
- **Pay Head Employee Breakup**

## Pay Slip in Tally.ERP 9 Payroll

A Pay Slip is a document issued to an employee that lists each component of earnings and deductions, and the net amount paid to an employee for a given pay period. It provides details on how the net amount has been arrived at.

The Pay Slip option in Tally.ERP 9 facilitates the users to view the Pay Slip for individual Employees, Configure the Content and Appearance based on the requirement and then Print or Email the Pay Slip. Alternately, the user can also print or Email Pay Slips for all or selected Employees from the Pay Slip Menu.

Go to **Gateway of Tally > Display > Payroll Reports > Statements of Payroll > Pay Slip**



[Img-161]

- Select **Single Pay Slip** and press **Enter** to [view, print or Email Pay Slips for single Employees.](#)
- Select **Multi Pay Slip** and press **Enter** to [print or email Pay Slips for all or selected Employees.](#)
- Select **E-Mail IDs** and press **Enter** to check the [Email Exceptions](#) report.

## Single Pay Slip in Tally.ERP 9 Payroll

The Single Pay Slip option in Tally.ERP 9 facilitates the users to view the Pay Slip for individual Employees, Configure the Content and Appearance based on the requirement and then Print or E-mail the Pay Slip.

Go to **Gateway of Tally > Display > Payroll Reports > Statements of Payroll > Single Pay Slip**

- Select the **Employee** for whom you want to view the **Pay Slip**



Attendance Details		Value	
Absent		1 Days	
Overtime		1- 0.00 Hrs	

Earnings	Amount	Gross Salary	Deductions	Amount	Gross Salary
Basic Pay	9,667.00	10,000.00	Canteen Deduction	250.00	250.00
HRA	3,867.00	4,000.00	Professional Tax	150.00	200.00
Conveyance	800.00	800.00	Salary Advance Deduction	300.00	300.00
Bonus	250.00	250.00	Employees' EPF Deduction	1,160.00	1,200.00
Overtime	110.00	110.00	ESI Deduction	253.00	261.00
Variable Pay	1,500.00	1,500.00	Employees' NPS Deduction - Tier I	967.00	1,000.00
<b>Total Earnings</b>	<b>16,194.00</b>	<b>16,660.00</b>	<b>Total Deductions</b>	<b>3,080.00</b>	<b>3,211.00</b>
			<b>Net Amount</b>	<b>₹ 13,114.00</b>	<b>₹ 13,449.00</b>

[Img-162]

### Configuration options in Pay Slip

Click on **F12: Configure** button in the Pay Slip to display a configuration sub-form, using which the user can customise the display/printing content and appearance of the Pay Slip.

Configuration	
Show Vertical Pay Slip	? No
Show Employee Details	? Yes
Show Passport Details	? Yes
Show Visa Expiry Date	? Yes
Show Joining Date	? Yes
Show Attendance/Production Details	? Yes
Show Attendance/Production Groups	? Yes
Display Production Types in Tail Units	? No
Show Year To Date Values	? No
Show Gross Salary	? Yes
for Deduction's also	? Yes
Show Employer Contribution to NPS	? Yes
Remove Zero Entries	? Yes
for Attendance/Production also	? Yes
Appearance of Employee Names	: <b>Name Only</b>
Appearance of Pay Head Names	: <b>Payslip Name</b>

Amount	Gross Salary
<b>Display Employee Name Style</b>	
Alias (Display Name)	
Alias (Employee Number)	
Alias (Name)	
Alias Only	
Display Name (Alias)	
Display Name (Employee Number)	
Display Name Only	
Employee Number	
Employee Number (Alias)	
Employee Number (Display Name)	
Employee Number (Name)	
Name (Alias)	
Name (Employee Number)	
<b>Name Only</b>	

[Img-163]

The default settings for the configuration options are shown above. The options, which are set to **Yes**, will become visible in the Pay Slip. Select **No** to exclude the information, which is not required to be displayed on the Pay Slip.

- **Show Vertical Pay Slip:** Set this option to **Yes** to align Deduction Part below the Earning. Set it to **No** to align them side-by-side.
  
- **Show Employee Details:** Set this option to **Yes** to display Employee Details as entered in the employee master.
  - **Show Passport Details:** Set this option to **Yes** to display the Passport Details.
  - **Show Visa Expiry Date:** Set this option to **Yes** to display the Visa Expiry Date.
  - **Show Joining Date:** Set this option to **Yes** to display the Employee Joining Date.
  
- **Show Attendance/Production Details:** Set this option to **Yes** to display Attendance/Production data.
  - **Show Attendance/Production Groups:** Set this option to **Yes** to display grouping of the Attendance/production data as defined while Types creation.
  
- **Display Production Type in Tail Units:** For compound units used in Attendance/Production Type, set this flag to **Yes** to display value of the Attendance/Production Data in Tail unit and set the same to **No** to display data in Main unit.
  
- **Show Year To Date values:** Set this option to **Yes** to display cumulative value of attendance/production data or Earning and Deduction data for the current Financial Year.
  
- **Show Gross Salary:** Set this option to **Yes** to display the Gross Salary details for each component in the Salary Details.
  - **for Deduction's also:** Set this option to **Yes** to display the Gross Salary Details for each Deduction component.
  
- **Show Employer Contribution to NPS:** Set this option to **Yes** to display the employer's contribution towards the National Pension Scheme.
  
- **Remove Zero Entries:** Set this option to **Yes** to remove Earning/Deduction data with Zero value from the Pay Slip.
  
- **For Attendance/Production Also:** Set this option to **Yes** to remove Attendance data with 0 values from the Pay Slip.
  
- **Appearance of Employee Names:** You can select the appropriate appearance of name from the **Display Employee Name Style** list.
  
- **Appearance of Pay Head Names:** Select the appropriate name style to appear for each Pay Head in Pay Slip (i.e. Alias(Name), Alias only, Name(Alias), Name Only, Pay Slip

Name).

### **Button options in Pay Slip screen**

#### **F1: Detailed**

Click on **F1: Detailed** button or press **ALT+F1** to view source details of individual Attendance and Pay Head values. This view displays the Attendance or Payroll vouchers from which the data is picked in the current Pay Slip. Voucher Number, Date and the Value of the attendance or earning or deduction value is displayed. This is useful when multiple attendance/payroll vouchers are entered during the same payroll period. The user can drill down to the corresponding voucher directly from the Pay Slip screen.

Click the **F1: Condensed** button or press **ALT+F1** again to return to the normal mode.

#### **F2: Period**

By default, when you bring up the **Pay Slip** view, the Period of Pay Slip - **Attendance and Payroll** Vouchers data is set to current month, and in most cases you don't have to change it. However, if required, you can change the period of data and include multiple-period payroll information to **view/print** a consolidated Pay Slip. As in all other Tally.ERP 9 reports, there is a great flexibility in terms of Period of Payroll processing as well as in the printing of Pay Slip.

#### **F4: Employee**

Using Employee Button (**F4 Key**), you can view another employee's Pay Slip from the existing **Pay Slip** display screen.

#### **Printing Single Pay Slip (Alt+P)**

Click on **Print** button or Press **Alt+P** from the Pay Slip display screen to print currently displayed Pay Slip. Tally.ERP 9 will print the **Pay Slip** in the format that is configured for display.

The **Printing Pay Slip** screen is displayed as shown:



Mailing Pay Slip			
E-Mail Server : <i>J</i> User defined Server Address : smtp.abc.com:25 <small>(Name:Port, Default Port is 25)</small> Use SSL : No <small>(Choose Yes, if using Secured SMTP Server)</small> Use SSL On Standard Port : No <small>(Choose Yes, if using SSL on Default/Standard SMTP Port)</small> From : ABC Company From E-Mail Address : mail@abc.com Authentication User Name: <small>(Only if required)</small> Password : Format : HTML (Web-Publishing) Resolution : 1024 x 768	To E-Mail Address : b@abc.com CC To (if any) : <i>J</i> None Subject : Pay Slip Additional Text (if any) :  Information sent : As Attachment Attach File Name : Pay Slip.htm		
Show Vertical Pay Slip ? No Show Employee Details ? Yes Show Passport Details ? Yes Show Visa Expiry Date ? Yes Show Joining Date ? Yes Show Attendance/Production Details ? Yes Show Attendance/Production Groups ? Yes Display Production Types in Tail Units ? No Show Employee Notes ? No	Show Year To Date Values ? No Show Gross Salary ? Yes for Deduction's also ? Yes Show Employer Contribution to NPS ? Yes Remove Zero Entries ? Yes for Attendance/Production also Appearance of Employee Names Show Pay Slip Note Show Pay Slip Message	<div style="border: 1px solid black; padding: 5px; text-align: center;"> <b>Mail ?</b>    <b>Yes or No</b> </div>	

[Img-164]

- **Show Vertical Pay Slip:** Set this option to **Yes** to print the Pay Slip in vertical format.
- **Show Employee Details:** Set this option to **Yes** to print the Passport, Visa and Joining details as entered in the employee master.
- **Show Passport Details:** Set this option to **Yes** to print the employee's passport details.
- **Show Visa Expiry Date:** Set this option to **Yes** to print the employee's visa expiry date.
- **Show Joining Date:** Set this option to **Yes** to print the Joining date.
- **Show Attendance/Production Details:** Set this option to **Yes** to Print Attendance/Production information
  - **Show Attendance/Production Groups:** Set this option to **Yes** to print the grouping of the Attendance/Production data as defined during the creation of Types.
- **Display Attendance/Production Type in Tail Units:** For compound units used in Attendance/Production Type, set this option to **Yes**, to display the value of the Attendance/Production details in the Tail unit. If this option is set to **No**, the Production units will be printed in primary units.

- **Show Year To Date values:** Set this option to **Yes** to print the cumulative value of Attendance/Production records and Earnings /Deductions for any given period.
- **Show Gross Salary:** Set this option to **Yes** by setting the **Show Year To Date values** to **No**, to view Gross Earnings and Deductions for any given period.
  - **for Deduction's also:** Set this option to **Yes** to display the Gross Salary Details for each Deduction component.
- **Show Employer Contribution to NPS:** Set this option to **Yes** to print the employer's contribution towards the National Pension Scheme.
- **Remove Zero Entries:** Set this option to **Yes** to remove the Earnings/Deductions components with Zero value from the Pay Slip.
  - **For Attendance/Production also:** Set this option to **Yes** to remove Attendance/ Production records with zero values from the Pay Slip.
- **Appearance of Employee Names:** Select the appropriate name style to appear in the Pay Slip (i.e., Alias (Name), Alias only, Name (Alias), Name only).
- **Show Authorised Signatory:** Set this option to **Yes** to print the option for signature of the Signing Authority. Set this option to **No** for printing the Pay Slip Note.
  - **Show Payslip Note:** Set this option to **Yes** to print the **Pay Slip Note** as entered in the **Payroll Configuration** screen.
- **Show Payslip Message:** Set this option to **Yes** to print the personalized **Pay Slip Message** as entered in the **Payroll Configuration** screen. e.g. Happy New Year.

The printed Pay Slip with Gross Salary details is displayed as shown:

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Printing Pay Slip			
<b>Printer</b>	: Microsoft XPS Document Writer (XPSPort)	<b>Paper Type :</b>	Letter
<b>No. of Copies</b>	: 1		
<b>Print Language</b>	: English		(Printing Dimensions)
<b>Method</b>	: Neat Mode	<b>Paper Size :</b>	(8.50" x 10.98") or (216 mm x 279 mm)
<b>Page Range</b>	: All	<b>Print Area :</b>	(8.50" x 10.98") or (216 mm x 279 mm)
Report Titles			
Pay Slip			
(with Print Preview)			
<i>Without Company Phone No., Without Date Range of Report, Without Page Numbers</i>			
Height of PaySlip (inches)		:	<b>10</b>
Width of PaySlip (inches)		:	<b>7.50</b>
Space to leave on top (default 0.25)		:	<b>0.25</b>
Space to leave on left (default 0.5)		:	<b>0.50</b>
Show Vertical Pay Slip	? No	Show Year To Date Values	? No
Show Employee Details	? Yes	Show Gross Salary	? Yes
Show Passport Details	? Yes	for Deduction's also	? Yes
Show Visa Expiry Date	? Yes	Show Employer Contribution to NPS	? Yes
Show Joining Date	? Yes	Remove Zero Entries	? Yes
Show Attendance/Production Details	? Yes	for Attendance/Production also	? Yes
Show Attendance/Production Groups	? Yes	Appearance of Employee Names :	<b>Name Only</b>
Display Production Types in Tail Units	? No	Show Authorised Signatory	? Yes
Print Base Currency Symbol for Total	? Yes	Show Pay Slip Note	: No
Show Employee Notes	? No	Show Pay Slip Message	? Yes
			<b>Print ?</b>
			<b>Yes or No</b>

[Img-165]

**E-Mailing Pay Slip (Alt+M)**

Click on **E-Mail** button or press **ALT+M** from the Pay Slip display screen to Email the Pay Slip. Tally.ERP 9 gives flexibility of selecting the formats from ASCII, EXCEL, HTML and XML for E-Mailing as an attachment or direct view.

The Mailing Pay Slip screen is displayed as shown:





Mailing Pay Slip			
E-Mail Server : <input checked="" type="radio"/> User defined Server Address : smtp.abc.com:25 <small>(Name:Port, Default Port is 25)</small> Use SSL : <input type="radio"/> No <small>(Choose Yes, if using Secured SMTP Server)</small> Use SSL On Standard Port : No <small>(Choose Yes, if using SSL on Default/Standard SMTP Port)</small> From : ABC Company From E-Mail Address : mail@abc.com Authentication User Name: <small>(Only if required)</small> Password : Format : HTML (Web-Publishing) Resolution : 1024 x 768		To E-Mail Address : b@abc.com CC To (if any) : <input checked="" type="radio"/> None Subject : Pay Slip Additional Text (if any) :  Information sent : As Attachment Attach File Name : Pay Slip.htm	
Show Vertical Pay Slip	<input type="radio"/> No	Show Year To Date Values	<input type="radio"/> No
Show Employee Details	<input type="radio"/> Yes	Show Gross Salary	<input type="radio"/> Yes
Show Passport Details	<input type="radio"/> Yes	for Deduction's also	<input type="radio"/> Yes
Show Visa Expiry Date	<input type="radio"/> Yes	Show Employer Contribution to NPS	<input type="radio"/> Yes
Show Joining Date	<input type="radio"/> Yes	Remove Zero Entries	<input type="radio"/> Yes
Show Attendance/Production Details	<input type="radio"/> Yes	for Attendance/Production also	
Show Attendance/Production Groups	<input type="radio"/> Yes	Appearance of Employee Names	<b>Mail ?</b>  <b>Yes or No</b>
Display Production Types in Tail Units	<input type="radio"/> No	Show Pay Slip Note	
Show Employee Notes	<input type="radio"/> No	Show Pay Slip Message	

[Img-166]

- **Email Server:** Select **User Defined**
- **Server Address:** Specify the Outgoing E-Mail server address and port number separated by **colon (:)**

**Note:** If the outgoing E-Mail server is configured on any port other than **25**, then the same needs to be specified after the server name with a colon. **e.g. smtp.gmail.com:465**

- **Use SSL:** By default this is set to **No**, change it to **Yes** if the E-Mail server is configured for secured connection.
- **From:** By default name of the Company is displayed, which can be changed as per the requirement.
- **From E-Mail Address:** By default the E-Mail address entered in the Company Master is displayed. The user can change the same to the recent E-Mail address.
- **Authentication Username and Password:** Enter the required username and password in case the E-mail server requires authentication, otherwise leave it empty.
- **Format:** Select the required emailing format from **ASCII, Excel, JPEG, HTML, PDF, XML**.

- **Resolution:** Select the required resolution, recommended is 1024 x 768.
- **To E-Mail Address:** By default the Employee E-Mail address as entered in the Employee Master is displayed. This can be changed if required.
- **CC To (if any):** Provide an E-Mail address in case you want to send a copy of the same mail to more than one recipient.
- **Subject:** By default, the Subject line is filled as Pay Slip, the user can re-enter the subject as required.
- **Additional Text if any:** Enter a message for the recipient which will precede the Pay Slip in the recipient's mail program.
- **Information sent:** Select whether the Pay Slip needs to be sent as an **Attachment** or for **Direct Viewing in Mail**.
- Specify the other parameters as explained in the above section (printing Pay Slips).
- Press **Enter** to send the mail.

For more instructions for completing the **Mailing Pay slip** screen, refer to E-mail a Report from Tally.ERP 9.

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# GST-Goods & Services Tax



Speaker:  
Turab Haider  
Team Attitude



B-2/19A,  
Yamuna Vihar,  
Delhi-110053  
Contact:  
011-43522158

## Agenda

- GST Concepts
- Terminologies use in GST
- Types of Return & e-filing Date
  - e-filing GSTR return

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# GST-Goods & Service Tax



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## What is GST?

GST (Goods and Services Tax) is a comprehensive tax levied on supply of goods and services across India. GST (Goods and Services Tax) is a *Destination based Consumption* tax, and the taxable event is *Supply* as against the existing taxable events of sale, manufacture or provision of service.

Draft model GST law was first made public in June 2016, after which the Revised Draft Law was made public on 26th November 2016. It is high time that businesses, industry/trade bodies, professional associations and the like provide valid inputs at an early date, and ensure the final GST Law addresses all the concerns to make the transition smooth.

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# GST-Goods & Services Tax

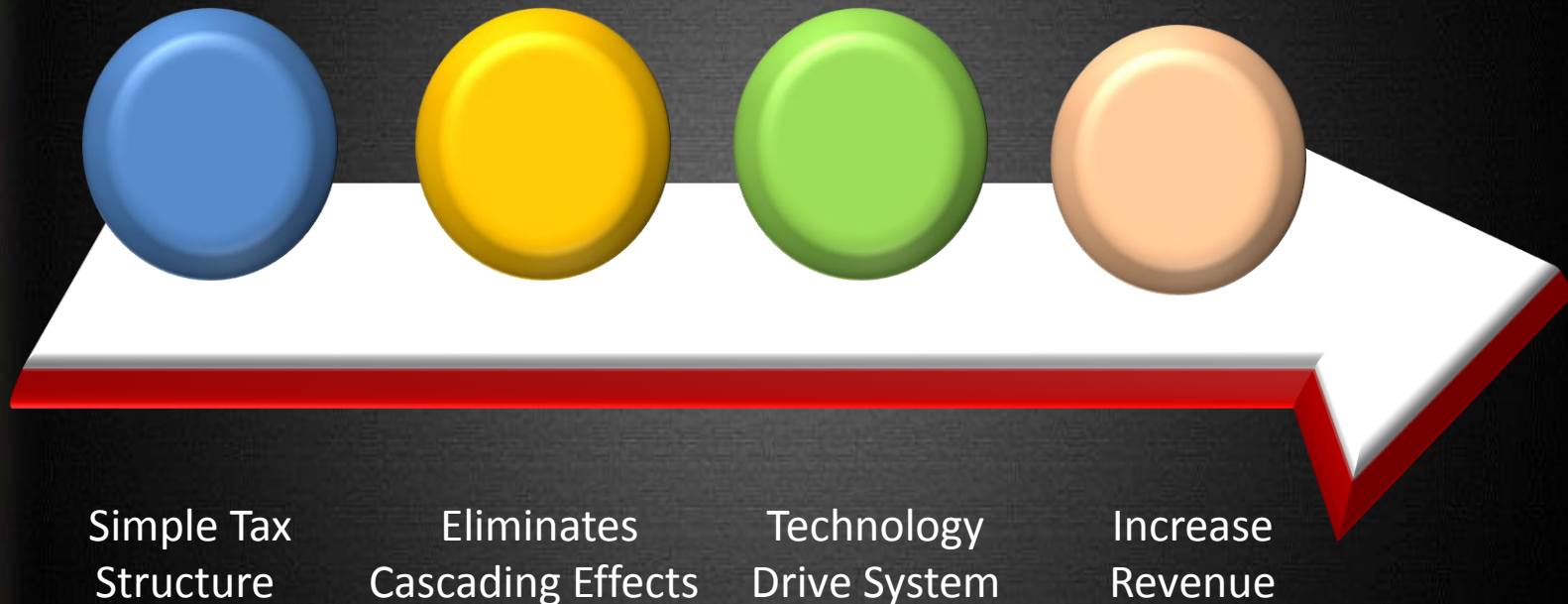


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## Why GST?



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# GST-Goods & Services Tax

## Highlights GST



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Common threshold  
limits across country

Elimination of tax  
cascading effect in the  
supply chain

'On supply' tax liability  
instead of 'removal /  
sale'

Continuity of the tax  
credit across the supply  
chain till it reaches the  
Customer

PAN Biased Registration

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# GST-Goods & Services Tax

## Highlights GST

Valuation method  
broadly as  
'Transaction Value'

Tax credit eligibility on  
inward supply of  
goods/services for  
inter-state transaction

Branch transfers  
taxable and credit  
eligibility

No declaration forms  
(form – C, F, H, etc...)



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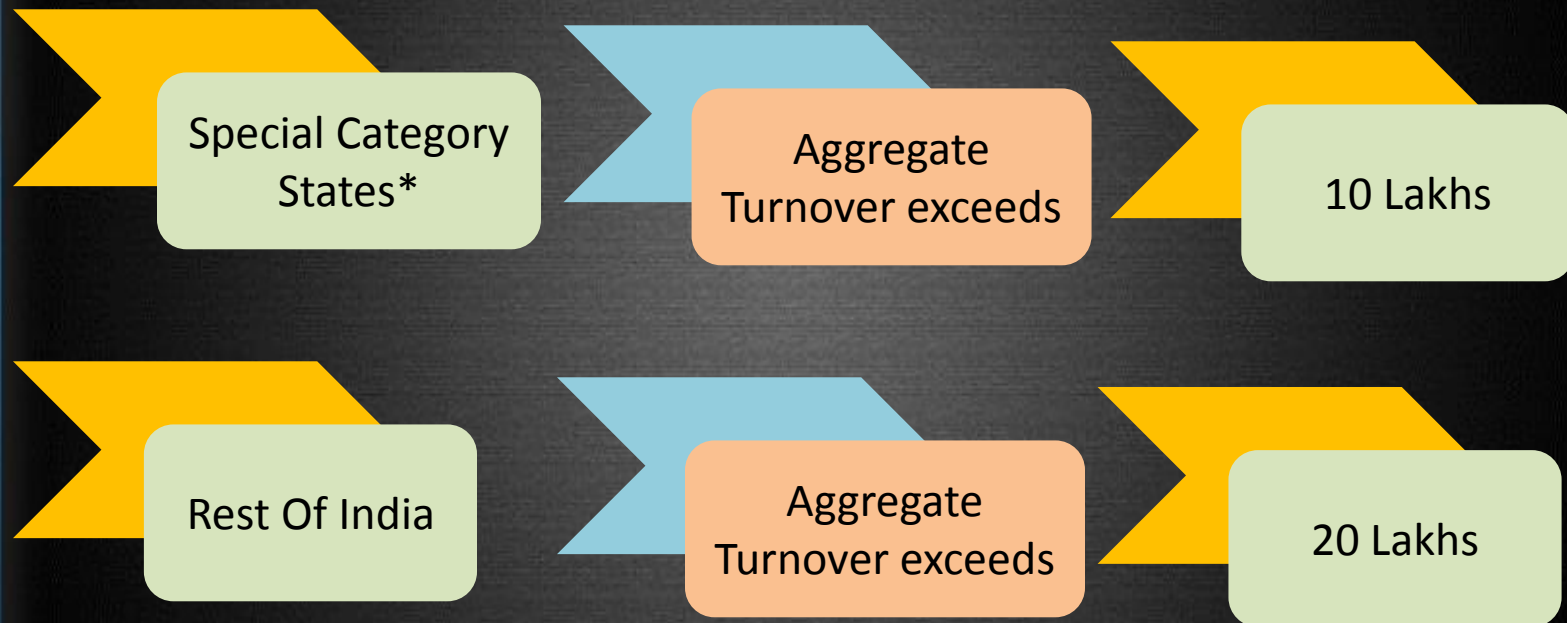


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## Registration – Threshold Limit

### Regular Dealer



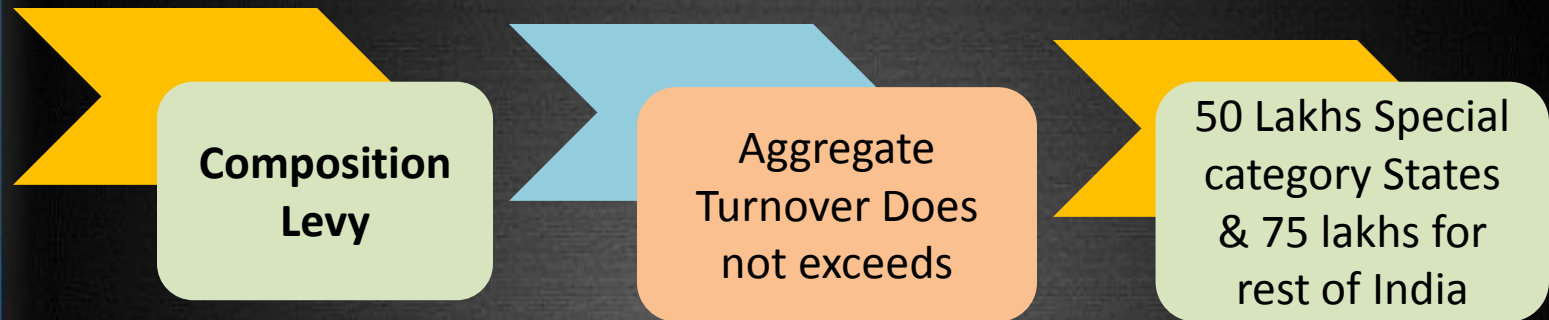
Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Sikkhim, Tripura, Himachal Pradesh and Uttarakhand



# GST-Goods & Services Tax

## Composition Levy

### Composition Scheme



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• **Not applicable for a taxable person engaged in:**

- Supply of services except supply of food or drinks for human consumption
- Supply of goods through an electronic commerce operator
- Interstate outward supplies
- shall not collect tax
- can not claim input tax credit
- applicable for all transaction under the PAN

**Rate of tax:**

Manufacturer : 2%  
Trader : 1%  
Supplier of foods or drinks for human consumption : 5%

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## CGST



- CGST stands for Central GST
- This is applicable on supplies within the State
- Tax collected will be shared to Centre

## SGST



- SGST stands for State GST
- This is applicable on supplies within the State
- Tax collected will be shared to State

## UGST



- UTGST Stands for Union Territory GST
- This is applicable on supplies within union territory
- Tax collected will be shared to union territory

## IGST



- IGST stands for Integrated GST
- This is applicable on interstate and import transactions
- Tax collected is shared between Centre and State



# GST-Goods & Services Tax

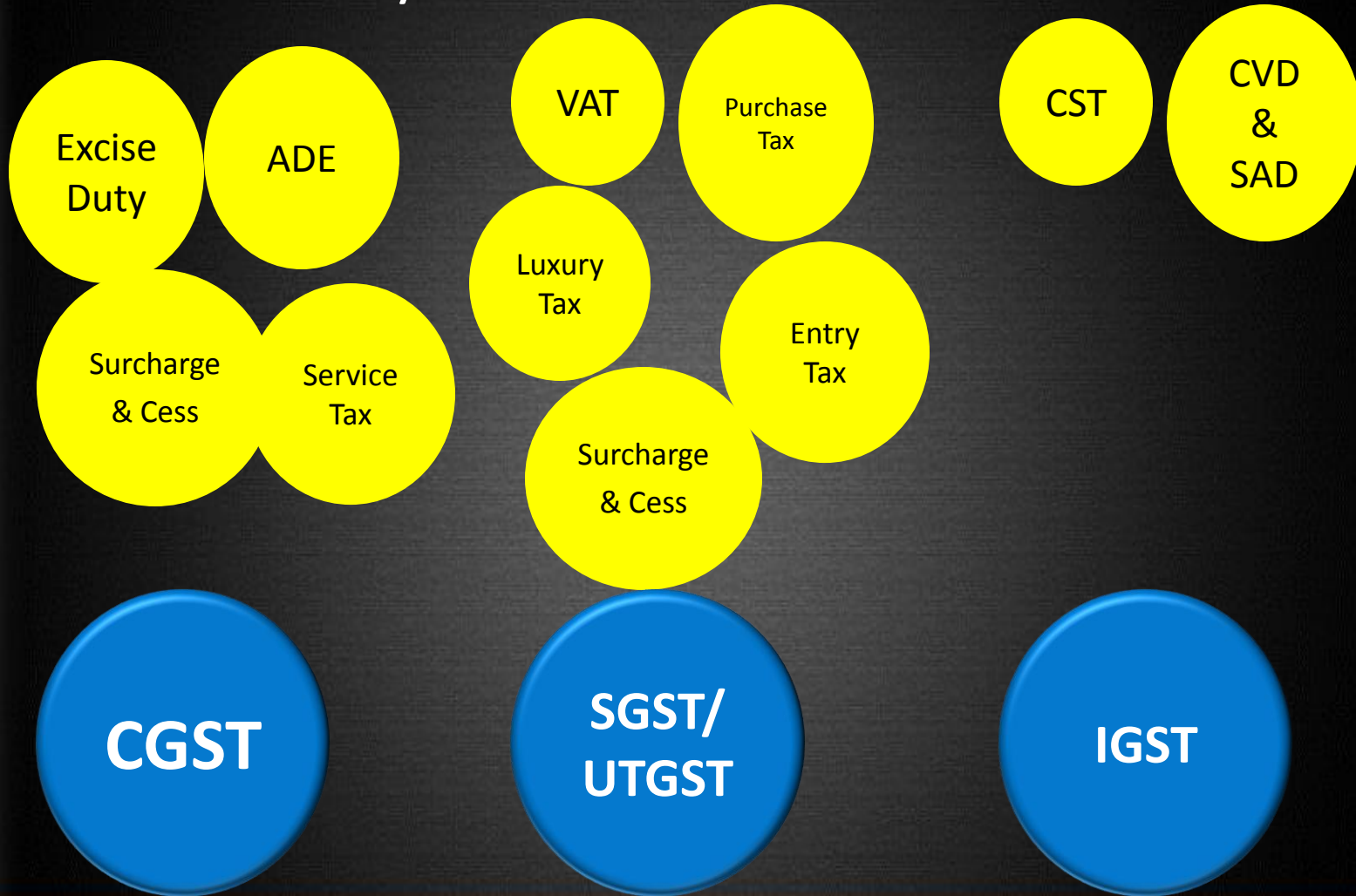
## Tax Likely to Be Subsumed under GST



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# GST-Goods & Services Tax



Speaker:  
Turab Haider  
Team Attitude



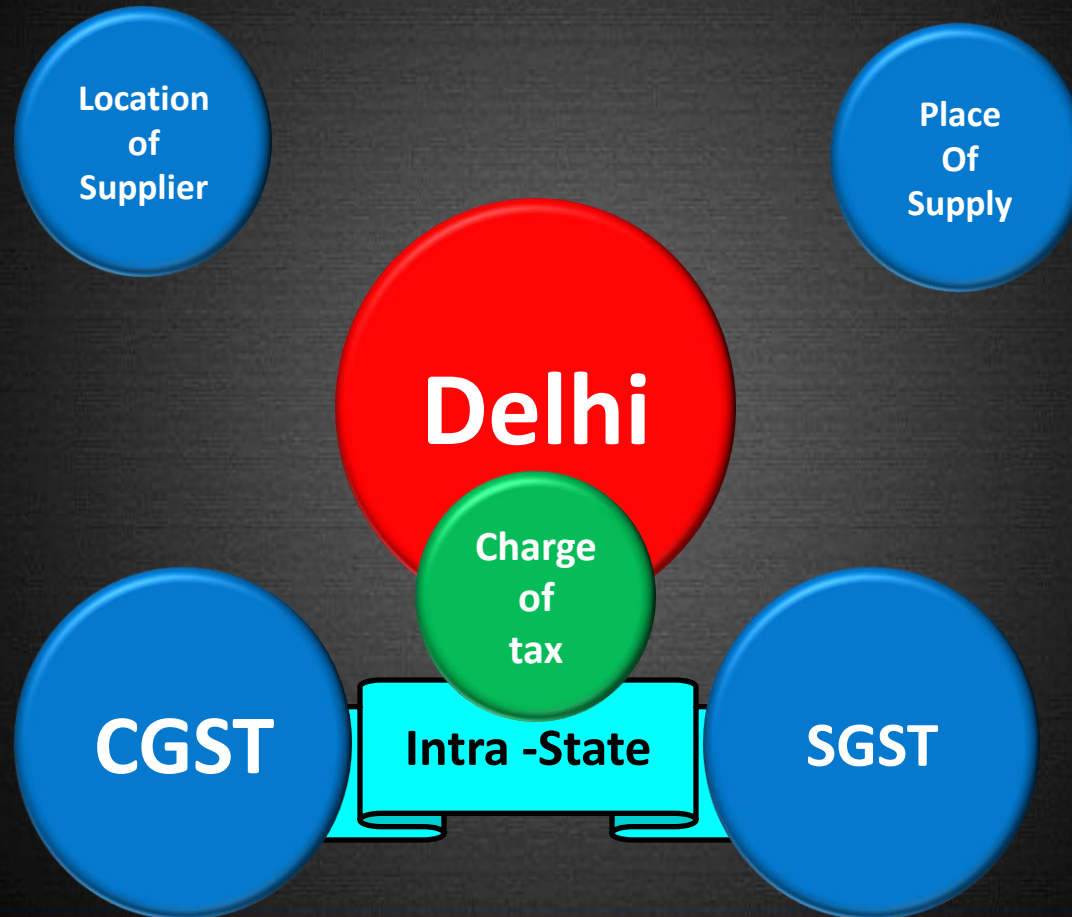
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# GST-Goods & Services Tax

## Determination of GST- Intra State



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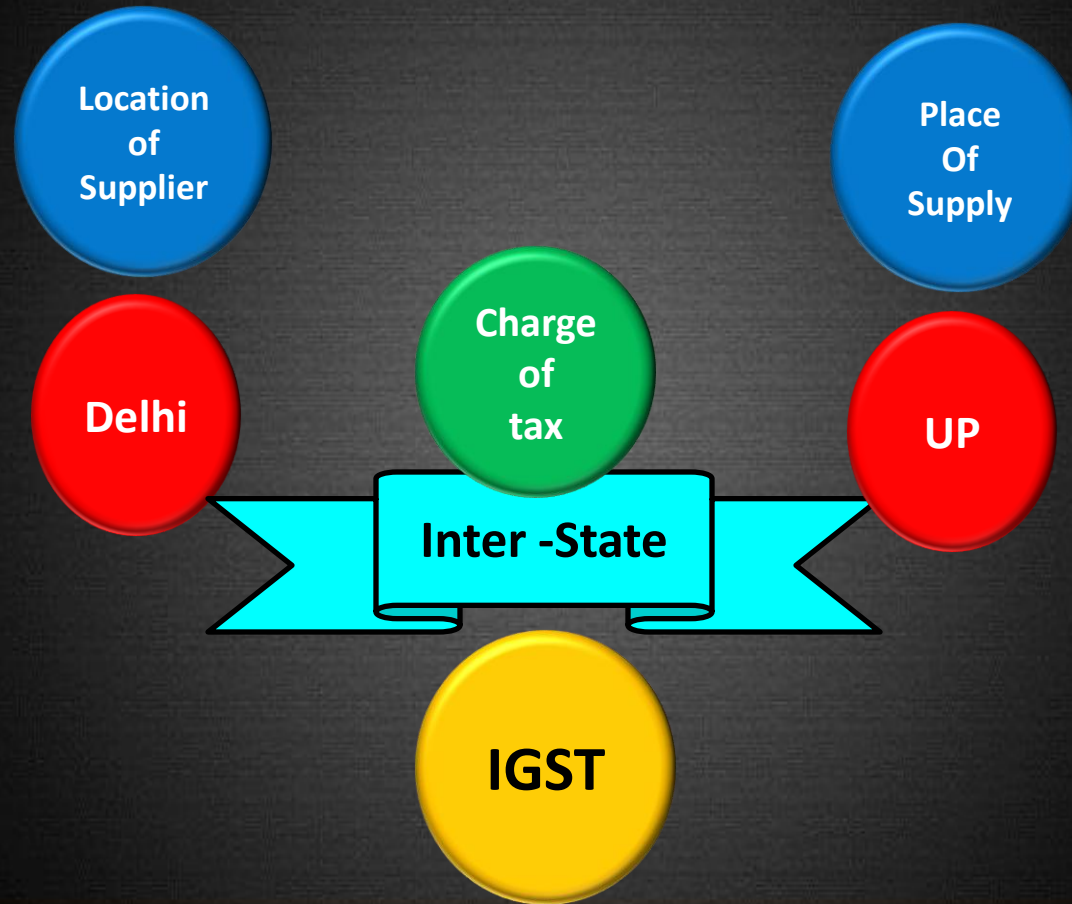
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# GST-Goods & Services Tax

## Determination of GST- Inter State



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# GST-Goods & Services Tax

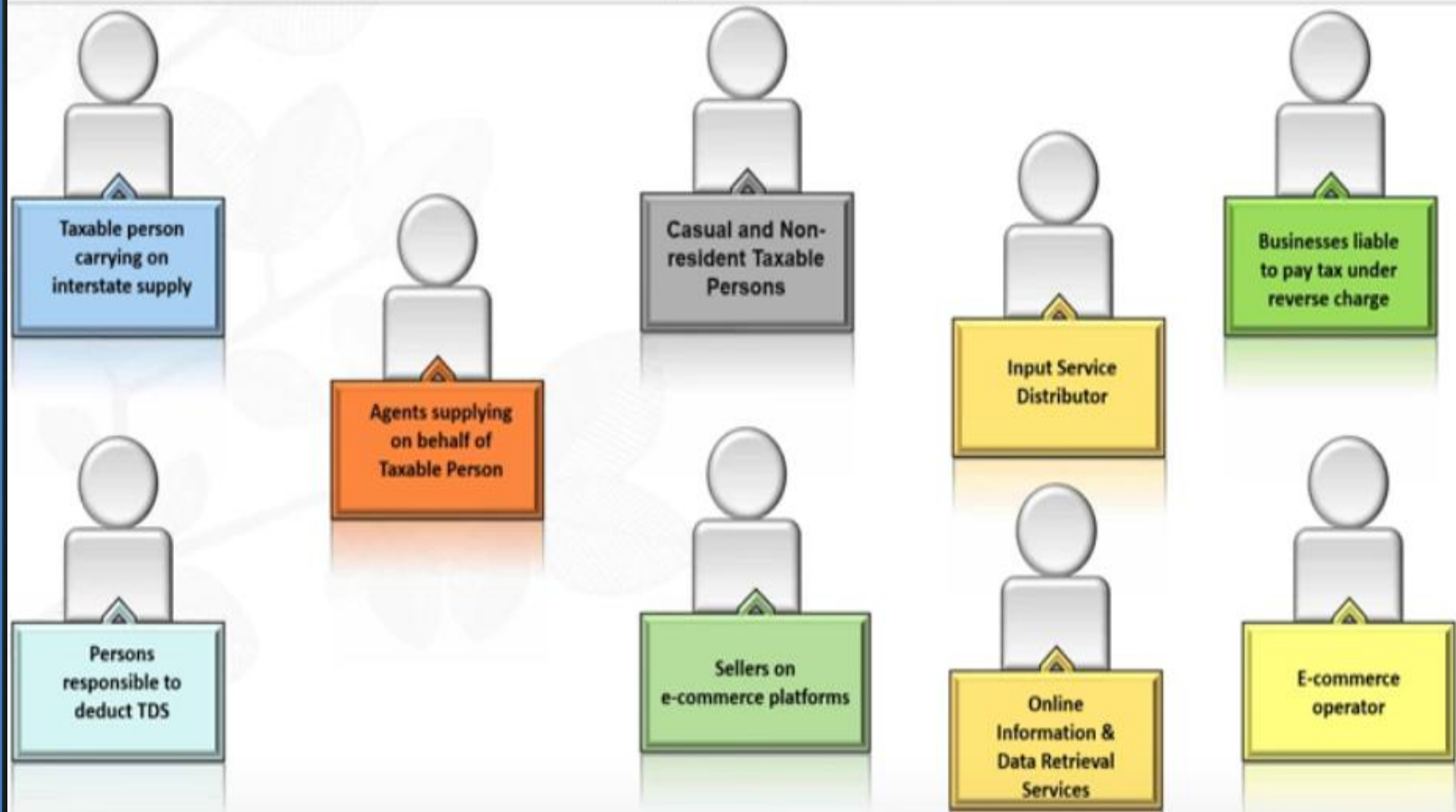


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## Mandatory Registration



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## Good & Service Taxes Not Subsumed under GST

1

### Central Taxes

- Customs Duty
- Other Customs Duty like anti-dumping duty, Safeguard duty etc.,
- Export Duty

2

### State Taxes

- Road & Passenger Tax
- Toll Tax
- Property Tax
- Electricity Duty
- Stamp Duty & Registration Fees

3

### Services

- 5 Petroleum Products
  - Petrol
  - Diesel
  - Petroleum Crude
  - Aviation fuel
  - Natural Gas
- Alcohol for Human Consumption
- Power Sector



# GST-Goods & Services Tax



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## Terminologies in GST

- **Outward Supplies** : Intra-State or Inter-State Sales Transaction
- **Inward Supplies** : Intra-State or Inter-State Purchase Transactions
- **GSTIN** : GST Identification Number – 15 digit Pan Based Number

29

ATJPK0542R

2

Z

5

- **Place of Supply** : Location where in the service is rendered or goods supplied

# GST-Goods & Services Tax



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## Types of Return & Filing Date

01

### GSTR 1

10<sup>th</sup> of Succeeding Month - Furnish details of outward supplies of taxable goods and/or services affected

02

### GSTR-2A

11<sup>th</sup> - Auto-populated details of inward supplies made available to the recipient on the basis of **Form GSTR-1** furnished by the supplier

03

### GSTR-2

15<sup>th</sup> - Details of inward supplies of taxable goods and/or services for claiming input tax credit. Addition (Claims) or modification in **Form GSTR-2A** should be submitted in **Form GSTR-2**

04

### GSTR-1A

17<sup>th</sup> - Details of outward supplies as added, corrected or deleted by the recipient in **Form GSTR-2** will be made available to supplier

05

### GSTR-3

20<sup>th</sup> - Monthly return on the basis of finalization of details of outward supplies and inward supplies along with the payment of amount of tax

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# Introduction To GST ( IGST , CGST, SGST)

1. The GST would be applicable on the supply of goods or services or both as against the present concept of tax on the manufacture and sale of goods or provision of services. It will be a destination based consumption tax.
2. There will be a dual GST with the Centre and States simultaneously levying it on a common tax base. The GST to be levied on intra-State supplies of goods and/or services by the Centre will be Central GST (CGST) and that to be levied by the States will be the State GST (SGST).
3. The GST to be levied on Inter-State Supply of Goods and Services and on import of goods and services (in the place of CVD and SAD) is Integrated Goods and Services Tax (IGST), which is equal to CGST plus SGST. It will be levied and collected by Centre under IGST Act, 2017. Accounts would be settled periodically between the Centre and the States to ensure that the SGST portion of IGST is transferred to the Destination State where the goods or services are eventually consumed.
4. The GST would apply to all goods other than alcoholic liquor for human consumption and five petroleum products, viz, petroleum crude, motor spirit (petrol), high speed diesel, natural gas and aviation turbine fuel. It would apply to all services barring a few to be specified.
5. Tobacco and tobacco products would be subject to GST. In addition, the Centre would have the power to levy Central Excise duty on these products.
6. The GST would replace the following taxes currently levied and collected by the Centre:
  - a. Central Excise duty
  - b. Duties of Excise (Medicinal and Toilet Preparations)
  - c. Additional Duties of Excise (Goods of Special Importance)
  - d. Additional Duties of Excise (Textiles and Textile Products)
  - e. Additional Duties of Customs (commonly known as CVD)
  - f. Special Additional Duty of Customs (SAD)
  - g. Service Tax
  - h. Central Surcharges and Cesses so far as they relate to supply of goods and services
7. State taxes that would be subsumed under the GST are:
  - a. State VAT
  - b. Central Sales Tax
  - c. Luxury Tax
  - d. Entry Tax (all forms)
  - e. Entertainment and Amusement Tax (except when levied by the local bodies)
  - f. Taxes on advertisements

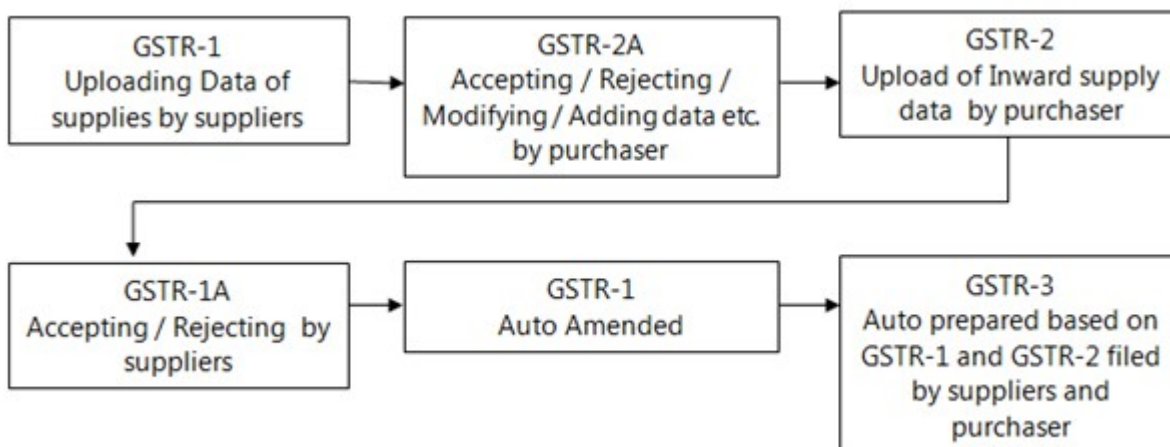
- g. Purchase Tax
  - h. Taxes on lotteries, letting and gambling
  - i. State Surcharges/Additional Taxes and Cesses so far as they relate to supply of goods and services
8. There are 5 tax rate slabs decided by the GST council 5%, 12%, 18% and 28%. In addition Cess will be levied by the Centre on certain commodities.
9. The list of exempted goods and services will be common for the Centre and the States.
10. Tax payers with an aggregate turnover in a financial year up to 20 lakhs would be exempt from tax. [Aggregate turnover shall include the aggregate value of all taxable and non-taxable supplies, exempt supplies and exports of goods and/or services and exclude taxes under the Act viz. GST.] Aggregate turnover shall be computed on all India basis. For North East States and Sikkim, the exemption threshold shall be [ 10 lakhs]. All tax payers eligible for threshold exemption however, shall have option of paying tax and avail input tax credit (ITC) benefits.
- The tax payers making inter-State supplies or paying tax on reverse charge basis shall not be eligible for threshold exemption. In other words, The traders supplying goods to other states will need to register under the Goods and Services Tax (GST) even if their turnover is below Rs 20 lakh. "Rs 20 lakh registration limit is only for intra-state traders,"
11. The traders, who have turnover below Rs 20 lakh and supply goods and services within the state, can also go for voluntary registration to avail input tax credit
- "But once registered, the traders will have to pay taxes on all supplies, even if turnover is less than Rs 20 lakh,".
- Even if there were no transactions in a certain month, return would have to be filed once registration was done
12. Small tax payers with an aggregate turnover in a financial year up to 75 lakhs shall be eligible for composition levy. Under the scheme, a tax payer shall pay tax as a percentage of his turnover during the year without the benefit of ITC. The floor rate of tax for CGST and SGST shall not be less than [1%]. A tax payer opting for composition levy shall not collect any tax from his customers. The composition scheme is optional. The eligible taxpayers shall have the option of switching over as a regular tax payer **and thereby paying tax with ITC benefits**. Taxpayers making inter-State supplies or paying tax on reverse charge basis shall not be eligible for composition scheme.
13. Tax payers shall be allowed to take credit of taxes paid on inputs (Input Tax Credit - ITC) and utilize the same for payment of GST on outward supplies. However, no input tax credit on account of CGST shall be utilized towards payment of SGST and *vice versa*. The credit of IGST would be permitted to be utilized for payment of IGST, CGST and SGST in that order. ITC of cess may be utilised for payment of cess only.
14. HSN (Harmonized System of Nomenclature) Code shall be used for classifying the goods under the GST regime.
15. Exports shall be treated as zero-rated supply. No tax is payable on export of goods or services but credit of the input tax related to the inward supply of inputs and input

services attributed to supply of such export of goods/services shall be admissible to exporters and the same can be claimed as space refund by them. In case export is made on payment of Tax, refund of such tax shall be given to the exporters.

16. Import of goods and services would be treated as inter-State supplies and would be subject to IGST in addition to the applicable customs duties. The IGST paid shall be available as ITC for further transactions.
17. The laws, regulations and procedures for levy and collection of CGST, UTGST, IGST and SGST has been harmonized to the extent possible.
18. GSTIN will be in the format as specified below, which shall have a checksum digit to locate and process several data based on this unique identification number of the taxpayer, for different business processes like populating data in the domain of connected taxpayers, managing mismatches at item level of supply and purchase data, fund settlement etc.

State Code		PAN										Entity Code		Check Digit
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15

19. Accordingly, before filing of GSRT-3 following procedure may be followed for rectification and finalization of returns :



21. A registered taxpayer, who is registered under the Composite Scheme will pay tax at a rate not more than 1% for manufacturer, 2.5% for restaurant sector and 0.5% for other suppliers of turnover.

Serial No	Category of registered persons	Rate of Tax CGST	Rate of Tax SGST	Total Rate of Tax
1	Manufacturers (other than manufacturers of notified goods)	1%	1%	2%
2	Suppliers (food or any other article for human consumption or any drink (other than alcoholic liquor for human consumption))	2.5%	2.5%	5%
3	Other supplies	0.5%	0.5%	1%

22. Credit of CGST paid on inputs may be used only for paying CGST on the output. Credit of SGST paid on inputs may be used only for paying SGST on the output.
- o ITC of CGST allowed for payment of CGST.
  - o ITC of SGST allowed for payment of SGST.
  - o ITC of CGST allowed for payment of CGST & IGST, in that order.
  - o ITC of SGST allowed for payment of SGST & IGST, in that order.
  - ITC of IGST allowed for payment of IGST, CGST & SGST, in that order

## Calculation Of GST ( IGST, CGST & SGST)

For PURCHASE & PAYMENT :	IGST	CGST	SGST
<b>For Transaction 1 :</b> GST paid to party on assessable value of Rs.4,000 @ 18 % GST is Rs. 720		360	360
<b>For Transaction 2 :</b> GST paid to Party on the assessable Value of Rs. 40,000 @ 28% GST is Rs. 11,200		5600	5600
<b>For Transaction 3 :</b> IGST paid on the assessable Value of Rs. 90,000 @ 18% GST is Rs. 16,200 & Rs. 20,000 @ 12% GST is Rs. 2,400 [ 16200+2400]	18600		
<b>Total of Input GST [ IGST, SGST &amp; CGST]</b>	<b>18600</b>	<b>5960</b>	<b>5960</b>

<b>For SALES :</b>			
<b>For Transaction 6 :</b> GST received from Party on assessable value of Rs. 7,500 @ 18% GST Rs. 1350		675	675
<b>For Transaction 7 :</b> GST received from Party on assessable value of Rs. 45,000 @ 28 % GST Rs. 12600		6300	6300
<b>For Transaction 8 :</b> GST received on the assessable Value of Rs. 1,00,000 @ 18% GST is Rs. 18,000.		9000	9000
<b>For Transaction 9 :</b> IGST received on the assessable Value of Rs. 30,000 @ 12% IGST is Rs.3600 for sale outside State.	3600		
<b>Total Output GST [ IGST, SGST &amp; CGST]</b>	<b>3600</b>	<b>15,975</b>	<b>15,975</b>

**TABLE OF GST ADJUSTMENT :**

<b>Particulars</b>	<b>IGST</b>	<b>CGST</b>	<b>SGST</b>
Output GST Liability	3600	15,975	15,975
<b>Less : Input GST Credit</b>			
Input CGST		5960	
Input SGST			5960
Input IGST	3600	10015	4985
<b>Amount Payable i.e SGST only</b>	<b>NIL</b>	<b>NIL</b>	<b>5030</b>

Any IGST credit will first be applied to set off IGST and then CGST.

Balance if any will be applied to setoff SGST.

So out of total input IGST of Rs. 18,600, firstly it will be completely setoff against IGST i.e. 3600. Then balance Rs.15,000 against CGST i.e. Rs. 10015 and remaining Balance of Rs. 4985 against SGST

From the total Output GST Rs.35,550, only Output SGST of Rs. 5030 is payable.

***So the Set-Off Entries will be -***

**1. Setoff against CGST Output**

Output CGST A/c Dr. ....	15975		
To Input CGST A/c		5960	
To Input IGST A/c		10015	

**2. Setoff against SGST Output**

Output SGST A/c Dr. ....	15975		
To Input SGST A/c		5960	
To Input IGST A/c		4985	

	To	Output SGST Payable A/c		5030
<b>3.</b>		<b>Setoff against IGST Output</b>		
	Output IGST A/c Dr. ....		3600	
	To	Input IGST A/c		3600
<b>4.</b>		<b>Final Payment of Output SGST Payable of Rs. 5030</b>		
	Output SGST Payable A/c Dr. ....		5030	
	To	Bank A/c		5030

## Activating GST for your Company in Tally.ERP9

To use Tally.ERP 9 for GST compliance, you need to activate the GST feature. Once activated, GST-related features are available in ledgers, stock items, and transactions, and GST returns can be generated.

### To activate GST

1. Open the company for which you need to activate GST.
2. Press **F11 > F3**.

**ATTITUDE**



Company: Swayam Education Pvt. Ltd.

Statutory and Taxation

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

Tax Information

PAN/Income tax no. : ASTPS0783A

Corporate Identity No. (CIN): UAAAAAABBBBBBCCCC21

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

3. Enable Goods and Services Tax (GST) - **Yes**.
4. Set/alter GST details - **Yes**.

GST Details

State	: <b>Odisha</b>
Registration type	: Regular
GSTIN/UIN	: 21ASTPS0783A1Z5
Applicable from	: 1-Jul-2017
Set/alter GST rate details	? No
Enable GST Classifications	? No
Provide LUT/Bond details	? No

**State:** Displays the state you have selected for your company. Helps in identifying local and interstate transactions. If you change the state, it will be updated in the company details

## Purchase from Unregistered Dealers under Reverse Charge in GST in Tally.ERP9

Under reverse charge, you can account for taxable purchase of goods from unregistered dealers

(URD), purchases against advance paid, cancellation of purchase after advance payment, and purchase returns. The transaction details are captured in **GSTR-3B** report.

To record purchases from an unregistered dealer, you need to

1. Updating your party ledgers
2. Recording a purchase invoice
3. Recording a journal voucher to raise the tax liability
4. GST payment voucher for paying liability under reverse charge
5. Claim tax credit on reverse charge liability raised

## 1. Updating your party ledgers

You need to identify the party as an unregistered dealer.

### To update your party ledger

1. Go to **Gateway of Tally > Accounts Info. > Ledgers > Alter** > select the ledger.

Ledger Alteration		National Enterprises		Ctrl + M
Name	: J.S. Enterprises			Total Opening Balance
(alias)	:			
Under	: Sundry Creditors (Current Liabilities)	Mailing Details		
Maintain balances bill-by-bill	? Yes	Name	: J.S. Enterprises	
Default credit period	:	Address	: 5th Block Jayanagar Bangalore	
Check for credit days during voucher entry	? No	Country	: India	
Inventory values are affected	? No	State	: Karnataka	Pincode :
		Provide bank details	: No	
		Tax Registration Details		
		PAN/IT No.	:	
		Set/alter GST details	? Yes	
Opening Balance (on 1-Jul-2017) :				

2. **Set/alter GST details? - Yes.**

3. In **GST Details** screen, **Registration Type - Unregistered.**

GST Details		Registration Types
Registration type	: Unregistered	Unknown
GSTIN/UIN	:	Composition
Party Type	:	Consumer
Is a e-Commerce operator	?	Regular
		<b>Unregistered</b>

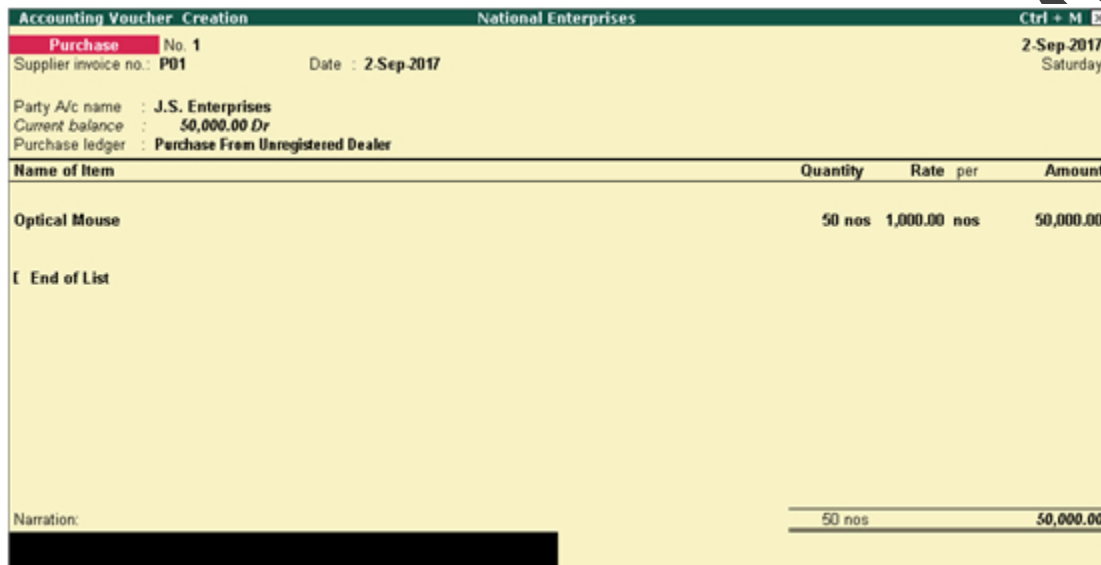


4. Press **Ctrl+A** to save.

## 2. Recording a purchase invoice

### To record a purchase entry

1. Go to **Gateway of Tally > Accounting Vouchers > Accounting Vouchers > F9: Purchase**.
2. Enter the details as required.



Name of Item	Quantity	Rate per	Amount
Optical Mouse	50 nos	1,000.00 nos	50,000.00
[ End of List			
Narration:			50 nos 50,000.00

Link the bill reference of the payment voucher (by selecting **Agst Ref** in the **Bill-wise Details** screen) to the purchase invoice, if you have made an advance payment.

3. Click **A: Tax Analysis > F1: Detailed** to view the detailed **Tax Analysis** report that displays the reverse charge amount.



Particulars	Taxable Value	Tax rate	Duty/Tax Value
<b>Purchase From Unregistered Dealer - Taxable</b>	50,000.00		9,000.00
Optical Mouse			9,000.00
Item Value ( Purchase Value 50,000.00 )	50,000.00		
Central Tax		9%	4,500.00
State Tax		9%	4,500.00
<i>Note: Amount of tax subject to reverse charge</i>			
	As per Calculation		9,000.00
	As per Transaction		

4. Press **Escape (Esc)** to go back to the purchase voucher.

5. Press **Ctrl+A** to save.



Accounting Voucher Creation		National Enterprises		Ctrl + M
<b>Journal</b> No. 2				30-Sep-2017 Saturday
Used for: Increase of Tax Liability (Additional Details: Purchase From Unregistered Dealer)				
Particulars	Debit	Credit		
Dr Tax on Purchase From URD Cur Bal: 9,000.00 Dr	9,000.00			
Cr Central Tax Cur Bal: 0.00 Cr		4,500.00		
Cr State Tax Cur Bal: 0.00 Cr		4,500.00		
Narration:			9,000.00	9,000.00
			Accept ? Yes or No	

6. Press **Enter** to save.

4. GST payment voucher for paying liability under reverse charge

To record a tax payment voucher

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

Accounting Voucher Creation		National Enterprises		Ctrl + M
<b>Payment</b> No. 2				30-Sep-2017 Saturday
Statutory payment for: GST (Payment Type: Recipient Liability)				
Account : Bank of India Cur Bal: 2,64,900.00 Dr				
Particulars	Amount			
State Tax Cur Bal: 2,250.00 Dr	4,500.00			
Central Tax Cur Bal: 2,250.00 Dr	4,500.00			
Provide GST Details: <b>Yes</b>				
Narration:			9,000.00	
			Accept ? Yes or No	

2. Click **S: Stat Payment** and enter the required details.

Statutory Payment	
Tax Type	: GST
Period From	: 1-Sep-2017 To
Payment Type	: Regular

Type of Payment
Any
Advance
<b>Recipient Liability</b>
Regular

**Payment Type:** Set the type of payment as **Recipient Liability**.

- Account:** Select the bank from which the payment will be made.
- Select the central and state tax ledgers.
- Provide GST details:** Enable this option to enter the bank details.

Bank Details	
Mode of payment	: Net Banking - (E-Payments)
Name of the Bank	: Bank of India
Common Portal Identification Number(CPIN)	: 12352145214521
Challan Identification Number(CIN)	:
BRN/UTR	: BOI187545
Payment date	: 30-Sep-2017

If the bank details are not available, you can enter them later in the **Challan Reconciliation** report.

- In the **Bank Allocations** screen, select the ledgers, enter the amount and provide the payment details.
- Press **Enter** to save.

## 5. Claim tax credit on reverse charge liability raised

### To claim tax credit

- Go to **Gateway of Tally > Display > Statutory Reports > GST > GSTR-3B > R: Show URD Purc.** You can claim tax credit for the amount shown as **Liability booked** in this report.



## HSN/SAC Summary Report in Tally.ERP9

HSN/SAC Summary report contains the details of HSN/SAC-wise taxable value and tax amount that needs to be filed along with GST returns. The HSN Summary in the GSTR-1 report of Tally.ERP 9 provides HSN/SAC-wise details of all outward supplies. GSTR-2 provides HSN/SAC-wise details of all inward supplies.

### To view HSN/SAC summary of outward supplies

1. Go to **Gateway of Tally > Display > Statutory Reports > GST > GSTR-1** or **GSTR-2**.
2. Click **N: HSN/SAC Summary** in the **GSTR-1** report. The **HSN/SAC Summary** report appears.

HSN/SAC Summary										
National Enterprises										
1-Jul-2017 to 31-Jul-2017										
Description	HSN/SAC	Type of Supply	Quantity	UOM	Taxable Value	Integrated Tax Amount	Central Tax Amount	State Tax Amount	Cess Amount	Total Tax Amount
	(not configured)	Goods	260	No	46,500.00		2,025.00	2,025.00	180.00	4,230.00
Desc	78945621	Goods	20	No	11,000.00					
Desc	AB	Goods	98	No	18,800.00		1,340.00	1,340.00	148.00	2,828.00
Desc	84158318	Services		No	33,000.00		1,200.00	1,200.00	240.00	2,640.00
Desc	AB	Services		No	1,000.00					
Desc	84158310	Goods	10	No	1,000.00				10.00	10.00
<b>Grand Total</b>					<b>1,11,300.00</b>		<b>4,565.00</b>	<b>4,565.00</b>	<b>578.00</b>	<b>9,708.00</b>

**Description:** Displays the description specified for the HSN/SAC.

**HSN/SAC:** Displays the HSN code or SAC of the good or service.

**Type of Supply:** Display the Type of Supply selected for the HSN/SAC.

**Quantity UOM:** Displays the quantity supplied for the period using the defined unit of measurement.

**Taxable Value:** Displays the consolidated taxable value from all the transactions in the period for the HSN/SAC.

**Integrated Tax Amount:** Displays the consolidated integrated tax amount from all the interstate transactions in the period for the HSN/SAC.



**Central Tax Amount:** Displays the consolidated central tax amount from all the interstate transactions in the period for the HSN/SAC.

**State Tax Amount:** Displays the consolidated state tax amount from all the interstate transactions in the period for the HSN/SAC.

**Cess Amount:** Displays the consolidated cess tax amount from all the interstate transactions in the period for the HSN/SAC.

**Total Tax Amount:** Displays the total tax amount from all the interstate transactions in the period for the HSN/SAC.

Drill down from any HSN/SAC to view the list of transactions.

Voucher Register		National Enterprises							Ctrl + H		
Vouchers of : 84158318		1-Jul-2017 to 31-Jul-2017									
Date	Particulars	GSTIN/UIN	Vch Type	Vch No.	Taxable Value	Integrated Tax Amount	Central Tax Amount	State Tax Amount	Cess Amount	Total Tax Amount	Invoice Amount
10-7-2017	Suma Computers	29ABCDE1234A124	Sales	135	30,000.00		1,000.00	1,000.00	200.00	2,200.00	32,200.00
14-7-2017	Kumar Traders	29ABCDE5241A123	Sales	138	1,000.00						1,000.00
16-7-2017	Suma Computers	29ABCDE1234A124	Sales	140	1,000.00		100.00	100.00	20.00	220.00	1,220.00
28-7-2017	Suma Computers	29ABCDE1234A124	Sales	153	1,000.00		100.00	100.00	20.00	220.00	1,220.00
<b>Grand Total</b>					<b>33,000.00</b>		<b>1,200.00</b>	<b>1,200.00</b>	<b>240.00</b>	<b>2,640.00</b>	<b>35,640.00</b>

### F12: Configure

**View Summary of:** This option enables you to view report with values for only goods or services or both.

**View vouchers based on HSN/SAC:** This option enables you view the report with values of goods or services that have HSN/SAC information or without these details or both.

# FAQ @ Recording Transactions under GST in Tally.ERP9

1. How to record expenses incurred in the furtherance of business like rent, telephone

### **expenses, stationery and so on, and claim them under GST?**

Expenses incurred for the furtherance of business, such as rent (commercial), telephone bill, stationery and so on, can be claimed under GST by recording them as purchases and not as expenses. To record such purchases, create a party ledger (party from whom such goods are procured) and ensure that GSTIN of the party is updated in the ledger. When the supplier uploads his GSTR-1, the details will appear in your GSTR-2A. You can claim input credit by confirming the same in your GSTR-2.

### **2. How do I account for consignment sales?**

Consignment sales is similar to other sales under GST. You can record the sales invoice with GST ledgers (if it is taxable), and record a tax payment voucher to pay tax.

### **3. How to make stock transfer entry between two godowns of same organisation inside the state and outside the state?**

Under the GST regime, stock transfer to a godown or to an entity with a different GSTIN registration is considered taxable supply. Hence, if stock is transferred to a godown of the same organisation, it is recorded as a transfer if the godown is operating under the same GSTIN. In case the godown has a different GSTIN, it is recorded as an taxable outward supply. You can record transfers using delivery note or material out voucher types, and taxable outward supplies using sales vouchers in Tally.ERP 9.

In case of supply to a godown outside the state, it is recorded as a taxable outward supply, since the same GSTIN cannot be used for business operations in two different states.

### **4. How to account for works contract sales and purchases?**

Works contract is treated as a service under GST. The works contract purchases and sales have to be recorded as taxable purchases and sales. Based on the **State** in which the party is located, you can select the taxable **Nature of transactions** provided for sales and purchases, and the GST ledgers in the invoice.

### **5. How to maintain transactions of job work under GST?**

You can manage your job work entries using the existing features of job work in Tally.ERP 9. When the GST rules related to job work are finalised, necessary changes will be incorporated, and made available in Tally.ERP 9.

### **6. How to record inclusive-of-tax transactions?**

In Tally.ERP 9 Release 5.0 and later versions, recording inclusive-of-tax transaction is simplified. Earlier you had to create a voucher class with inclusive-of-tax percentages to record inclusive-of-tax transactions.

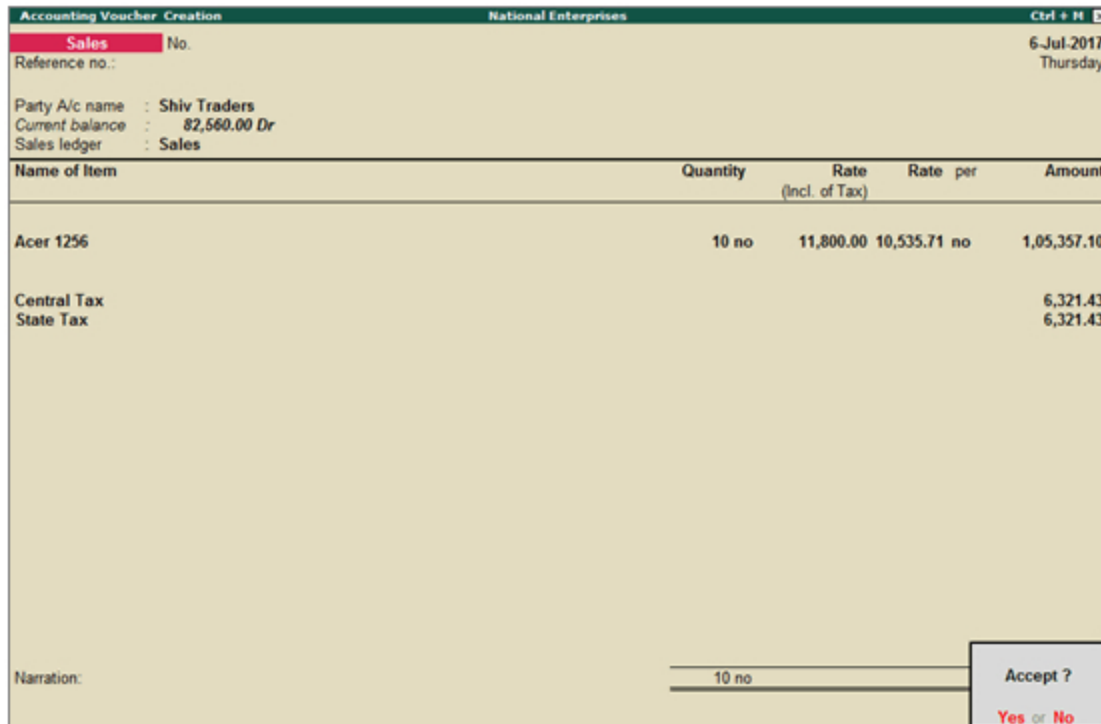
Now, this can be done by enabling the option Allow entry of rate inclusive of tax for stock item? under F12: Configure in sales or purchase invoice.

## **To record an inclusive-of-tax transaction**

1. Go to **Gateway of Tally > Accounting Vouchers > F8: Sales**.
2. Click **F12: Configure** and enable the option **Allow entry of rate inclusive of tax for stock item?**

The column **Rate (Incl. of Tax)** appears in the invoice.





Name of Item	Quantity	Rate (incl. of Tax)	Rate per	Amount
Acer 1256	10 no	11,800.00	10,535.71 no	1,05,357.10
Central Tax				6,321.43
State Tax				6,321.43

Narration: \_\_\_\_\_ 10 no \_\_\_\_\_    
Yes or No

**Rate (incl. of Tax):** Enter the rate of the item including tax in this column. The actual rate will appear in the **Rate** column. The tax amount will appear automatically on selecting the tax ledgers.

## Table-wise View in the GSTR-1 Report in TallyERP9

GSTR-1 report can be viewed in the table-wise format. The table-wise report is structured in line with the GSTR-1 format given by the department.

### To view the report in table-wise format

- Click **V: Table-wise View** in the **GSTR-1** report.



GSTR-1 National Enterprises Ctrl + M									
GSTR-1 1-Jul-2017 to 31-Jul-2017									
Returns Summary									
Total number of vouchers for the period									
Included in returns									36
Not relevant for returns									0
Incomplete/Mismatch in information (to be resolved)									0
Sl No.	Particulars	Voucher Count	Taxable Value	Integrated Tax Amount	Central Tax Amount	State Tax Amount	Cess Amount	Tax Amount	Invoice Amount
1	B2B Invoices - 4A, 4B, 4C, 6B, 6C	11	9,12,382.18	65,567.01	26,775.00	26,775.00	4,744.11	1,23,861.12	9,91,243.30
2	B2C(Large) Invoices - 5A, 5B	3	13,58,000.00	2,44,440.00				2,44,440.00	16,02,440.00
3	B2C(Small) Invoices - 7	6	6,03,750.00	18,000.00	27,837.50	27,837.50	5,000.00	78,675.00	6,82,425.00
4	Credit/Debit Notes(Registered) - 9B	2	(-)32,250.00		(-)2,902.50	(-)2,902.50		(-)5,805.00	(-)38,055.00
5	Credit/Debit Notes(Unregistered) - 9B	2	(-)3,95,000.00	(-)71,100.00				(-)71,100.00	(-)4,66,100.00
6	Exports Invoices - 6A	3	3,82,000.00	17,100.00				17,100.00	3,99,100.00
7	Tax Liability(Advances received) - 11A(1), 11A(2)								
8	Adjustment of Advances - 11B(1), 11B(2)								
9	Nil Rated Invoices	9	13,46,475.00						13,46,475.00
<b>Total</b>		<b>36</b>	<b>41,75,357.18</b>	<b>2,74,007.01</b>	<b>51,710.00</b>	<b>51,710.00</b>	<b>9,744.11</b>	<b>3,87,171.12</b>	<b>45,17,528.30</b>
HSN wise Summary - 12									
<i>Note: Voucher count and values are not provided for HSN wise summary. Drill down for details.</i>									

By default the table-wise format displays rows related to values for current reporting period. And rows of previous period amendments, if values are available. To view all the amendment rows, enable the option **Show amendment tables with zero values?** under **F12: Configure**.

Configuration	
Show tax types in separate columns	? Yes
Export voucher numbers with more than 16 characters ?	<b>Yes</b>

Given below is the description of different tables.

Table name	Description
5 B2B invoices	<p>Displays the taxable value and tax amount from taxable supplies to a registered person recorded in the reporting period. The transactions recorded with</p> <p><b>Nature of transaction as</b></p> <ul style="list-style-type: none"> <li>• Sales Taxable</li> <li>• Interstate Sales Taxable</li> <li>• Sales Exempt</li> <li>• Interstate Sales Exempt</li> <li>• Sales Nil Rated</li> <li>• Interstate Sales Nil Rated</li> </ul> <p><b>Taxability as</b></p>

	<ul style="list-style-type: none"> <li>• Taxable</li> <li>• Exempt</li> <li>• Nil Rated</li> </ul> <p><b>Registration type as</b></p> <ul style="list-style-type: none"> <li>• Regular</li> <li>• Composite</li> <li>• Unknown (with GSTIN)</li> </ul>
5A Amendments to B2B Invoices	Displays amendments to details of outward supplies to a registered person of earlier tax periods.
6 B2C(Large) Invoices	<p>Displays taxable value and tax amount from taxable outward supplies to a consumer where place of supply is other than the state where supplier is located (Inter-state supplies) and invoice value is more than Rs 2.5 lakh. The transactions recorded with,</p> <p><b>Nature of transaction as</b></p> <ul style="list-style-type: none"> <li>• Interstate Sales Taxable</li> <li>• Interstate Sales Exempt</li> <li>• Interstate Sales Nil Rated</li> </ul> <p><b>Taxability as</b></p> <ul style="list-style-type: none"> <li>• Taxable</li> <li>• Exempt</li> <li>• Nil Rated</li> </ul> <p><b>Registration Type as</b></p> <ul style="list-style-type: none"> <li>• Unregistered</li> <li>• Consumer</li> <li>• Unknown (with GSTIN)</li> </ul>
6A Amendments to B2C(Large) Invoices	Displays amendments to details of taxable outward supplies to a consumer where place of supply is other than the state where supplier is located (Inter-state supplies) and invoice value is more than Rs 2.5 lakh of earlier tax periods.
7 B2C(Small) Invoices	<p>Displays taxable value and tax amount from taxable outward supplies to consumer (Other than captured in table 6). The transactions recorded with</p> <p><b>Nature of transaction as:</b></p> <ul style="list-style-type: none"> <li>· Interstate Sales Taxable</li> <li>· Interstate Sales Exempt</li> <li>· Sales Taxable</li> <li>· Sales Exempt</li> <li>· Sales Nil Rated</li> </ul>

	<ul style="list-style-type: none"> <li>· Interstate Sales Nil Rated</li> <li>· Sales to Consumer – Taxable</li> <li>· Sales to Consumer – Exempt</li> </ul> <p><b>Taxability as:</b></p> <ul style="list-style-type: none"> <li>· Taxable</li> <li>· Exempt</li> <li>· Nil Rated</li> </ul> <p><b>Registration Type as:</b></p> <ul style="list-style-type: none"> <li>· Unregistered</li> <li>· Consumer</li> <li>· Unknown (with GSTIN)</li> </ul> <p>and invoice value of less than 2.5 lakhs are captured in this table.</p>
7A Amendments to B2C(Small) Invoices	Displays amendments to details of taxable value and tax amount from taxable outward supplies to consumer (Other than captured in table 6) of earlier tax periods.
8 Credit/Debit Notes	<p>Displays the taxable value and tax amount from credit and debit notes recorded in the reporting period. The credit and debit note transactions recorded with</p> <p><b>Nature of transaction as</b></p> <ul style="list-style-type: none"> <li>● Interstate Sales Taxable</li> <li>● Interstate Sales Exempt</li> <li>● Interstate Sales Nil Rated</li> <li>● Sales Taxable</li> <li>● Sales Exempt</li> <li>● Sales Nil Rated</li> </ul> <p><b>Taxability as</b></p> <ul style="list-style-type: none"> <li>● Taxable</li> <li>● Exempt</li> <li>● Nil Rated</li> </ul> <p><b>Registration type as</b></p> <ul style="list-style-type: none"> <li>● Regular</li> <li>● Composite</li> <li>● Unknown (with GSTIN)</li> </ul>
8A Amendments to Credit/Debit Notes	Displays amendment to details of credit and debit notes of earlier tax periods.

<p>9 Nil Rated Invoices</p>	<p>Displays the taxable value from nil rated, exempt and non-GST outward supplies. The transactions recorded with,</p> <p><b>Nature of transaction as</b></p> <ul style="list-style-type: none"> <li>● Sales Exempt</li> <li>● Interstate Sales Exempt</li> <li>● Sales Nil Rated</li> <li>● Interstate Nil Rated</li> </ul> <p><b>Taxability as</b></p> <ul style="list-style-type: none"> <li>● Taxable</li> <li>● Nil Rated</li> </ul> <p><b>Registration type as</b></p> <ul style="list-style-type: none"> <li>● Regular</li> <li>● Composite</li> <li>● Consumer</li> <li>● Unregistered</li> <li>● Unknown (with GSTIN)</li> </ul> <p>and, Is Non-GST good? option enabled.</p>
<p>10 Exports Invoices</p>	<p>Displays the taxable value and tax amount from supplies exported (including deemed exports) in the reporting period. The transactions recorded with,</p> <p><b>Nature of transaction as</b></p> <ul style="list-style-type: none"> <li>● Exports Taxable</li> <li>● Exports - LUT/Bond</li> <li>● Exports Exempt</li> <li>● Deemed Exports Taxable</li> <li>● Deemed Exports Exempt</li> <li>● Sales to SEZ - Taxable</li> <li>● Sales to SEZ - Exempt</li> <li>● Sales to SEZ - LUT/Bond</li> </ul> <p><b>Taxability as</b></p> <ul style="list-style-type: none"> <li>● Taxable</li> <li>● Exempt</li> <li>● Nil Rated</li> </ul> <p><b>Registration type as</b></p> <ul style="list-style-type: none"> <li>● Composite</li> <li>● Consumer</li> </ul>

	<ul style="list-style-type: none"> <li>• Unregistered</li> <li>• Unknown</li> </ul>
10A Amendments to Exports Invoices	Displays details of amendments to supplies exported of earlier tax periods.
11 Tax Liability on Advances	Displays tax liability arising on account of time of supply without issuance of invoice in the same period. The tax amount credited in the receipt transactions recorded by using the option <b>Advance Receipt</b> are captured in this table.
11A Amendments to Tax Liability on Advances	Displays details of amendments to tax liability arising on account of time of supply without issuance of invoice in the same period.
12 Setoff of Tax Paid against Advances	Displays tax already paid (on advance receipt/ on account of time of supply) on invoices issued in the current period. Displays the tax amount from sales transactions for which tax liability was created in advance receipts recorded in previous period.

## Using Multiple addresses for Ledger Account in Tally.EP9

You can create a single ledger with multiple addresses and record their statutory details thus avoiding creation of ledgers for each location. This can be done by [configuring the use of multiple addresses](#) in the required party ledger and [specifying the different addresses](#). The address required [can be selected from the defined addresses during transaction entry](#).

### To use multiple addresses for ledgers

1. Go to **Gateway of Tally > Accounts Info > Ledgers > Create**. The **Ledger Creation** screen appears.
2. Click **F12: Configure**. The **Master Configuration** screen appears.
3. Set the option **Use MULTIPLE Addresses** to **Yes**.



<u>Ledger Configuration</u>	
Allow ALIASES along with Names	? Yes
Allow Language ALIASES along with Names	? No
Allow ADVANCED entries in Masters	? Yes
Add NOTES for Ledger Accounts	? No
Use ADDRESSES for Ledger Accounts	? Yes
Use CONTACT Details	? No
Use MULTIPLE Addresses	? <b>Yes</b>
Use Other Information for Ledger Accounts	? No

4. Click **Enter** to save the configuration and go to the **Ledger Creation** screen.

**Note:** The option **Use Multiple Addresses** can also be enabled from **Gateway of Tally > F12: Configure > Accts / Inventory Info**.

- Type the name of the Party in the **Name** field (E.g. Supplier A).
- Select the **group** from the **List of Groups** (E.g. Sundry Creditors).
- Set the option **Set/Alter Multiple Mailing Details** to **Yes**.

<u>Ledger Alteration</u>		ABC Company		Ctrl + M	
English	:			Total Op. Bal.	
Name	:	Supplier A		5,000.00 Dr	
				Difference	
				5,000.00 Dr	
Under	:	Sundry Creditors (Current Liabilities)		<b>Mailing Details</b>	
Maintain balances bill-by-bill	:	? Yes		Name : Supplier A	
Default Credit Period	:			Address : 27, M.G.Road, Bangalore	
Inventory values are affected	:	? No		State : Karnataka	
Cost centres are applicable	:	? No		PIN Code : 560005	
<b>Statutory Information</b>				Contact Person : Kumar	
Is Service Provider/Receiver	:	? No		Telephone No. : 080-25485481	
				Fax : 080-25485482	
				E-Mail : suppliera@abc.com	
				Set/Alter Multiple Mailing Details ? <b>Yes</b>	
				<b>Tax Information</b>	
				PAN / IT No. : AHWPL8774D	
				Set/Alter VAT Details ? No	
				Set/Alter Excise Details? No	
Opening Balance ( on 1-Apr-2010 ) :					

- Press **Enter**.
- The **Address Type** screen for the ledger being created appears.
- Type the name of the Party's Location (E.g. Supplier A WH-1).

Address Type	
Address Types for: <u>Supplier A</u>	
Address Types	
1.	<b>Supplier A WH-1</b>

11. Press **Enter**. The **Mailing Details** screen appears.

12. Enter the **Mailing Name, Address, State, PIN Code,** and the **Statutory & Taxation Information** in the respective fields provided. The filled **Mailing Details** screen appears as shown:

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Mailing Details		ABC Company		Ctrl + M	
Address Types for: Supplier A			Total Cr. Amt.		5,000.00 Dr
			Difference		0,000.00 Dr
<b>Mailing Details for: Supplier A WH-1</b>					
Address	Supplier A Warehouse-1 Brigade Parade East Wing, 81, Stephens Road, Bangalore				
State	Karnataka				
PIN Code	560005				
Contact Person	Suresh				
Telephone No.	080-25532548				
Fax No.	080-25532549				
Mobile No.	9897969594				
E-Mail	supplierwh1@abc.com				
<b>Statutory &amp; Taxation Information</b>					
PAN / Income Tax No.	AHIWK9837D				
<b>VAT Details</b>					
TIN / Sales Tax No.	34234234423				
CST No.	34452342343				
<b>Excise Details</b>					
Excise Registration (ECC) No.	AEXPT5130MXM001				
Excise Range	Koramangala				
Excise Division	DIV III				
Excise Commissionerate	Adurodi, Bangalore.				
			<b>Mailing Details</b>		
			Name		Supplier A B
			Address		27, M.G.Road, Bangalore
			State		Karnataka
			PIN Code		560005
			Contact Person		Kumar
			Telephone No.		080-25485481
			Fax		080-25485482
			E-Mail		suppliera@abc.com
			Set/Alter Multiple Mailing Details ?		Yes
			<b>Tax Information</b>		
			PAN / IT No.		AHWPL8774D
			Set/Alter VAT Details ?		No
			Set/Alter Excise Details?		No

13. Press **Enter**, the **Address Type** screen appears.
14. Enter another **Address Type** name to create the required **Mailing Details**.
15. Press **Enter**, the **Ledger Creation** screen appears.
16. Press **Ctrl+A** to save the ledger.

## Use Multiple Addresses in Transactions

### To select an address type in transactions

1. Go to **Gateway of Tally > Accounting Vouchers > F9: Purchase**.
2. Select the required **Date**, type the **Supplier Invoice No.** and **Date**.
3. Select the party ledger in the field **Party's A/c Name**. The **Supplier's Details** screen displays the **Primary Address**.
4. In the **Address Type** field of **Consignee**, select the required address type of the Company (E.g. Branch Office) as shown:





enter **Consignee** details.

8. The **Supplier's Details** screen after selecting the required **Address Type** appears as shown:

Supplier's Details			
Consignee	: ABC Company	Supplier	: Supplier A
Address Type	: Branch Office	Address Type	: Supplier A WH-1
Address	: 54, M.G Road, Bangalore E-Mail : abcbo@abc.com	Address	: Supplier A Warehouse-1 Brigade Parade East Wing, 81, Stephens Road, Bangalore
TIN/Sales Tax No.	: 78768568566	TIN/Sales Tax No.	: 34234234423
CST Number	: 23452345124	CST Number	: <b>34452342343</b>
		Type of Dealer	: <b>Not Applicable</b>

9. Press **Enter**.
10. Select the **Purchase** ledger.
11. Select the **Item, Quantity, and Rate**.
12. Press **Enter**.
13. Press **Ctrl+A** to save the transaction.

## Using Multiple addresses for Ledger Account in Tally.EP9

You can create a single ledger with multiple addresses and record their statutory details thus avoiding creation of ledgers for each location. This can be done by configuring the use of multiple addresses in the required party ledger and specifying the different addresses. The address required can be selected from the defined addresses during transaction entry.

To use multiple addresses for ledgers

1. Go to Gateway of Tally > Accounts Info > Ledgers > Create. The Ledger Creation screen appears.
2. Click F12: Configure. The Master Configuration screen appears.
3. Set the option Use MULTIPLE Addresses to Yes.

Ledger Configuration	
Allow ALIASES along with Names	? Yes
Allow Language ALIASES along with Names	? No
Allow ADVANCED entries in Masters	? Yes
Add NOTES for Ledger Accounts	? No
Use ADDRESSES for Ledger Accounts	? Yes
Use CONTACT Details	? No
Use MULTIPLE Addresses	? <b>Yes</b>
Use Other Information for Ledger Accounts	? No

4. Click Enter to save the configuration and go to the Ledger Creation screen.

Note: The option Use Multiple Addresses can also be enabled from Gateway of Tally > F12:

Configure > Accts / Inventory Info.

5. Type the name of the Party in the Name field (E.g. Supplier A).
6. Select the group from the List of Groups (E.g. Sundry Creditors).
7. Set the option Set/Alter Multiple Mailing Details to Yes.

Ledger Alteration		ABC Company		Ctrl + M	
English	:			Total Op. Bal.	
Name	:	Supplier A		5,000.00 Dr	
				Difference	
				5,000.00 Dr	
Under	:	Sundry Creditors		<u>Mailing Details</u>	
		(Current Liabilities)		Name	: Supplier A
Maintain balances bill-by-bill	:	7 Yes		Address	: 27, M.G.Road,
Default Credit Period	:				Bangalore
Inventory values are affected	:	7 No		State	: Karnataka
Cost centres are applicable	:	7 No		PIN Code	: 560005
				Contact Person	: Kumar
				Telephone No.	: 080-25485481
				Fax	: 080-25485482
				E-Mail	: suppliera@abc.com
				<b>Set/Alter Multiple Mailing Details? Yes</b>	
				<u>Tax Information</u>	
				PAN / IT No.	: AHWPL8774D
				Set/Alter VAT Details	: 7 No
				Set/Alter Excise Details	: No
Opening Balance ( on 1 Apr. 2010 ) :					

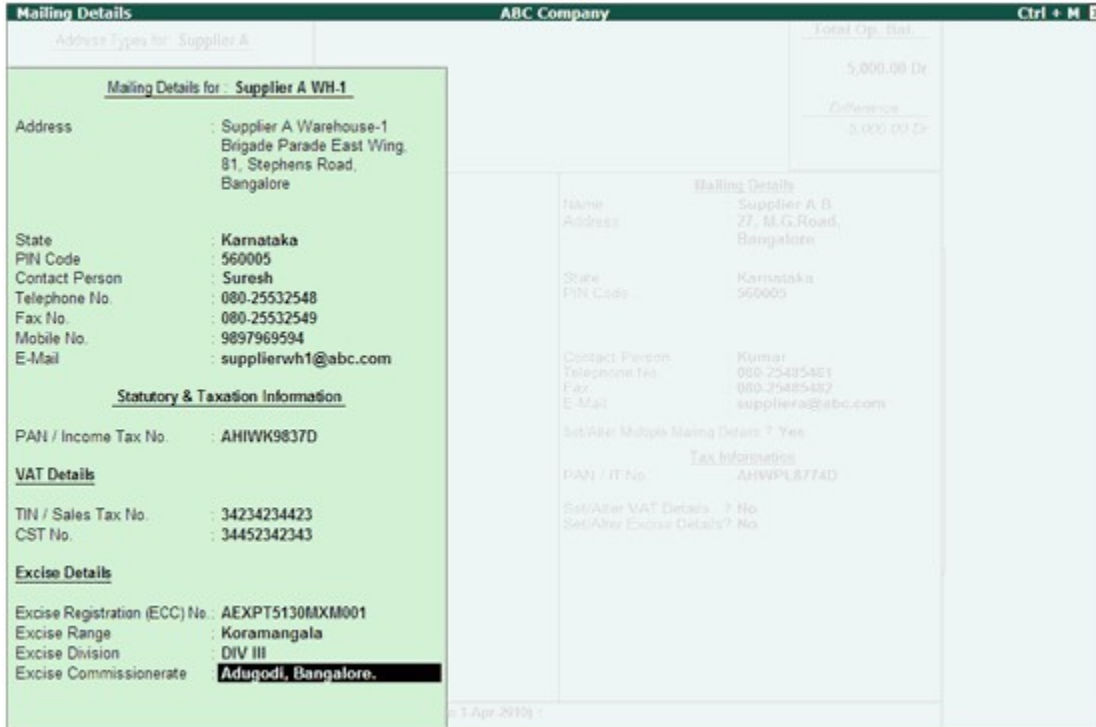
8. Press Enter.
9. The Address Type screen for the ledger being created appears.
10. Type the name of the Party's Location (E.g. Supplier A WH-1).

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Address Type	
Address Types for: Supplier A	
Address Types	
1.	<b>Supplier A WH-1</b>

11. Press Enter. The Mailing Details screen appears.
12. Enter the Mailing Name, Address, State, PIN Code, and the Statutory & Taxation Information in the respective fields provided. The filled Mailing Details screen appears as shown:





Mailing Details for - Supplier A WH-1	
Address	Supplier A Warehouse-1 Brigade Parade East Wing, 81, Stephens Road, Bangalore
State	Karnataka
PIN Code	560005
Contact Person	Suresh
Telephone No.	080-25532548
Fax No.	080-25532549
Mobile No.	9897969594
E-Mail	supplierwh1@abc.com
<b>Statutory &amp; Taxation Information</b>	
PAN / Income Tax No.	AHIWK9837D
<b>VAT Details</b>	
TIN / Sales Tax No.	34234234423
CST No.	34452342343
<b>Excise Details</b>	
Excise Registration (ECC) No.	AEXPT5130MXM001
Excise Range	Koramangala
Excise Division	DIV III
Excise Commissionerate	Aduodi, Bangalore.

13. Press Enter, the Address Type screen appears.
14. Enter another Address Type name to create the required Mailing Details.
15. Press Enter, the Ledger Creation screen appears.
16. Press Ctrl+A to save the ledger.

Use Multiple Addresses in Transactions

To select an address type in transactions

1. Go to Gateway of Tally > Accounting Vouchers > F9: Purchase.
2. Select the required Date, type the Supplier Invoice No. and Date.
3. Select the party ledger in the field Party's A/c Name. The Supplier's Details screen displays the Primary Address.
4. In the Address Type field of Consignee, select the required address type of the Company (E.g. Branch Office) as shown:

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Supplier's Details			
Consignee	: ABC Company	Supplier	: Supplier A
Address Type	: Branch Office	Address Type	: Supplier A WH-1
Address	: 54, M.G.Road, Bangalore E-Mail :abcbo@abc.com	Address	: Supplier A Warehouse-1 Brigade Parade East Wing, 81, Stephens Road, Bangalore
TIN/Sales Tax No.	: 78768568566	TIN/Sales Tax No.	: 34234234423
CST Number	: 23452345124	CST Number	: 34452342343
		Type of Dealer	: Not Applicable

9. Press Enter.
10. Select the Purchase ledger.
11. Select the Item, Quantity, and Rate.
12. Press Enter.
13. Press Ctrl+A to save the transaction.

## Create A Voucher Class for Inclusive of Tax Calculations in Tally.ERP9

Voucher class can be used to automatically apply GST in transactions. You can create voucher class for inclusive-of-tax calculation as well as exclusive. The value of additional ledgers in the transaction should be included in the taxable value for calculating tax, which can also be automated using voucher class.

By creating voucher class with default tax ledgers and percentages, the errors that may arise due to the selection of wrong tax ledgers in the transactions can be avoided. It also reduces the time of voucher creation.

### Voucher Class with Inclusive of Tax

In an inclusive voucher class, the tax amount is included in the sales value. Given below is the illustration of inclusive of tax voucher class under sales voucher type.

The sales ledger value and tax value are defined as percentage of the total sales value.

#### To create inclusive of tax voucher class

1. Go to **Gateway of Tally > Accounts Info > Voucher Types > Alter > Sales**. Specify the details of the class as below:





Ledger Name	Set/Alter Tax Class?	Percentage %	Rounding Method	Rounding Limit	Override using Item Default ?
Sales	No	84.7458 %	Not Applicable		No
Central Tax	No	7.6271 %	Not Applicable		
State Tax	No	7.6271 %			

Ledger Name	Type of Calculation	Value Basis	Rounding Method	Rounding Limit	Remove if Zero ?
Expense	As User Defined Value				Yes

Now pass a sales invoice using the voucher class created. The default account allocations selected in the voucher class will be automatically applied in the invoice. The invoice will not display the value of the default ledgers.

Name of Item	Quantity	Rate per	Amount
Dell Optiplex	2 no	30,000.00 no	60,000.00
Expense			2,000.00

Narration:     
Yes or No

The auto-calculated value for the default ledgers can be viewed in the alteration mode. Open the invoice in alteration mode, and press **Enter** from the field **Amount**.



is no need to select the tax ledgers.

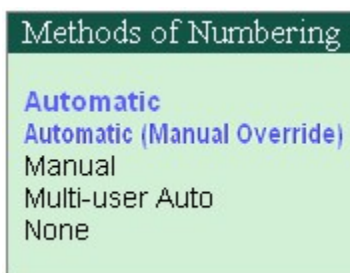
You can create multiple voucher class for different tax rates or tax types depending on your requirement.

## Creating Voucher Types in Tally.ERP9

You can customise the voucher by creating a voucher class.

### To create a voucher type

1. Go to **Gateway of Tally > Accounts Info. or Inventory Info. > Voucher Type > Create.**
2. Enter the **Name** of the voucher.
3. Select the type of voucher.
4. Enter the abbreviation in the **Abbreviation** field, if required.
5. Select the **Method of voucher numbering** from the **Methods of Numbering** list, which appears as shown below:



Click [here](#) for more information about the **Methods of Numbering** available.

6. Enable **Use effective dates for vouchers** to enter effective dates for vouchers.

**Note:** Select this option if you have a transaction under consideration for overdue/ageing analysis recorded currently but will come into effect on another date. If the effective date is entered, the overdue/ageing will be considered from the **effective date** and not from voucher date.

7. Enable **Make this voucher type 'Optional' by default** to set your voucher to optional voucher by default.

**Note:** For **Memorandum** and **Reversing Journal** voucher the option **Make this voucher type 'Optional' by default** is not available.

8. Enable **Allow narration in voucher** to give a common narration for voucher. A common narration screen for voucher appears as shown below:

Accounting Voucher Creation		ABC Company		Ctrl + M	
<b>Sales Invoice</b> No. 1				1-Apr-2008 Tuesday	
Ref. :					
Party's A/c Name : Party					
Current Balance :					
Sales Ledger : Sales					
Name of Item	Quantity	Rate per	Amount		
Item	10 nos	100.00 nos	1,000.00		
[ End of List					
Narration:				10 nos	1,000.00
Being the invoice raised for Rs. 1000/- for the credit period of 45 days					

9. Enable **Provide narration for each ledger in voucher** ? if you want to give a separate narration for each entry of a voucher. This would be applicable for a multiple entry voucher where you want separate details for each entry. The narrations for each entry appears as shown below:

Accounting Voucher Creation		ABC Company		Ctrl + M	
<b>Sales Invoice</b> No. 1				1-Apr-2008 Tuesday	
Ref. :					
Particulars		Debit	Credit		
Dr Party		1,000.00			
Cur Bal: 1,000.00 Dr					
New Ref: 1		1,000.00 Dr			
Narration : 45 days credit period					
Cr Sales			1,000.00		
Cur Bal: 1,000.00 Cr					
Item		10 nos	100.00 nos	1,000.00	
Narration : Invoice sent to bangalore godown					
Narration:				1,000.00	1,000.00
Being the invoice raised for Rs. 1000/- for the credit period of 45 days and sent to bangalore godown.					

Accept ?
Yes or No

For Delivery Note, Receipt Note, Sales order, Purchase order, Physical Stock, Stock Journal,

Rejection In and Rejection Out, the option **Provide narration for each ledger in voucher ?** is not available.

10. Enable **Print voucher after saving** to print every voucher after entering it.

**Note:** Depending on the **Type of Voucher** selected to create or alter, different printing features appear in this field. For example, if you select **Receipt** as **Type of Voucher**, the option **Print Formal Receipt after saving** will be displayed.

11. Set **Use for POS invoicing** to **Yes** to use the sales invoice as POS invoice.

12. Set the **Default title to print on invoice** to print the same title for POS invoice.

**Note:** Default print Title option will appear only in Sales Voucher Type.

13. Select the bank in **Default bank** option to print the default bank ledger when the option **Print Bank Details** is enabled in a Sales voucher.

14. Enter the **Default jurisdiction** to be printed on the invoice, if required.

15. Create a voucher class in the **Name of Class** field, if required.

The completed **Voucher Type Creation** screen appears as shown below:



General		Printing		Name of Class
Type of Voucher	: Sales	Print after saving Voucher	? No	
Abbr.	: Sale	Use for POS Invoicing	? No	
Method of Voucher Numbering	? Automatic	Default Print Title	: Sales Invoice	
Use Advance Configuration	? No	Default Bank Name	: State Bank of India	
Use EFFECTIVE Dates for Vouchers	? No	Default Jurisdiction	: Bangalore	
Make 'Optional' as default	? No	<b>Declaration :</b>		
Use Common Narration	? Yes	We declare that the goods sold under this invoice are under our registration certificate and the transactions effected by us are accounted for turnover.		
Narrations for each entry	? No			
				Accept ? Yes or No

16. Press **Enter** to save.

## Stock Journal Voucher Type

While creating a **Stock Journal Voucher Type**, the option **Use Manufacturing Journal** is enabled. The **Voucher Type Creation** screen appears as shown below:



Voucher Type Creation		ABC Company	Ctrl + M
Name : <b>Stock Journal Voucher</b> (alias) :			
<u>General</u>		<u>Printing</u>	<u>Name of Class</u>
Select type of voucher : <b>Stock Journal</b>		Print voucher after saving ? <b>No</b>	
Abbreviation : <b>Stk Jml</b>			
Method of voucher numbering ? <b>Automatic</b>			
Use advanced configuration ? <b>No</b>			
Use effective dates for vouchers ? <b>No</b>			
Make this voucher type as 'Optional' by default? <b>No</b>			
Allow narration in voucher ? <b>Yes</b>			
Use as a Manufacturing Journal ? <b>Yes</b>			

## Restarting Voucher Numbering in Tally.ERP9

You can restart the numbering of your vouchers by creating a new voucher type and specifying the applicable dates, prefix, suffix, and other details, as needed.

**Note:** In order to be GST-compliant, the voucher numbers of your invoice have to be unique and continuous. You can continue to use your existing series of voucher numbers. For your convenience, you can prefix and suffix your voucher numbers with GST-specific information. You can also choose to restart voucher numbering by creating a new voucher type for GST.

### To create a new voucher type

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



Voucher Type Creation		National Enterprises	
Name : <b>GST Sales</b> (alias) :			
<b>General</b>		<b>Printing</b>	
Select type of voucher : <b>Sales</b>		Print voucher after saving : ? <b>No</b>	
Abbreviation : <b>Sale</b>		Use for POS invoicing : ? <b>No</b>	
Method of voucher numbering : ? <b>Automatic (Manual Override)</b>		Default title to print on invoice:	
Prevent duplicates : ? <b>Yes</b>		Default bank : <b>Not Applicable</b>	
Use advanced configuration : ? <b>Yes</b>		Default jurisdiction :	
Use effective dates for vouchers : ? <b>No</b>		Set/alter declaration : ? <b>No</b>	
Make this voucher type as 'Optional' by default? <b>No</b>			
Allow narration in voucher : ? <b>Yes</b>			
Provide narrations for each ledger in voucher : ? <b>No</b>			
Enable default accounting allocations : ? <b>No</b>			
Set/Alter Default Accounting Entries : ? <b>No</b>			

**Method of Voucher Numbering? - Automatic (Manual Override).** By selecting this option, you can auto-number your vouchers and also manually override the auto-numbering when required.

**Prevent duplicates? - Yes,** to ensure unique voucher numbers.

**Use advanced configuration? - Yes,** to open the **Voucher Type Creation (Secondary)** screen.

Voucher Type Creation (Secondary)		National Enterprises				Ctrl + N
Name : <b>GST</b>	Starting Number : ? <b>1</b>					
(alias) :	Width of Numerical Part : ? <b>0</b>					
	Prefix with zero : ? <b>No</b>					
	<b>Restart Numbering</b>	<b>Prefix Details</b>		<b>Suffix Details</b>		
Select type of voucher	Applicable From	Starting Number	Particulars	Applicable From	Particulars	Particulars
Abbreviation	1-Jul-2017	1 Yearly		1-Jul-2017	GSTSal	1-Jul-2017 2017-18

**Starting Number - 1,** if you want a fresh batch of voucher numbers.

**Prefix Details, Suffix Details** - Here you can enter details specific to your transactions, as required.

Now you can easily record your transactions with a new series of voucher numbers.

According to the details entered in the screen above, the sales voucher will appear as shown below:





Accounting Voucher Creation		National Enterprises		Ctrl + M
GST Sales		No. GSTSal/1/17-18		5-Jul-2017
Reference no..				Wednesday
Party A/c name	: Anand Traders			
Current balance	: 12,80,248.44 Dr			
Sales ledger	: Sales			
Name of Item	Quantity	Rate per	Amount	
Dell Personal Computer	14 Nos	27,500.00 Nos	3,85,000.00	



Tax Invoice		
<b>National Enterprises</b> Bommanahalli, Bangalore GSTIN/UIN: 29DFGRY1111A2Z1	Invoice No.	Dated
	GSTSal/1/17-18	5-Jul-2017
	Delivery Note	Mode/Terms of Payment
	Supplier's Ref.	Other Reference(s)

Similarly, if you want to create invoices to track reverse charge transactions for unregistered dealers, create a new voucher type with a separate series of voucher numbers and record the purchase invoices. In the **Voucher Printing** screen, you can click **F12: Configure** and set the options as required to print the self-invoice.

## GSTR-2 Summary of Exceptions Reports in Tally.ERP9

**Vouchers with incomplete/mismatch in information** list includes voucher that contain GST details but are not included in the count of **Included in returns** and **Not relevant for returns** due to incomplete information or mismatch.

You can correct exceptions in the vouchers before exporting GST returns. The **Vouchers with incomplete/mismatch in information** report for GSTR-2 appears as shown below:

1. No. of voucher with incomplete/mismatch in information
2. Country, state and dealer type not specified
3. Tax rate/tax type not specified
4. Nature of transaction, taxable value, rate of tax modified in voucher
5. Incorrect tax type selected in tax ledger
6. Mismatch due to tax amount modified in voucher
7. Voucher with incomplete/incorrect adjustment details (GSTR-2)



GSTR-2 National Enterprises Ctrl + M	
Vouchers with incomplete/mismatch in information 1-Jul-2017 to 31-Jul-2017	
List of Exceptions	Total Vouchers
<b>No. of vouchers with incomplete/mismatch in information</b>	<b>15</b>
UoM(s) not mapped to Unit Quantity Code(UQC)	13
Country, state and dealer type not specified	3
Tax rate/tax type not specified	3
Nature of transaction, Taxable value, rate of tax modified in voucher	2
Incorrect tax type selected in tax ledger	2
Mismatch due to tax amount modified in voucher	3
Vouchers with incomplete/incorrect adjustment details	2

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

The exceptions are listed in the order of priority, based on the importance of the information for generating returns. Hence, a voucher with multiple exceptions is listed in the exception type higher up the order. Once that exception is resolved, the voucher will move down to the next exception type. Such vouchers with multiple exceptions continue to be listed as exceptions until all incomplete/mismatch information are resolved. This will ensure that all exceptions are resolved before filing the returns.

However, vouchers with only one exception are moved to **Included in returns** list after that exception is resolved.

## 1. No. of voucher with incomplete/mismatch in information

Displays the count of total vouchers with exceptions. Drill down from this row to view all the vouchers with exceptions, number of exceptions in each voucher, and type of exception. All exceptions can be resolved from here without having to open different exception categories.

### To resolve all exceptions without having to go from one exception type to another

1. Select **No. of voucher with incomplete/mismatch in information**.
2. Press **Enter** to display **Exception Resolution** screen with the list of vouchers, number of exceptions in each voucher, and exception types. The **Exception Resolution** screen appears as shown below:



Exception Resolution							National Enterprises	Ctrl + M
List of vouchers with incomplete/mismatch in information							1-Jul-2017 to 31-Jul-2017	
Sl. No.	Date	Particulars	Vch Type	Vch No.	Amount	No. of exceptions	Type of mismatch/incomplete info.	
1	1-7-2017	PRG Traders	Purchase	1	90,000.00	2	UOM(s) not mapped to Unit Quantity Code(UQC), Country, state and dealer type not specified	
2	2-7-2017	Janata Limited	Purchase	2	85,000.00	2	UOM(s) not mapped to Unit Quantity Code(UQC), Country, state and dealer type not specified	
3	3-7-2017	Kiran Traders	Purchase	3	6,27,000.00	2	UOM(s) not mapped to Unit Quantity Code(UQC), Incorrect tax type selected in tax ledger	
4	4-7-2017	Cash	Purchase	4	1,82,400.00	2	UOM(s) not mapped to Unit Quantity Code(UQC), Incorrect tax type selected in tax ledger	
5	5-7-2017	Karima Enterprises	Purchase	5	76,160.00	2	UOM(s) not mapped to Unit Quantity Code(UQC), Tax rate/tax type not specified	
6	6-7-2017	Karima Enterprises	Purchase	6	1,06,200.00	2	UOM(s) not mapped to Unit Quantity Code(UQC), Tax rate/tax type not specified	
7	8-7-2017	PRG Traders	Purchase	7	1,12,500.00	2	UOM(s) not mapped to Unit Quantity Code(UQC), Country, state and dealer type not specified	
8	9-7-2017	Kiran Traders	Purchase	8	24,752.00	2	UOM(s) not mapped to Unit Quantity Code(UQC), Tax rate/tax type not specified	
9	11-7-2017	Ranjan Traders	Purchase	9	5,64,300.00	2	UOM(s) not mapped to Unit Quantity Code(UQC), Mismatch due to tax amount modified in voucher	
							6 more ...	

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

3. Select any transaction and press **Enter** to display the **Voucher Details Alteration** screen which is divided into multiple sections, one for each exception in the voucher, as shown below:

Voucher Details Alteration				National Enterprises	Ctrl + M
<b>Purchase</b> No. 3		Supplier Invoice No. : 3		Date : 3-Jul-2017	
Party's A/c Name : Kiran Traders		Party's Address : Rajajinagar Bangalore			
<b>1. UOM(s) not mapped to Unit Quantity Code(UQC)</b>					
UoM Symbol	UoM Formal Name	Unit Quantity Code			
Nos					
<b>2. Incorrect tax type selected in tax ledger</b>					
Particulars	Taxable Value	Tax Amount	Type of Duty Ledger ( Expected)		
Purchase Taxable (Central Tax @ 14%, State Tax @ 14%)	5,50,000.00	77,000.00	Central Tax & State Tax		
				UQCs [ Not Applicable BAG-BAG BGS-BAGS BKL-BUCKLES BOU-BOU BOX-BOX BTL-BOTTLES BUN-BUNCHES CBM-CUBIC METER CCM-CUBIC CENTIMETER CIN-CUBIC INCHES CMS-CENTIMETER CQM-CUBIC METERS CTN-CARTON DOZ-DOZEN DRM-DRUM FTS-FEET GGR-GREAT GROSS GMS-GRAMS GRS-GROSS GYD-GROSS YARDS HKS-HANKS INC-INCHES KGS-Kilograms KLR-KILOLITER KME-KILOMETERS LBS-POUNDS LOT-LOTS LTR-LITERS MGS-MILLI GRAMS MTR-METER MTS-METRIC TON NOS-Numbers ODD-ODDS 21 more ...	

4. Select or enter required information for the first exception type. Further, you can click **F5: Recompute** or **A: Accept as** is to recompute or accept the details, respectively.

5. Press **Enter** to navigate to next exception type.
6. Resolve the exceptions by providing details or using the buttons provided.
7. Press **Enter** after all exceptions in the voucher are resolved to view the next voucher with respective exceptions.
8. Continue resolving the exceptions voucher by voucher, or press **Esc** to return to **Exception Resolution** screen.

**Note:** Click **X: Exclude Vouchers** in the **Exception Resolution** screen to exclude the voucher from GSTR-2 return.

## 2. Country, state and dealer type not specified

Displays the count of transactions where,

- Country/state is not selected in the party ledger master,
- State selected in transaction and party ledger are different, or
- Nature of transaction is not derived.

### To resolve this exception

1. Select the exception **Country, state and dealer type not specified**.
2. Press **Enter**. All the transactions of the exception type are displayed. The **Exception Resolution** screen appears.

Exception Resolution									
National Enterprises									
Specify Country, State and Dealer Type									
Sl. No.	Date	Particulars	Vch Type	Vch No.	Amount	Country	State	GSTIN/UIN	Dealer Type
1	1-Jul-2017	PRG Traders	Purchase	1	90,000.00	India			
2	2-Jul-2017	Janata Limited	Purchase	2	85,000.00	India			
3	8-Jul-2017	PRG Traders	Purchase	7	1,12,500.00	India			

*Note: Select the country, state and dealer type for each line item.*

3. Select the state, specify the GSTIN and select dealer type for each transaction.
4. Press **Ctrl+A** to accept.

**Note:** Click **X: Exclude Vouchers** to exclude the voucher from GSTR-2 return.

## 3. Tax rate/tax type not specified

Displays the count of transactions for which the rate or tax type is not selected in the item/ledger master.

### To resolve this exception

1. Select the exception **Tax rate/tax type not specified**.
2. Press **Enter**. All the transactions of the exception type are displayed. The **Exception Resolution** screen appears as shown below:

Exception Resolution		National Enterprises				Ctrl + M						
Specify Tax Rate/ Tax Type		1-Jul-2017 to 31-Jul-2017										
Sl. No.	Date	Particulars	Vch. Type	Vch. No.	Amount	Nature Of Transaction	Rate Details					
							Integr- ated Tax	Centr- al Tax	State Tax	Cess Valuation Type	Cess	Cess Rate Per
15	Jul-2017	Kanima Enterprises <b>Mouse</b>	Purchase	5	68,000.00					Based on Value		
26	Jul-2017	Kanima Enterprises <b>Keyboard</b>	Purchase							Based on Value		
30	Jul-2017	Kiran Traders <b>Mouse</b>	Purchase							Based on Value		
<b>Natures of Transaction</b> [ Undefined Branch Transfer Inward Imports Exempt Imports Taxable Interstate Purchase Exempt Interstate Purchase Nil Rated Interstate Purchase Taxable Purchase Exempt Purchase From Composition Dealer Purchase From SEZ - Exempt Purchase From SEZ - Taxable Purchase From Unregistered Dealer - Exempt Purchase From Unregistered Dealer - Taxable Purchase Nil Rated Purchase Taxable												

Note: Select the nature of transaction and enter tax rate for each

3. Select the **Nature of transaction**, if not provided.
4. Enter **Rate Details**, as required for each transaction.
5. Press **Enter** to save.

**Note:** Click **X: Exclude Vouchers** to exclude the voucher from GSTR-2 return.

## 4. Nature of transaction, taxable value, rate of tax modified in voucher

Displays count of transactions in which the Nature of transaction, taxable value or rate of tax defined in the ledger master has been changed in the transaction.

### To resolve this exception

1. Select the exception **Nature of transaction, taxable value, rate of tax modified in voucher**.
2. Press **Enter**. All the transactions of the exception type are displayed, as shown below:

Exception Resolution		National Enterprises				Ctrl + M							
Specify nature of transaction, Taxable value and tax rate		1-Jul-2017 to 31-Jul-2017											
Sl. No.	Date	Particulars	Vch. Type	Vch. No.	Amount	As per transaction / (As per inference)		Rate of tax					
						Nature of transaction	Taxable value	Integrated	Central	State	Cess		
											Valuation type	Rate	Rate Per
1	03-2017	Harsh Traders Air Conditioner	Purchase	1	5,66,000.00	Purchase Taxable (Purchase Taxable)	4,50,000.00 (4,40,000.00)	(20%)	(14%)	(14%)	Based on Value (Based on Value)		
2	14-2017	Harsh Traders Washing Machine	Purchase	12	1,42,500.00	Purchase From SEZ - Taxable (Purchase Taxable)	1,60,000.00 (1,42,500.00)	(20%)	(14%)	(14%)	Based on Value (Based on Value)		

Note: Specify the required information or accept as is for each line item.

3. Select the required voucher.
4. Click **R: Resolve** to select **Nature of transaction** and enter other details manually, or click **A: Accept as is**. When you accept the voucher as is, a message is displayed as shown below:

Exception Resolution		National Enterprises						Ctrl + M						
Specify nature of transaction, Taxable value and tax rate										1-Jul-2017 to 31-Jul-2017				
Sl. No.	Date	Particulars	Vch Type	Vch No.	Amount	As per transaction / (As per invoice)			Rate of tax					
						Nature of transaction	Taxable value	Integrated	Central	State	Valuation Type	Rate	Rate Per	
1	05/20/17	Harsh Traders Air Conditioner	Purchase	1	5,66,000.00	Purchase Taxable (Purchase Taxable)	4,50,000.00 (4,40,000.00)	(20%)	(14%)	(14%)	Based on Value (Based on Value)			

Do you want to accept this voucher as is?

Yes or No

5. Press **Enter** to accept.
6. Similarly, accept the required vouchers.
7. Press **Ctrl+A** to accept.

## 5. Incorrect tax type selected in tax ledger

Displays count of transactions in which type of duty is invalid.

### To resolve this exception

1. Select the exception **Incorrect tax type selected in tax ledger**.
2. Press **Enter**. All the transactions of the exception type are displayed, as shown below:

Exception Resolution		National Enterprises						Ctrl + M				
Select Duty Ledger and Tax Type										1-Jul-2017 to 31-Jul-2017		
Sl. No.	Date	Particulars	Vch Type	Vch No.	Taxable Value	Tax Amount	Type of Duty Ledger (Expected)	Duty Ledger (As Per Transaction)				
								Integrated Tax	Central Tax	State Tax		
1	3-Jul-2017	Kiran Traders	Purchase	3	5,50,000.00	77,000.00	Central Tax & State Tax					
2	4-Jul-2017	Cash	Purchase	4	1,42,500.00	39,900.00	Central Tax & State Tax					

3. Select the GST ledgers for each transaction.
4. Press **Enter** to save.

## 6. Mismatch due to tax amount modified in voucher

Displays the count of transactions in which difference is found between the calculated and entered tax amount. The mismatch due to modified value can be resolved by following one of the options.

### Recompute

### To resolve this exception



1. Select the exception **Mismatch due to tax amount modified in voucher**.
2. Press **Enter**. All the transactions of the exception type are displayed.

Exception Resolution										National Enterprises		Ctrl + M	
Update Tax Amount to Resolve Mismatch										1 Jul-2017 to 31-Jul-2017			
Sl. No.	Date	Particulars	Vch Type	Vch No.	Amount	Taxable Value	Name of Duty Ledger	Tax Amount		Difference			
								(As per calculation)	(As per transaction)				
1	11-7-2017	Ranjan Traders	Purchase	9	5,64,300.00			1,38,600.00	69,300.00	69,300.00			
		Purchase Taxable (Central Tax @ 14%)				4,95,000.00	Central Tax	69,300.00	69,300.00				
		Purchase Taxable (State Tax @ 14%)				4,95,000.00	State Tax	69,300.00	69,300.00				
2	12-7-2017	Praveen Traders	Purchase	10	54,150.00			13,300.00	6,650.00	6,650.00			
		Purchase Taxable (Central Tax @ 14%)				47,500.00	Central Tax	6,650.00	6,650.00				
		Purchase Taxable (State Tax @ 14%)				47,500.00	State Tax	6,650.00	6,650.00				
3	17-7-2017	Janata Limited	Purchase	13	28,500.00			7,980.00	7,980.00	7,980.00			
		Purchase Taxable (Integrated Tax @ 28%)				28,500.00		7,980.00	7,980.00				

Note: Select line item to accept as is or revert to value as per calculation.

3. Navigate to required transaction and press **Enter**.
4. Click **F5: Recompute** to recalculate the tax amount.

Exception Resolution										National Enterprises		Ctrl + M	
Update Tax Amount to Resolve Mismatch										1 Jul-2017 to 31-Jul-2017			
Sl. No.	Date	Particulars	Vch Type	Vch No.	Amount	Taxable Value	Name of Duty Ledger	Tax Amount		Difference			
								(As per calculation)	(As per transaction)				
1	11-7-2017	Ranjan Traders	Purchase	9	5,64,300.00			1,38,600.00	69,300.00	69,300.00			
		Purchase Taxable (Central Tax @ 14%)				4,95,000.00	Central Tax	69,300.00	69,300.00				
		Purchase Taxable (State Tax @ 14%)				4,95,000.00	State Tax	69,300.00	69,300.00				

Note: Select line item to accept as is or revert to value as per calculation.

Accept ?  
 Yes or No

5. Press **Ctrl+A** to accept.

## Resolve

### To resolve this exception

1. Select the exception **Mismatch due to tax amount modified in voucher**.
2. Press **Enter**. All the transactions of the exception type are displayed.
3. Select the required transaction.
4. Click **R: Resolve**, and enter the tax value in **As per transaction** column of the voucher.

The **Exception Resolution** screen appears as shown below:

Exception Resolution										
National Enterprises										
Update Tax Amount to Resolve Mismatch										
1-Jul-2017 to 31-Jul-2017										
Sl. No.	Date	Particulars	Vch Type	Vch No.	Amount	Taxable Value	Name of Duty Ledger	Tax Amount		Difference
								(As per calculation)	(As per transaction)	
1	17-7-2017	Janata Limited	Purchase	13	28,500.00			7,980.00		7,980.00
		Purchase Taxable (Integrated Tax @ 28%)				28,500.00		7,980.00		7,980.00
List of Duty Ledgers										
I Not Applicable										
Integrated Tax										

Note: Select line item to accept as is or revert to value as per calculation.

5. Press **Ctrl+A** to accept.

## Accept as is

### To resolve this exception

1. Select the exception **Mismatch due to tax amount modified in voucher**.
2. Press **Enter**. All the transactions of the particular exception are displayed.
3. Select the required voucher and click **A: Accept as is**. A message is displayed as shown below:

Exception Resolution										
National Enterprises										
Update Tax Amount to Resolve Mismatch										
1-Jul-2017 to 31-Jul-2017										
Sl. No.	Date	Particulars	Vch Type	Vch No.	Amount	Taxable Value	Name of Duty Ledger	Tax Amount		Difference
								(As per calculation)	(As per transaction)	
1	11-7-2017	Ranjan Traders	Purchase	9	5,64,300.00			1,38,600.00	69,300.00	69,300.00
		Purchase Taxable (Central Tax @ 14%)				4,95,000.00	Central Tax	69,300.00	69,300.00	
		Purchase Taxable (State Tax @ 14%)				4,95,000.00		69,300.00	69,300.00	69,300.00
2	12-7-2017	Praveen Traders	Purchase	10	54,150.00			13,300.00	6,650.00	6,650.00
		Purchase Taxable (Central Tax @ 14%)				47,500.00	Central Tax	6,650.00	6,650.00	
		Purchase Taxable (State Tax @ 14%)				47,500.00		6,650.00	6,650.00	6,650.00
3	17-7-2017	Janata Limited	Purchase	13	28,500.00			7,980.00	7,980.00	7,980.00
		Purchase Taxable (Integrated Tax @ 28%)						7,980.00		7,980.00

Do you want to accept this voucher as is?

Yes or No

4. Press **Enter** to accept.
5. Similarly, accept the required vouchers.
6. Press **Ctrl+A** to accept.

## 7. Voucher with incomplete/incorrect adjustment details (GSTR-2)

Displays the count of journal vouchers in which the **Nature of adjustment** is not selected.

### To resolve this exception

1. Select the exception **Voucher with incomplete/incorrect adjustment details**.
2. Press **Enter**. All transactions of a particular exception are listed, as shown below:

Exception Resolution									
National Enterprises									
Specify Nature of Adjustment									
Sl. No.	Date	Particulars	Vch.Type	Vch.No.	Debit	Credit	Nature of Adjustment	Additional Details	Type of Exception
1	15-Jul-2017	Central Tax	Journal	1	2,500.00		Reversal of Input Tax Credit		Vouchers with Incorrect Adjustment Details
2	16-Jul-2017	Expenses	Journal	2	8,500.00				Vouchers with Incorrect Adjustment Details

**List of Nature of Adjustments**

Decrease of Tax Liability  
Increase of Input Tax Credit  
Increase of Tax Liability  
Increase of Tax Liability & Input Tax Credit  
Opening Balance  
Refund  
**Reversal of Input Tax Credit**  
Reversal of Tax Liability  
Reversal of Tax Liability & Input Tax Credit

3. Select the **Nature of adjustment** and **Additional details** for each voucher.
4. Press **Ctrl+A** to accept.

## Filter for Item level and Ledger level exceptions

By default, the list of exceptions displays incomplete/mismatch information details voucher-wise. However, the button options provided in the report allow you to view the exceptions item master-wise or ledger-wise. In item master-wise view, all exceptions caused by an item can be resolved by updating missing or incorrect information from a single screen. This will result in resolving multiple voucher exceptions caused by the particular master. Similarly, all exceptions caused by a particular ledger can be resolved from ledger-wise exceptions list.

## Item Exceptions

Click **I: Item Exceptions** to alter the view of **Vouchers with incomplete/mismatch in information** report to display vouchers with incomplete/mismatch of information in item master. The vouchers with exceptions are displayed against different exception types in 2 columns:

### Total Masters

Drill down from this column to view information missing/mismatch in item at master level. You can provide the required details at stock group level to update all items in the group or at individual item level. By providing required information at item master level, all voucher level exceptions resulting from that item are resolved.

## To update the information and resolve exception at master level

1. Click **I: Item Exceptions**.

GSTR-2		
National Enterprises		
Vouchers with incomplete/mismatch in information		
1-Jul-2017 to 31-Jul-2017		
List of Exceptions	Total Masters	Total Vouchers
No. of vouchers with incomplete/mismatch in information at Stock Item level	2	3
Tax rate/tax type not specified	2	3

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

2. Navigate to the required exception type and press **Enter** from **Total Masters** column to display **Multi Stock Alteration** screen.



3. Select the **Classification**.

The **Multi Stock Alteration** screen appears as shown below:

Multi Stock Alteration										National Enterprises		Ctrl + M	
Specify Tax Rate/ Tax Type										1-Jul-2017 to 31-Jul-2017			
Particulars	Classification/ Nature of Transaction	HSN/SAC Name	HSN/SAC	Integrated Tax Rate	Central Tax Rate	State Tax Rate	Cess Valuation Type	Cess Rate	Cess Rate Per	Taxability Effective Date			
[ Primary			Not Found				Based on Value			1-7-2017			
Keyboard	Not Found		Not Found				Based on Value			1-7-2017			
Mouse	Not Found		Not Found				Based on Value			1-7-2017			

*Note: Enter tax rate for stock group or items*

4. Enter **HSN/SAC**, and tax rate.

5. Select **Taxability** and enter the **Effective date**.

6. Press **Ctrl+A** to accept.

### Total Vouchers

Drill down from this column to view information missing/mismatch in the items at voucher level. You can provide the required details for each transaction.

### To update the information and resolve voucher exception at voucher level

1. Click **I: Item Exceptions**.

GSTR-2			National Enterprises		Ctrl + M	
Vouchers with incomplete/mismatch in information			1-Jul-2017 to 31-Jul-2017			
List of Exceptions	Total Masters	Total Vouchers				
No. of vouchers with incomplete/mismatch in information at Stock Item level	2	3				
Tax rate/tax type not specified	2	3				

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

2. Navigate to required exception type and press **Enter** from **Total Masters** column to display **Exception Resolution** screen, as shown below:



Exception Resolution		National Enterprises				Ctrl + M					
Specify Tax Rate/ Tax Type						1-Jul-2017 to 31-Jul-2017					
Sl No	Date	Particulars	Vch.Type	Vch.No	Amount	Nature Of Transaction	Rate Details				
							Integr-ated Tax	Centr-al Tax	State Tax	Cess Valuation Type	Cess
15.06.2017		Karima Enterprises <b>Mouse</b> (Purchase)	Purchase	5	68,000.00				Based on Value		
25.06.2017		Karima Enterprises <b>Keyboard</b> (Purchase)	Purchase			Natures of Transaction					
30.06.2017		Kiran Traders <b>Mouse</b> (Purchase)	Purchase			[ Undefined Branch Transfer Inward Imports Exempt Imports Taxable Interstate Purchase Exempt Interstate Purchase Nil Rated Interstate Purchase Taxable Purchase Exempt Purchase From Composition Dealer Purchase From SEZ - Exempt Purchase From SEZ - Taxable Purchase From Unregistered Dealer - Exempt Purchase From Unregistered Dealer - Taxable Purchase Nil Rated Purchase Taxable					

Note: Select the nature of transaction and enter tax rate for each

3. Select the **Nature of transaction**.
4. Enter the **Rate**.
5. Press **Ctrl+A** to accept.

## Ledger Exceptions

Click **L**: **Ledger Exceptions** to view of **Vouchers with incomplete/mismatch in information** report displays vouchers with missing/mismatch of information in ledger master. The vouchers with exceptions are displayed against different exception types in 2 columns:

### Total Masters

Drill down from this column to view information missing/mismatch at ledger master level. You can provide the required details at ledger group level to update all ledgers in the group or at individual ledger level. By providing required information at ledger master level, all voucher level exceptions resulting from that ledger are resolved.

## To update the information and resolve exception at master level

1. Click **L**: **Ledger Exceptions**.

GSTR-2		National Enterprises		Ctrl + M	
Vouchers with incomplete/mismatch in information				1-Jul-2017 to 31-Jul-2017	
List of Exceptions			Total Masters	Total Vouchers	
No. of vouchers with incomplete/mismatch in information at Ledger level			3	6	
Country, state and dealer type not specified			2	3	
Tax rate/tax type not specified			1	3	

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

2. Navigate to required exception type and press **Enter** from **Total Masters** column to display **Multi**

Ledger Alteration screen, as shown below:

Multi Ledger Alteration										National Enterprises		Ctrl + M
Specify Tax Rate/ Tax Type										1-Jul-2017 to 31-Jul-2017		
Particulars	GST Applicable	Classification/ Nature of Transaction	HSN/SAC Name	HSN/SAC	Integrated Tax Rate	Central Tax Rate	State Tax Rate	Cess Rate	Taxability	Effective Date		
Purchase Accounts												
Purchase		Applicable										

*Note: Select the nature of transaction and enter tax rate for Group or Ledgers*

3. Enter **HSN/SAC**, and tax rate.
4. Select **Taxability** and enter the **Effective date**.
5. Press **Ctrl+A** to accept.

### Total Vouchers

Drill down from this column to view information missing/mismatch in the ledger at voucher level. You can provide the required details for each transaction.

### To update the information and resolve voucher exception at voucher level

1. Click **L: Ledger Exceptions**.

GSTR-2			National Enterprises		Ctrl + M
Vouchers with incomplete/mismatch in information			1-Jul-2017 to 31-Jul-2017		
List of Exceptions	Total Masters	Total Vouchers			
No. of vouchers with incomplete/mismatch in information at Ledger level	3	6			
Country, state and dealer type not specified	2	3			
Tax rate/tax type not specified	1	3			

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

2. Navigate to required exception type and press **Enter** from **Total Vouchers** column to display **Exception Resolution** screen, as shown below:

Exception Resolution										National Enterprises		Ctrl + M
Specify Country, State and Dealer Type										1-Jul-2017 to 31-Jul-2017		
Sl. No.	Date	Particulars	Vch Type	Vch No.	Amount	Country	State	GSTIN/UIN	Dealer Type			
1	1-Jul-2017	PRG Traders	Purchase	1	90,000.00	India						
2	2-Jul-2017	Janata Limited	Purchase	2	85,000.00	India						
3	8-Jul-2017	PRG Traders	Purchase	7	1,12,500.00	India						

*Note: Select the country, state and dealer type for each line item.*

3. Select **Nature of transaction** and enter rate.
4. Press **Ctrl+A** to accept.

# GSTR-2 Table-wise View Report in TallyERP9

The **GSTR-2** report can be viewed in the table-wise format, which is structured to be in line with the GSTR-2 format given by the department.

The **GSTR-2** report opens in table-wise view. If you have changed it to default view

- Click **V**: **Table-wise View** in the **GSTR-2** report.

GSTR-2		National Enterprises							Ctrl + M	
GSTR-2		1-Jul-2017 to 31-Jul-2017								
Returns Summary										
Total number of vouchers for the period										28
Included in returns										13
Not relevant for returns										15
Incomplete/Mismatch in information (to be resolved)										0
Tab- le No.	Particulars	Cou- nt	Taxable Value	Integrated Tax Amount	Central Tax Amount	State Tax Amount	Cess Amount	Tax Amount	Invoice Amount	
4	B2B Invoices	5	6,38,000.00		40,380.00	40,380.00		60,760.00	7,06,160.00	
5	Import of Goods Invoices									
6	Import of Services Invoices	1	1,36,000.00	24,480.00				24,480.00	1,36,000.00	
7	Credit/Debit Notes									
8	Nil Rated Invoices	1	3,00,000.00						3,00,000.00	
9	ISD Credit	1		6,580.00	7,450.00	5,740.00	1,000.00	20,770.00	20,770.00	
10(1)	TDS Credit									
10(2)	TCS Credit	1				2,500.00		2,500.00	2,500.00	
11	ITC Received									
12	Tax liability under Reverse Charge on Advance	3	2,40,000.00		21,600.00	21,600.00		43,200.00	2,40,000.00	
13	Tax Paid under Reverse Charge on Advance									
14	ITC Reversal									

*Note: Tables 1-3 capture generic information already available on the portal, and are not displayed here.*

By default, the table-wise format displays rows related to values for the current reporting period, and rows of previous period amendments, if values are available. To view all the amendment rows, enable the option **Show amendment tables with zero values?** under **F12: Configure**.



GSTR-2		National Enterprises							Ctrl + M	
GSTR-2									1-Jul-2017 to 31-Jul-2017	
<b>Returns Summary</b>										
Total number of vouchers for the period										28
Included in returns										13
Not relevant for returns										15
Incomplete/Mismatch in information (to be resolved)										0
Table No.	Particulars	Count	Taxable Value	Integrated Tax Amount	Central Tax Amount	State Tax Amount	Cess Amount	Tax Amount	Invoice Amount	
4	B2B Invoices	5	6,38,000.00		40,380.00	40,380.00		80,760.00	7,06,160.00	
4A	Amendments to B2B Invoices									
5	Import of Goods Invoices									
5A	Amendments to Import of Goods Invoices									
6	Import of Services Invoices	1	1,36,000.00	24,480.00				24,480.00	1,36,000.00	
6A	Amendments to Import of Services Invoices									
7	Credit/Debit Notes									
7A	Amendments to Credit/Debit Notes									
8	Nil Rated Invoices	1	3,00,000.00						3,00,000.00	
9	ISD Credit	1		6,580.00	7,450.00	5,740.00	1,000.00	20,770.00	20,770.00	
10(1)	TDS Credit									
10(2)	TCS Credit	1				2,500.00		2,500.00	2,500.00	
11	ITC Received									
12	Tax liability under Reverse Charge on Advance	3	2,40,000.00		21,600.00	21,600.00		43,200.00	2,40,000.00	
12A	Amendments to Tax liability under Reverse Charge									
13	Tax Paid under Reverse Charge on Advance									
14	ITC Reversal									
14A	Amendments to ITC Reversal									

Note: Tables 1-3 capture generic information already available on the portal, and are not displayed here.

Given below is the description of different tables.

Table name	Description
4 B2B invoices	<p>Displays the taxable value and tax amount from taxable supplies to a registered person recorded in the reporting period. The transactions are recorded with:</p> <p><b>Nature of transaction as</b></p> <ul style="list-style-type: none"> <li>● <b>Purchase Taxable.</b></li> <li>● <b>Purchase Taxable with Nature of goods as Capital Goods</b> when grouped under <b>Fixed Assets.</b></li> <li>● <b>Purchase From Unregistered Dealer - Taxable.</b></li> <li>● <b>Purchase From Unregistered Dealer - Taxable with Nature of goods as Capital Goods</b> when grouped under <b>Fixed Assets.</b></li> <li>● <b>Purchase From Unregistered Dealer - Exempt.</b></li> <li>● <b>Purchase From Unregistered Dealer - Exempt with Nature of goods as Capital Goods</b> when grouped under <b>Fixed Assets.</b></li> <li>● <b>Purchase Exempt.</b></li> <li>● <b>Purchase Exempt with Nature of goods as Capital Goods</b> when</li> </ul>



	<p>grouped under <b>Fixed Assets</b>.</p> <ul style="list-style-type: none"> <li>• <b>Purchase Nil Rated</b></li> <li>• <b>Interstate Purchase Taxable.</b></li> <li>• <b>Interstate Purchase Taxable with Nature of goods as Capital Goods</b> when grouped under <b>Fixed Assets</b>.</li> <li>• <b>Interstate Purchase Exempt.</b></li> <li>• <b>Interstate Purchase Exempt with Nature of goods as Capital Goods</b> when grouped under <b>Fixed Assets</b>.</li> <li>• <b>Interstate Purchase Nil Rated</b></li> </ul> <p><b>Taxability as:</b></p> <ul style="list-style-type: none"> <li>• Taxable</li> <li>• Exempt</li> <li>• Nil Rated</li> </ul> <p><b>Registration type as</b></p> <ul style="list-style-type: none"> <li>• Regular</li> <li>• Unregistered</li> <li>• Consumer</li> <li>• Unknown (with or without GSTIN)</li> </ul>
4A Amendments to B2B Invoices	This table will be left blank.
5. Import of Goods Invoices	<p>displays the taxable value and tax amount from supplies exported (including deemed exports) in the reporting period. The transactions are recorded with:</p> <p><b>Nature of transaction as</b></p> <ul style="list-style-type: none"> <li>• <b>Imports Taxable</b></li> <li>• <b>Imports Taxable with Nature of goods as Capital Goods</b> when grouped under <b>Fixed Assets</b>.</li> <li>• <b>Imports Exempt</b></li> <li>• <b>Imports Exempt with Nature of goods as Capital Goods</b> when grouped under <b>Fixed Assets</b>.</li> <li>• <b>Purchase From SEZ - Taxable</b></li> <li>• <b>Purchase From SEZ - Taxable with Nature of goods as Capital Goods</b> when grouped under <b>Fixed Assets</b>.</li> <li>• <b>Purchase From SEZ - Exempt</b></li> <li>• <b>Purchase From SEZ - Exempt with Nature of goods as Capital Goods</b> when grouped under <b>Fixed Assets</b>.</li> </ul>
5A. Amendments to Import	This table will be left blank.

of Goods Invoices	
6 Import of Service Invoices	<p>displays the taxable value and tax amount from supplies exported (including deemed exports) in the reporting period. The transactions are recorded with:</p> <p><b>Nature of transaction as</b></p> <ul style="list-style-type: none"> <li>• Imports Taxable</li> <li>• Imports Exempt</li> <li>• Purchase From SEZ - Taxable</li> <li>• Purchase From SEZ - Exempt</li> </ul>
6A Amendments to Import of Services Invoices	This table will be left blank.
7 Credit/Debit Notes	<p>Displays the taxable value and tax amount from credit and debit notes recorded in the reporting period. The credit and debit note transactions are recorded with:</p> <p><b>Nature of transaction as</b></p> <ul style="list-style-type: none"> <li>• <b>Purchase Taxable</b></li> <li>• <b>Purchase Taxable with Nature of goods as Capital Goods</b> when grouped under <b>Fixed Assets</b>.</li> <li>• <b>Purchase From Unregistered Dealer - Taxable</b></li> <li>• <b>Purchase From Unregistered Dealer - Taxable with Nature of goods as Capital Goods</b> when grouped under <b>Fixed Assets</b>.</li> <li>• <b>Purchase From Unregistered Dealer - Exempt</b></li> <li>• <b>Purchase From Unregistered Dealer - Exempt with Nature of goods as Capital Goods</b> when grouped under <b>Fixed Assets</b>.</li> <li>• <b>Purchase Exempt</b></li> <li>• <b>Purchase Exempt with Nature of goods as Capital Goods</b> when grouped under <b>Fixed Assets</b>.</li> <li>• <b>Purchase Nil Rated</b></li> <li>• <b>Interstate Purchase Taxable</b></li> <li>• <b>Interstate Purchase Taxable with Nature of goods as Capital Goods</b> when grouped under <b>Fixed Assets</b>.</li> <li>• <b>Interstate Purchase Exempt</b></li> <li>• <b>Interstate Purchase Exempt with Nature of goods as Capital Goods</b> when grouped under <b>Fixed Assets</b>.</li> <li>• <b>Interstate Purchase Nil Rated</b></li> </ul> <p><b>Taxability as:</b></p> <ul style="list-style-type: none"> <li>• Taxable</li> <li>• Exempt</li> </ul>

	<ul style="list-style-type: none"> <li>• Nil Rated</li> </ul> <b>Registration type as</b> <ul style="list-style-type: none"> <li>• Regular</li> <li>• Unregistered</li> <li>• Consumer</li> <li>• Unknown (with or without GSTIN)</li> </ul>
7A Amendments to Credit/Debit Notes	This table will be left blank.
8 Nil Rated Invoices	<p>Displays the taxable value from nil rated, exempt, and non-GST inward supplies. The transactions are recorded with:</p> <b>Nature of transaction as</b> <ul style="list-style-type: none"> <li>• <b>Purchase From Composition Dealer</b></li> <li>• <b>Purchase Nil Rated</b></li> <li>• <b>Interstate Purchase Nil Rated</b></li> <li>• <b>Purchase Exempt</b></li> <li>• <b>Purchase Exempt with Nature of goods as Capital Goods</b> when grouped under <b>Fixed Assets</b>.</li> <li>• <b>Interstate Purchase Exempt</b></li> <li>• <b>Interstate Purchase Exempt with Nature of goods as Capital Goods</b> when grouped under <b>Fixed Assets</b>.</li> <li>• <b>Purchase From Unregistered Dealer - Exempt</b></li> <li>• <b>Purchase From Unregistered Dealer - Exempt with Nature of goods as Capital Goods</b> when grouped under <b>Fixed Assets</b>.</li> </ul> <b>Taxability as</b> <ul style="list-style-type: none"> <li>• Exempt</li> <li>• Nil Rated</li> <li>• or <b>Is Non-GST good?</b> option enabled.</li> </ul> <b>Registration type as</b> <ul style="list-style-type: none"> <li>• Composite</li> <li>• Unregistered</li> <li>• Unknown (without GSTIN)</li> </ul>
9 ISD Credit	<p>Displays the value of the journal voucher recorded by clicking <b>J: Stat Adjustment</b> and selecting:</p> <ul style="list-style-type: none"> <li>• The <b>Nature of adjustment as Increase of Input Tax Credit</b>.</li> <li>• The <b>Additional Details as ISD Transfer</b>.</li> </ul>
10(1) TDS Credit	Displays the value of the journal voucher recorded by clicking <b>J: Stat</b>



	<p><b>Adjustment</b> and selecting:</p> <ul style="list-style-type: none"> <li>• The <b>Nature of adjustment</b> as <b>Increase of Input Tax Credit</b>.</li> <li>• The <b>Additional Details</b> as <b>TDS Adjustment</b>.</li> </ul>
10(2) TCS Credit	<p>Displays the value of the journal voucher recorded by clicking <b>J: Stat Adjustment</b> and selecting:</p> <ul style="list-style-type: none"> <li>• The <b>Nature of adjustment</b> as <b>Increase of Input Tax Credit</b>.</li> <li>• The <b>Additional Details</b> as <b>TCS Adjustment</b>.</li> </ul>
11 ITC Received	This table will be left blank.
12 Tax Liability under Reverse Charge on Advances	Displays the value of the advance payment voucher recorded under reverse charge.
12A Amendments to Tax liability under Reverse Charge	This table will be left blank.
13 Tax Paid under Reverse Charge on Advance	Displays the value of the advance payment voucher of the previous period, adjusted against the purchases of the current period.
14 ITC Reversal	Displays the values of the journal vouchers recorded by clicking <b>J: Stat Adjustment</b> and selecting <b>Reversal of Input Tax Credit</b> as the <b>Nature of adjustment</b> .
14A Amendments to ITC Reversal	This table will be left blank.

## GSTR-2 Return Summary in Tally.ERP9

This section provides a summary of all transactions recorded in the reporting period. The transactions are further classified based on the presence of GST details in the vouchers and their effect on the returns.

GSTR-2 National Enterprises Ctrl + M	
GSTR-2 1-Jul-2017 to 31-Jul-2017	
Returns Summary	
Total number of vouchers for the period	28
Included in returns	13
Not relevant for returns	15
Incomplete/Mismatch in information (to be resolved)	0

### Total number of vouchers for the period

Displays the total number of vouchers recorded in the reporting period. Drill down will lead to the Statistics report, which displays the number of vouchers recorded against each voucher type, divided into included, excluded and uncertain based the vouchers participating in the GST returns.

The statistics report on drill down from **Total number of vouchers for the period** appears as shown below:

Statistics					National Enterprises		Ctrl + M
Statistics							1-Jul-2017 to 31-Jul-2017
Type of Voucher	Transactions			Type of Account	Total Accounts		
	Total	Included	Excluded			Uncertain	
Contra				Groups	28		
Credit Note				Ledgers	43		
Debit Note				Stock Groups	0		
Delivery Note				Stock Items	9		
Job Work In Order				Voucher Types	24		
Job Work Out Order				Units	3		
Journal	9	3	6	Currencies	2		
Material In				Budgets & Scenarios	0		
Material Out							
Memorandum							
Payment	6	3	3				
Physical Stock							
POS							
Purchase	7	7					
Purchase Order							
Purchase Order Reverse Charge							
Receipt	4		4				
Receipt Note							
Rejections In							
Rejections Out							
Reversing Journal							
Sales	2		2				
Sales Order							
Stock Journal							
<b>Total</b>	<b>28</b>	<b>13</b>	<b>15</b>				

### Included in returns

Displays count of all vouchers that have requisite information to comply with requirements of GST returns. Only these transactions will be exported as part of returns. Drill down from this row to view the Summary of Included Vouchers report, with the list of voucher-types with voucher count.

Summary of Included Vouchers		National Enterprises		Ctrl + M
Summary of Included Vouchers				1-Jul-2017 to 31-Jul-2017
Particulars				No. of Vouchers
Purchases				7
GST Adjustment				3
Advance Payment				3
<b>Total</b>				<b>13</b>

### Not relevant for returns

Displays the count of all vouchers which are not part of returns, as GST details are not provided in these vouchers. These vouchers will have no implication on returns. Drill down from this row to view **Summary of Excluded Vouchers** report, with transaction type-wise voucher count. The **Summary of Excluded Vouchers** report appears as shown:

National Enterprises		Ctrl + M
Summary of Excluded Vouchers		1-Jul-2017 to 31-Jul-2017
Particulars	No. of Vouchers	
No GST Implications	7	
Non GSTR2 Transactions	8	
<b>Total</b>	<b>15</b>	

## Transaction Types

**Excluded by User:** Displays the count of vouchers manually excluded by user from list of included or uncertain transactions. Drill down will lead to list of all the excluded vouchers. An excluded voucher can be included by clicking **I: Include Vouchers**. Based on information in the voucher it will move to either included or uncertain.

**Contra Vouchers:** Displays the count of contra entries which involve only bank and cash ledgers. Drill down to view all the contra vouchers.

**Order Vouchers:** Displays the count of sales order, purchase order, job work in order and job work out order vouchers. Drill down to view the all order vouchers.

**Inventory Vouchers:** Displays the count of receipt note, stock journal, delivery note, material in, material out, rejections in, rejections out and physical stock vouchers as they are purely inventory in nature and do not attract GST. Drill down to view all inventory vouchers.

**Payroll Vouchers:** Displays the count of transactions recorded using payroll and attendance vouchers. GST does not apply to these transactions. Drill down to view all the payroll vouchers.

**No GST Implications:** Displays the count of receipts, payments, and journal vouchers that do not have any GST implication. Drill down to view all the vouchers.

**Other voucher:** Displays the count of memorandum and reversing journal vouchers. Drill down to view all memorandum and reversing journal vouchers.

**Non GSTR2 Transactions:** Displays the transactions which are part of other returns, for example: GSTR-1, and hence will not have any implication on GSTR-2. Drill down to view all the GSTR-1 related sales transactions.

All the transaction types are not displayed by default. Based on the voucher type used and the exclusions done by user, the relevant categories appear with the voucher count.

### Incomplete/mismatch in information (to be resolved)

Displays the count of all vouchers with insufficient GST related information. These are exceptions that need to be resolved for the vouchers to be included in the returns. Drill down from this row to view the list of exception types and number of exceptions under each type. These exceptions can be resolved right away, without having to alter vouchers or update masters one by one.

## GSTR-2 Particulars of Default View (Computation Details) in Tally.ERP9

The default view (click **V: Default View** in **GSTR-2**) of this section displays the transaction values included in the returns along with the amount of adjustments, and GST payable (as reverse charge) or refundable. The taxable amount, and tax amount under each GST tax type are displayed under

respective columns for the specific period. Drill-down reports are provided for all purchases and GST adjustments up to the transaction level.

GSTR-2 National Enterprises Ctrl + M						
GSTR-2 1-Jul-2017 to 31-Jul-2017						
Returns Summary						
Total number of vouchers for the period						28
Included in returns						13
Not relevant for returns						15
Incomplete/Mismatch in information (to be resolved)						0
Particulars	Taxable Value	Integrated Tax Amount	Central Tax Amount	State Tax Amount	Cess Amount	Total Tax Amount
<b>Inward Supplies</b>						
<b>Local Purchases</b>	<b>8,68,000.00</b>		<b>34,080.00</b>	<b>34,080.00</b>		<b>68,160.00</b>
<b>Taxable</b>	<b>5,68,000.00</b>		<b>34,080.00</b>	<b>34,080.00</b>		<b>68,160.00</b>
Purchase Taxable	5,68,000.00		34,080.00	34,080.00		68,160.00
<b>Exempted</b>	<b>3,00,000.00</b>					
Purchase Exempt	3,00,000.00					
<b>Reverse Charge Supplies</b>	<b>2,06,000.00</b>	<b>24,480.00</b>	<b>6,300.00</b>	<b>6,300.00</b>		<b>37,080.00</b>
Imports Taxable	1,36,000.00	24,480.00				24,480.00
Purchase From Unregistered Dealer - Taxable	70,000.00		6,300.00	6,300.00		12,600.00
<b>Add/Less: GST Adjustments</b>		<b>31,380.00</b>	<b>7,450.00</b>	<b>8,240.00</b>	<b>1,000.00</b>	<b>48,070.00</b>
<b>Total Inward Supplies</b>	<b>10,74,000.00</b>	<b>55,860.00</b>	<b>47,830.00</b>	<b>48,620.00</b>	<b>1,000.00</b>	<b>1,53,310.00</b>
<b>Tax Liability</b>						
<b>Reverse Charge Supplies</b>	<b>4,46,000.00</b>	<b>24,480.00</b>	<b>27,900.00</b>	<b>27,900.00</b>		<b>80,280.00</b>
Imports Taxable	1,36,000.00	24,480.00				24,480.00
Purchase From Unregistered Dealer - Taxable	70,000.00		6,300.00	6,300.00		12,600.00
Advance Payment	2,40,000.00		21,600.00	21,600.00		43,200.00

## Inward Supplies

Total inward supplies (local and interstate), which include taxable value, and the corresponding tax amount are displayed here. The total local and interstate purchases are divided into **Taxable**, **Exempted**, **Reverse Charge Supplies**, and **Add/Less: GST Adjustments**. To view all the purchase transactions,

1. Click **F1: Detailed** to display the report in detailed mode.
2. Select any of the rows displayed in regular font, under **Local Purchases** or **Reverse Charge Supplies**.
3. Press **Enter** to display the **Voucher Register** screen, as shown below:

Voucher Register National Enterprises Ctrl + M											
Vouchers of : Purchase Taxable 1-Jul-2017 to 31-Jul-2017											
Date	Particulars	GSTIN/UIN	Vch Type	Vch No.	Taxable Value	Integrated Tax Amount	Central Tax Amount	State Tax Amount	Cess Amount	Total Tax Amount	Invoice Amount
7-7-2017	Prajwal Works Contract	Z9AAAAA1234F1Z5	Purchase	1	2,68,000.00		16,080.00	16,080.00		32,160.00	3,00,160.00
9-7-2017	Supreme Enterprises		Purchase	3	75,000.00		4,500.00	4,500.00		9,000.00	84,000.00
11-7-2017	Supreme Enterprises		Purchase	4	75,000.00		4,500.00	4,500.00		9,000.00	84,000.00
16-7-2017	Supreme Enterprises		Purchase	6	1,50,000.00		9,000.00	9,000.00		18,000.00	1,68,000.00
<b>Grand Total</b>					<b>5,68,000.00</b>		<b>34,080.00</b>	<b>34,080.00</b>		<b>68,160.00</b>	<b>6,36,160.00</b>

You can view this report ledger wise or commodity wise by clicking **L: Ledger-wise** or **S: Stock item-wise**, and **A: Party-wise** respectively.

**Vouchers with incomplete/mismatch in information** list includes voucher that contain GST details but are not included in the count of **Included in returns** and **Not relevant for returns** due to incomplete information or mismatch.

You can correct exceptions in the vouchers before exporting GST returns. The **Vouchers with incomplete/mismatch in information** report appears as shown below:

GSTR-1 National Enterprises Ctrl + F1	
Vouchers with incomplete/mismatch in information 1-Jul-2017 to 31-Jul-2017	
List of Exceptions	Total Vouchers
<b>No. of vouchers with incomplete/mismatch in information</b>	<b>45</b>
UoM(s) not mapped to Unit Quantity Code(UQC)	2
Country, state and dealer type not specified	1
Tax rate/tax type not specified	20
Nature of transaction, Taxable value, rate of tax modified in voucher	3
Incorrect tax type selected in tax ledger	6
Mismatch due to tax amount modified in voucher	13
Information required for generating table-wise details not provided	3

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

The exceptions are listed in the order of priority, based on the importance of the information for generating returns. Hence, a voucher with multiple exceptions is listed in the exception type higher up the order. Once that exception is resolved, the voucher will move down to the next exception type. Such vouchers with multiple exceptions continue to be listed as exceptions until all incomplete/mismatch information are resolved. This will ensure that all exceptions are resolved before filing the returns as follow :

1. [No. of voucher with incomplete/mismatch in information](#)
2. [UoM\(s\) not mapped to Unit Quantity Code \(UQC\)](#)
3. [Country, state and dealer type not specified](#)
4. [Tax rate/tax type not specified](#)
5. [Nature of transaction, taxable value, rate of tax modified in voucher](#)
6. [Incorrect tax type selected in tax ledger](#)
7. [Mismatch due to tax amount modified in voucher](#)
8. [Voucher with incomplete/incorrect adjustment details](#)
9. [Information required for generating table-wise details not provided](#)
10. [Exception Types](#)
11. [Filter for Item level and Ledger level exceptions](#)
  - 11.1. [Item Exceptions](#)
  - 11.2. [Ledger Exceptions](#)



However, vouchers with only one exception are moved to **Included in returns** list after that exception is resolved.

## 1. No. of voucher with incomplete/mismatch in information

Displays the count of total vouchers with exceptions. Drill down from this row to view all the vouchers with exceptions, number of exceptions in each voucher, and type of exception. All exceptions can be resolved from here without having to open different exception categories.

### To resolve all exceptions without having to go from one exception type to another

1. Select **No. of voucher with incomplete/mismatch in information**.
2. Press **Enter** to display **Exception Resolution** screen with the list of vouchers, number of exceptions in each voucher, and exception types. The **Exception Resolution** screen appears as shown below:

Exception Resolution		National Enterprises					Ctrl + H
List of vouchers with incomplete/mismatch in information							1-Jul-2017 to 31-Jul-2017
Sl. No.	Date	Particulars	Vch Type	Vch No.	Amount	No. of exceptions	Type of mismatch/incomplete info.
1	1-7-2017	Forlan and Co	Sales	72	1,000.00	1	Tax rate/tax type not specified
2	1-7-2017	Forlan and Co	Sales	73	1,000.00	1	Information required for generating table-wise details not provided
3	1-7-2017	Forlan and Co	Sales	74	1,110.00	2	Mismatch due to tax amount modified in voucher. Information required for generating table-wise details not provided
4	2-7-2017	Lotus Traders	Sales	75	1,110.00	1	Mismatch due to tax amount modified in voucher
5	3-7-2017	Lotus Traders	Sales	76	1,510.00	1	Mismatch due to tax amount modified in voucher
6	4-7-2017	LJS and Sons	Sales	77	1,110.00	1	Mismatch due to tax amount modified in voucher
7	4-7-2017	Lotus Traders	Sales	78	1,200.00	1	Mismatch due to tax amount modified in voucher
8	6-7-2017	Pyarelal and Sons	Sales	80	1,220.00	1	Tax rate/tax type not specified
9	6-7-2017	Lotus Traders	Sales	81	1,340.00	1	Tax rate/tax type not specified
10	6-7-2017	Lotus Traders	Sales	82	1,220.00	1	Tax rate/tax type not specified
11	6-7-2017	Lotus Traders	Sales	79	1,440.00	1	Incorrect tax type selected in tax ledger
12	7-7-2017	Lotus Traders	Sales	83	1,440.00	1	Incorrect tax type selected in tax ledger
13	9-7-2017	Pradeep Traders	Sales	84	1,220.00	1	Tax rate/tax type not specified
14	9-7-2017	Lotus Traders	Sales	86	1,220.00	1	Tax rate/tax type not specified
							29 more ...

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

3. Select any transaction and press **Enter** to display the **Voucher Details Alteration** screen which is divided into multiple sections, one for each exception in the voucher, as shown below:



Exception Type		Particulars		Validation Rule(s)	
Provide Commodity Details :					
Particulars	Name of Group		HSN/SAC code		
Ledgers Export Taxable 3	Sales Accounts		[REDACTED]		
2. Mismatch due to tax amount modified in voucher					
Particulars	Taxable Value	Name of Duty Ledger	Tax Amount (As per calculation)	Tax Amount (As per transaction)	Difference
Sales Non-Taxable	1,000.00	Not Applicable		110.00	(-)110.00

4. Select or enter required information for the first exception type. Further, you can click **F5: Recompute** or **A: Accept as** is to recompute or accept the details, respectively.
5. Press **Enter** to navigate to next exception type.
6. Resolve the exceptions by providing details or using the buttons provided.
7. Press **Enter** after all exceptions in the voucher are resolved to view the next voucher with respective exceptions.
8. Continue resolving the exceptions voucher by voucher, or press **Esc** to return to **Exception Resolution** screen.

**Note:** Click **X: Exclude Vouchers** in the **Exception Resolution** screen to exclude the voucher from GSTR-1 return.

## 2. UoM(s) not mapped to Unit Quantity Code (UQC)

Displays the count of transactions for which **Unit Quantity Code** is not mapped with the unit of measure.

### To resolve this exception

1. Select the exception **UoM(s) not mapped to Unit Quantity Code (UQC)**. You can map the unit of measure with UQC using the button (**S: Map with UQC**) or pressing **Enter** on the **UoM Symbol**.
2. Select the **UoM Symbol**.
  - **Mapping with UQC from the report**
    - o Click **S: Map with UQC** and select the **UQC**.



Exception Resolution			National Enterprises	Ctrl + M
Map UoM(s) to Unit Quantity Code(UQC)			UQCs	
<i>(Total number of vouchers: 2)</i>				
UoM Symbol	UoM Formal Name	Unit Quantity Code		
Nos	Numbers		[ Not Applicable BAG-BAG BGS-BAGS BKL-BUCKLES BOU-BOU BOX-BOX BTL-BOTTLES BUN-BUNCHES CBM-CUBIC METER CCM-CUBIC CENTIMETER CIN-CUBIC INCHES CMS-CENTIMETER CQM-CUBIC METERS CTN-CARTON DOZ-DOZEN DRM-DRUM FTS-FEET GGR-GREAT GROSS GMS-GRAMS GRS-GROSS GYD-GROSS YARDS HKS-HANKS INC-INCHES KGS-Kilograms KLR-KILOLITER KME-KILOMETERS LBS-POUNDS LOT-LOTS LTR-LITERS MGS-MILLI GRAMS MTR-METER MTS-METRIC TON NOS-Numbers ODD-ODDS 21 more ...	

- o Press **Enter** to save.
- **Selecting UQC in the stock item master**
- o Press **Enter** on the selected **UoM Symbol**.
- o Select the **Unit Quantity Code (UQC)**, as shown below:

**ATTITUDE !!**



Unit Alteration (Secondary)		National Enterprises
Type	: <b>Simple</b>	UQCs
Symbol	: <b>Nos</b>	Not Applicable
Formal name	: Numbers	BAG-BAG
Unit Quantity Code (UQC):	<b>NOS-Numbers</b>	BGS-BAGS
Number of decimal places:	<b>0</b>	BKL-BUCKLES
		BOU-BOU
		BOX-BOX
		BTL-BOTTLES
		BUN-BUNCHES
		CBM-CUBIC METER
		CCM-CUBIC CENTIMETER
		CIN-CUBIC INCHES
		CMS-CENTIMETER
		CQM-CUBIC METERS
		CTN-CARTON
		DOZ-DOZEN
		DRM-DRUM
		FTS-FEET
		GGR-GREAT GROSS
		GMS-GRAMS
		GRS-GROSS
		GYD-GROSS YARDS
		HKS-HANKS
		INC-INCHES
		KGS-Kilograms
		KLR-KILOLITER
		KME-KILOMETERS
		LBS-POUNDS
		LOT-LOTS
		LTR-LITERS
		MGS-MILLI GRAMS
		MTR-METER
		MTS-METRIC TON
		<b>NOS-Numbers</b>
		ODD-ODDS
		<b>21 more ... ↓</b>

o Press **Enter** to save.

### 3. Country, state and dealer type not specified

Displays the count of transactions where,

- Country/state is not selected in the party ledger master,
- State selected in transaction and party ledger are different, or
- Nature of transaction is not derived.

#### To resolve this exception

1. Select the exception **Country, state and dealer type not specified**.
2. Press **Enter**. All the transactions of the exception type are displayed. The **Exception**

Resolution screen appears.

3. Select the state, specify the GSTIN and select dealer type for each transaction.

Exception Resolution									
National Enterprises									
Specify Country, State and Dealer Type								1-Jul-2017 to 31-Jul-2017	
Sl. No.	Date	Particulars	Vch Type	Vch No.	Amount	Country	State	GSTIN/UIN	Dealer Type
1	14-Jul-2017	Party No State 20	Sales	120	1,000.00	India			

Note: Select the country, state and dealer type for each line item.

4. Press **Ctrl+A** to accept.

**Note:** Click **X: Exclude Vouchers** to exclude the voucher from GSTR-1 return.

## 4. Tax rate/tax type not specified

Displays the count of transactions for which the rate or tax type is not selected in the item/ledger master.

### To resolve this exception

1. Select the exception **Tax rate/tax type not specified**.

2. Press **Enter**. All the transactions of the exception type are displayed. The **Exception Resolution** screen appears as shown below:

Exception Resolution										
National Enterprises										
Specify Tax Rate/ Tax Type								1-Jul-2017 to 31-Jul-2017		
Sl. No.	Date	Particulars	Vch. Type	Vch. No.	Amount	Nature Of Transaction	Rate			
							Integrated Tax	Central Tax	State Tax	Cess
1	14-Jul-2017	Forlan and Co Item	(Sales)	72	1,000.00					
2	14-Jul-2017	Pyarelal and Sons Item	(Sales)	80	1					
3	14-Jul-2017	Lotus Traders Item	(Sales)	81	1					
4	14-Jul-2017	Lotus Traders Item	(Sales)	82	1					
5	14-Jul-2017	Pradeep Traders Item	(Sales)	84	1					
6	14-Jul-2017	Lotus Traders Item	(Sales)	86	1					
7	14-Jul-2017	Lotus Traders Item	(Sales)	88	1					
8	14-Jul-2017	Lotus Traders Item	(Sales)	89	1					
9	15-Jul-2017	Lotus Traders Item	(Sales)	94	2					
10	12-Jul-2017	Lotus Traders Sales No Rate	(Sales)	95	1					
11	17-Jul-2017	Lotus Traders Item	(Sales)	99	1					
12	20-Jul-2017	Forlan and Co Item	(Sales)	101	1					
13	21-Jul-2017	Party with LT Item	(Sales)	102	1					
14	21-Jul-2017	Party W/o Country3 Item	(Sales)	103	1					

Note: Select the nature of transaction and enter tax rate for each line item.

3. Select the **Nature of transaction**, if not provided.

4. Enter **Rate**, as required for each transaction.

5. Press **Enter** to save.

**Note:** Click **X: Exclude Vouchers** to exclude the voucher from GSTR-1 return.

## 5. Nature of transaction, taxable value, rate of tax modified in voucher

Displays count of transactions in which the Nature of transaction, taxable value or rate of tax defined in the ledger master has been changed in the transaction.

### To resolve this exception

1. Select the exception **Nature of transaction, taxable value, rate of tax modified in voucher**.
2. Press **Enter**. All the transactions of the exception type are displayed, as shown below:

Exception Resolution													National Enterprises				Ctrl + M			
Specify nature of transaction, Taxable value and tax rate																	1-Jul-2017 to 31-Jul-2017			
Sl. N. o.	Date	Particulars	Vch Type	Vch No.	Amount	As per master/inference					As per transaction									
						Nature of transaction	Taxable value	Rate of tax				Nature of transaction	Taxable value	Rate of tax						
								Int-eg-	Ce-nt-	St-ate	Cess			Int-eg-	Ce-nt-	St-ate	Cess			
1	28-7-2017	Lotus Traders	Sales	112	1,220.00															
		Sales				Sales Taxable	1,000.00	10%	5%	5%	1%	Sales Taxable	1,000.00	20%	10%	10%	2%			
2	28-7-2017	Lotus Traders /Item	Sales	113	1,220.00															
		Sales				Sales Taxable	1,000.00					Sales Taxable	1,000.00	20%	10%	10%	2%			
3	28-7-2017	Lotus Traders /Item	Sales	114	1,220.00															
		Sales				Sales Taxable	1,000.00					Sales Taxable	1,000.00	20%	10%	10%	2%			

Note: Specify the required information or accept as is for each line item.

3. Select the required voucher.
4. Click **R: Resolve** to select **Nature of transaction** and enter other details manually, or click **A: Accept as is**. A message is displayed as shown below:

Exception Resolution													National Enterprises				Ctrl + M			
Specify nature of transaction, Taxable value and tax rate																	1-Jul-2017 to 31-Jul-2017			
Sl. N. o.	Date	Particulars	Vch Type	Vch No.	Amount	As per master/inference					As per transaction									
						Nature of transaction	Taxable value	Rate of tax				Nature of transaction	Taxable value	Rate of tax						
								Int-eg-	Ce-nt-	St-ate	Cess			Int-eg-	Ce-nt-	St-ate	Cess			
1	28-7-2017	Lotus Traders	Sales	112	1,220.00															
		Sales				Sales Taxable	1,000.00	10%	5%	5%	1%	Sales Taxable	1,000.00	20%	10%	10%	2%			
2	28-7-2017	Lotus Traders /Item	Sales	113	1,220.00															
		Sales				Sales Taxable	1,000.00					Sales Taxable	1,000.00	20%	10%	10%	2%			
3	28-7-2017	Lotus Traders /Item	Sales	114	1,220.00															
		Sales				Sales Taxable	1,000.00					Sales Taxable	1,000.00	20%	10%	10%	2%			

Do you want to accept this voucher as is?

Yes or No

Note: Specify the required information or accept as is for each line item.

5. Press **Enter** to accept.
6. Similarly, accept the required vouchers.
7. Press **Ctrl+A** to accept.

## 6. Incorrect tax type selected in tax ledger

Displays count of transactions in which type of duty is invalid.

### To resolve this exception

1. Select the exception Incorrect tax type selected in tax ledger.
2. Press **Enter**. All the transactions of the exception type are displayed, as shown below:

Exception Resolution National Enterprises Ctrl + H										
Select Duty Ledger and Tax Type 1-Jul-2017 to 31-Jul-2017										
Sl. No.	Date	Particulars	Vch Type	Vch No.	Taxable Value	Tax Amount	Type of Duty Ledger (Expected)	Duty Ledger (As Per Transaction)		
								Integrated Tax	Central Tax	State Tax
1	6-Jul-2017	Lotus Traders	Sales	79	1,000.00	400.00	Central Tax & State Tax			
2	7-Jul-2017	Lotus Traders	Sales	83	1,000.00	400.00	Central Tax & State Tax			
3	9-Jul-2017	Lotus Traders	Sales	87	1,000.00	400.00	Central Tax & State Tax			
4	9-Jul-2017	Lotus Traders	Sales	92	1,000.00	200.00	Central Tax & State Tax			
5	15-Jul-2017	Lotus Traders	Sales	97	1,000.00	200.00	Central Tax & State Tax			
6	16-Jul-2017	Lotus Traders	Sales	98	1,000.00	200.00	Central Tax & State Tax			

3. Select the tax type for each transaction.
4. Press **Enter** to save.

## 7. Mismatch due to tax amount modified in voucher

Displays the count of transactions in which difference is found between the calculated and entered tax amount. The mismatch due to modified value can be resolved by following one of the options.

### To resolve this exception

1. Select the exception **Mismatch due to tax amount modified in voucher**.
2. Press **Enter**. All the transactions of the exception type are displayed.
3. Based on your accounting requirements, you can recompute the tax values, or resolve the mismatch, or accept the transaction as is.

#### • Resolve

- o Navigate to required transaction.
- o Click **R: Resolve**, and enter the tax value in **As per transaction** column of the voucher. The **Exception Resolution** screen appears as shown below:

Exception Resolution National Enterprises Ctrl + H										
Update Tax Amount to Resolve Mismatch 1-Jul-2017 to 31-Jul-2017										
Sl. No.	Date	Particulars	Vch Type	Vch No.	Amount	Taxable Value	Name of Duty Ledger	Tax Amount		Difference
								(As per calculation)	(As per transaction)	
1	2-7-2017	Lotus Traders	Sales	75	1,110.00				110.00	(-)110.00
		Sales Non-Taxable				1,000.00	Not Applicable		110.00	(-)110.00

Note: Select line item to accept as is or revert to value as per calculation.



- o Press **Ctrl+A** to accept. Similarly, resolve the required vouchers.
- **Accept as is**
- o Navigate to required transaction.
- o Select the required voucher and click **A: Accept as is**. A message is displayed as shown below:

Exception Resolution										
National Enterprises										
Update Tax Amount to Resolve Mismatch										
1-Jul-2017 to 31-Jul-2017										
Sl. No.	Date	Particulars	Vch Type	Vch No.	Amount	Taxable Value	Name of Duty Ledger	Tax Amount		Difference
								(As per calculation)	(As per transaction)	
1	1-7-2017	Foran and Co	Sales	74	1,110.00	1,000.00	Not Applicable	110.00	110.00	(-110.00)
		Sales Non-Taxable						110.00	110.00	(-110.00)
2	2-7-2017	Lotus Traders	Sales	75	1,110.00	1,000.00	Not Applicable	110.00	110.00	(-110.00)
		Sales Non-Taxable						110.00	110.00	(-110.00)
3	3-7-2017	Lotus Traders	Sales	76	1,910.00	1,000.00	CGST	110.00	510.00	(-400.00)
		Sales Taxable (Central Tax @ 5%)						50.00	250.00	(-200.00)
		Sales Taxable (State Tax @ 5%)						50.00	250.00	(-200.00)
		Sales Taxable (Cess @ 1%)						10.00	10.00	
4	4-7-2017	US and Sons	Sales	77			Not Applicable	110.00	110.00	(-110.00)
		Sales Non-Taxable						110.00	110.00	(-110.00)
5	4-7-2017	Lotus Traders	Sales	70			CGST	110.00	200.00	(-90.00)
		Sales Taxable (Central Tax @ 1%)						50.00	100.00	(-50.00)
		Sales Taxable (State Tax @ 5%)						50.00	100.00	(-50.00)
		Sales Taxable (Cess @ 1%)						10.00	10.00	
6	9-7-2017	Lotus Traders	Sales	90			Not Applicable	55.00	55.00	(-55.00)
		Sales Non-Taxable						55.00	55.00	(-55.00)
7	9-7-2017	Lotus Traders	Sales	93			CGST	1,100.00	2,200.00	(-1,100.00)
		Sales Taxable (Central Tax @ 5%)						500.00	1,000.00	(-500.00)
		Sales Taxable (State Tax @ 5%)						500.00	1,000.00	(-500.00)
		Sales Taxable (Cess @ 1%)						100.00	200.00	(-100.00)
8	14-7-2017	Page Twelve	Sales	96	1,000.00	1,000.00	CGST	110.00	110.00	
		Sales Taxable (Central Tax @ 5%)						50.00	50.00	
		Sales Taxable (State Tax @ 5%)						50.00	50.00	
		Sales Taxable (Cess @ 1%)						10.00	10.00	
9	20-7-2017	IT	Sales	105	1,110.00	1,000.00	Not Applicable	110.00	110.00	(-110.00)
		Sales Non-Taxable						110.00	110.00	(-110.00)
10	25-7-2017	Lotus Traders	Sales	100	1,110.00	1,000.00	Not Applicable	110.00	110.00	(-110.00)
		Sales Non-Taxable						110.00	110.00	(-110.00)

Do you want to accept this voucher as is?  
**Yes or No**

- o Press **Enter** to accept. Similarly, accept the required vouchers.
- **Recompute**
- o Navigate to required transaction and press **Enter**.
- o Click **F5: Recompute** to recalculate the tax amount.

Exception Resolution										
National Enterprises										
Update Tax Amount to Resolve Mismatch										
1-Jul-2017 to 31-Jul-2017										
Sl. No.	Date	Particulars	Vch Type	Vch No.	Amount	Taxable Value	Name of Duty Ledger	Tax Amount		Difference
								(As per calculation)	(As per transaction)	
1	1-7-2017	Foran and Co	Sales	74	1,110.00	1,000.00	Not Applicable	110.00	110.00	(-110.00)
		Sales Non-Taxable						110.00	110.00	(-110.00)

Note: Select line item to accept as is or revert to value as per calculation.

- o Press **Ctrl+A** to accept. Similarly, recompute the required vouchers.

## 8. Voucher with incomplete/incorrect adjustment details

Displays the count of journal transactions in which **Nature of adjustment** is not selected.

### To resolve this exception

1. Select the exception **Voucher with incomplete/incorrect adjustment details**.
2. Press **Enter**. All transactions of a particular exception are listed, as shown below:

Exception Resolution Tax @ Company Level Ctrl + H									
Specify Nature of Adjustment 1-Jul-2017 to 31-Jul-2017									
Sl. No.	Date	Particulars	Vch.Type	Vch.No.	Debit	Credit	Nature of Adjustment	Additional Details	Type of Exception
1	26-Jul-2017	Expense	Journal	1	1,000.00		Increase of Input Tax Credit	ITCS Adjustment	Vouchers with Incorrect Adjustment Details
2	20-Jul-2017	Local Party	Journal	2	1,000.00				Vouchers with Incorrect Adjustment Details
3	31-Jul-2017	Expense	Journal	3	1,000.00				Vouchers with Incorrect Adjustment Details

List of Nature of Adjustments									
Decrease of Tax Liability									
Increase of Input Tax Credit									
Increase of Tax Liability									
Increase of Tax Liability & Input Tax Credit									
Opening Balance									
Refund									
Reversal of Input Tax Credit									
Reversal of Tax Liability									
Reversal of Tax Liability & Input Tax Credit									

3. Select the **Nature of adjustment** and **Additional details** for each voucher.
4. Press **Ctrl+A** to accept.

## 9. Information required for generating table-wise details not provided

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

### To resolve all exceptions without having to go from one exception type to another

1. Select **Information required for generating table-wise details not provided**.
2. Press **Enter** to display **Exception Resolution** screen with list of vouchers with mismatch/incomplete information.

Exception Resolution National Enterprises Ctrl + H											
Specify information required for generating table-wise details 1-Jul-2017 to 31-Jul-2017											
S. I. No.	Vch. Date	Vch.No.	Particulars	Taxable Value	Integrat-ed Tax Amount	Central Tax Amount	State Tax Amount	Cess Amount	Total Amount	No. of excep-p.	Type of exception
1	01/07/2017	73	Forlan and Co	1,000.00					1,000.00	1	HSN/SAC not specified
2	01/07/2017	74	Forlan and Co	1,000.00					1,000.00	1	HSN/SAC not specified
3	14/07/2017	96	Page Twente	1,000.00					1,000.00	2	GSTIN/UIN is not specified /invalid, State Name not specified

*Note: Specify the required information for each line item.*

3. Select any voucher and press **Enter** to display the **Table-wise exceptions(s)** screen, as shown below:

Exception Type	Particulars	Validation Rules
HSN code		HSN/SAC Code Should Not Be Blank and Should Contain 8 Digits.

4. Enter the missing information or update the incorrect details, and press **Enter** to return to the **Exception Resolution** screen.
5. Select the next voucher to update the required details and continue.

## 10. Exception Types

Using this option you can resolve exceptions from a common screen by grouping all table-wise related exceptions into two buckets **Party Ledger level Corrections** and **Configuration Level Corrections**. Exceptions in each group can be resolved from a single screen without having to move voucher by voucher.

### To resolve all party ledger level exceptions

1. Select **Information required for generating table-wise details not provided**.
2. Press **Enter** to display Exception Resolution screen with list of vouchers with mismatch/incomplete information.
3. Press **Ctrl+E**.

Vch. No.	Particulars	Total amount	No. of exce. (p)	Type of exception
73	Forlan and Co	1,000.00	1	HSN/SAC not specified
74	Forlan and Co	1,000.00	1	HSN/SAC not specified
99	Page Taxista	1,000.00	2	GSTIN/IRN is not specified /Invalid_State Name not specified

4. Select **Party Ledger Level Corrections** in the **Select Exception Resolution Type** screen.
5. Select the **State Name**, **State Code** and enter party **GTIN** number for the listed parties in the **Party Ledger Level correction** screen, as shown below:

Particulars	Name of Group	HSN/SAC code
Ledgers		
Sales Export 2	Sales Accounts	
Export Taxable 3	Sales Accounts	

6. Press **Ctrl+A** to accept.

### To resolve all configuration level exceptions

1. Select **Information required for generating table-wise not provided**.
2. Press **Enter** to display **Exception Resolution** screen with list of vouchers with mismatch/incomplete information.
3. Press **Ctrl+E**.

Specify information required for generating table-wise not provided		National Enterprises		1-Jul-2017 to 31-Jul-2017	
S. No.	Vch. No.	Particulars	Total amount	No. of exceptions	Type of exception
1	73	Foran and Co	1,000.00	1	HSN/SAC not specified
2	74	Foran and Co	1,000.00	1	HSN/SAC not specified
3	96	Page Twenty	1,000.00	2	GSTIN/IRN is not specified Invalid State Name not specified

4. Select **Configuration Level Corrections** in the **Select Exception Resolution Type** screen.

Configuration Level Exception Corrections		National Enterprises		1-Jul-2017 to 31-Jul-2017	
Vouchers with Table-Wise Exception		Name of Group		HSN/SAC code	
Particulars					
<b>Ledgers</b>					
Sales Export 2		Sales Accounts			
Export Taxable 3		Sales Accounts			

5. Enter **HSN/SAC code** for the listed vouchers.
6. Press **Ctrl+A** to accept.

Drill-down from any row and resolve the respective exceptions to include the vouchers in return.

## 11. Filter for Item level and Ledger level exceptions

By default, the list of exceptions displays incomplete/mismatch information details voucher-wise. However, the button options provided in the report allow you to view the exceptions item master-wise or ledger-wise. In item master-wise view, all exceptions caused by an item can be resolved by updating missing or incorrect information from a single screen. This will result in resolving multiple voucher exceptions caused by the particular master. Similarly, all exceptions caused by a particular ledger can be resolved from ledger-wise exceptions list.

### 11.1. Item Exceptions

Click **I: Item Exceptions** to alter view of **Vouchers with incomplete/mismatch in information** report to display vouchers with incomplete/mismatch of information in item master. The vouchers with exceptions are displayed against different exception types in 2 columns:

#### Total Masters

Drill down from this column to view information missing/mismatch in item at master level. You can provide the required details at stock group level to update all items in the group or at individual item level. By providing required information at item master level, all voucher level exceptions resulting from that item are resolved.

### To update the information and resolve exception at master level

1. Click **I: Item Exceptions**.



National Enterprises		
Vouchers with incomplete/mismatch in information		1-Jul-2017 to 31-Jul-2017
List of Exceptions	Total Masters	Total Vouchers
No. of vouchers with incomplete/mismatch in information at Stock Item level	1	19
Tax rate/tax type not specified	1	19

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

2. Navigate to required exception type and press **Enter** from **Total Masters** column to display **Multi Stock Alteration** screen.

3. Select the **Classification**.

The **Multi Stock Alteration** screen appears as shown below:

National Enterprises										
Specify Tax Rate/ Tax Type										1-Jul-2017 to 31-Jul-2017
Particulars	Classification/ Nature of Transaction	HSN/SAC Name	HSN/SAC	Integrated Tax Rate	Central Tax Rate	State Tax Rate	Cess Rate	Cess Rate Per	Taxability Effective Date	
Primary Item										

*Note: Enter tax rate for stock group or items*

4. Enter **HSN/SAC**, and tax rate.

5. Select **Taxability** and enter the **Effective date**.

6. Press **Ctrl+A** to accept.

### Total Vouchers

Drill down from this column to view information missing/mismatch in the items at voucher level. You can provide the required details for each transaction.

## To update the information and resolve voucher exception at voucher level

1. Click **I: Item Exceptions**.

National Enterprises		
Vouchers with incomplete/mismatch in information		1-Jul-2017 to 31-Jul-2017
List of Exceptions	Total Masters	Total Vouchers
No. of vouchers with incomplete/mismatch in information at Stock Item level	1	19
Tax rate/tax type not specified	1	19

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

2. Navigate to required exception type and press **Enter** from **Total Masters** column to display **Exception Resolution** screen, as shown below:

Exception Resolution										National Enterprises					Ctrl + H				
Specify Tax Rate/ Tax Type															1-Jul-2017 to 31-Jul-2017				
Sl.No.	Date	Particulars	Vch.Type	Vch.No.	Amount	Nature Of Transaction	Rate												
							Integrated Tax	Central Tax	State Tax	Cess	Gross Rate Per								
1	1-Jul-2017	Forlan and Co	Sales	72															
		Item	(Sales)		1,000.00														
2	5-Jul-2017	Pyarelal and Sons	Sales	80															
		Item	(Sales)																
3	5-Jul-2017	Lotus Traders	Sales	81															
		Item	(Sales)																
4	5-Jul-2017	Lotus Traders	Sales	82															
		Item	(Sales)																
5	5-Jul-2017	Pradeep Traders	Sales	84															
		Item	(Sales)																
6	5-Jul-2017	Lotus Traders	Sales	86															
		Item	(Sales)																
7	5-Jul-2017	Lotus Traders	Sales	88															
		Item	(Sales)																
8	5-Jul-2017	Lotus Traders	Sales	89															
		Item	(Sales)																
9	11-Jul-2017	Lotus Traders	Sales	94															
		Item	(Sales)																
10	17-Jul-2017	Lotus Traders	Sales	99															
		Item	(Sales)																
11	25-Jul-2017	Forlan and Co	Sales	101															
		Item	(Sales)																
12	21-Jul-2017	Party with LT	Sales	102															
		Item	(Sales)																
13	21-Jul-2017	Party W/o Country3	Sales	103															
		Item	(Sales)																
14	21-Jul-2017	Pyramid Exports	Sales	104															
		Item	(Sales)																

Note: Select the nature of transaction and enter tax rate for each line item.

3. Select **Nature of transaction**.
4. Enter **Rate**.
5. Press **Ctrl+A** to accept.

## 11.2. Ledger Exceptions

Click **L**: **Ledger Exceptions** to view of **Vouchers with incomplete/mismatch in information** report displays vouchers with missing/mismatch of information in ledger master. The vouchers with exceptions are displayed against different exception types in 2 columns:

### Total Masters

Drill down from this column to view information missing/mismatch at ledger master level. You can provide the required details at ledger group level to update all ledgers in the group or at individual ledger level. By providing required information at ledger master level, all voucher level exceptions resulting from that ledger are resolved.

### To update the information and resolve exception at master level

1. Click **L**: **Ledger Exceptions**.

GSTR-1			National Enterprises		Ctrl + H	
Vouchers with incomplete/mismatch in information					1-Jul-2017 to 31-Jul-2017	
List of Exceptions			Total Masters	Total Vouchers		
No. of vouchers with incomplete/mismatch in information at Ledger level			2	20		
Tax rate/tax type not specified			2	20		

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

2. Navigate to required exception type and press **Enter** from **Total Masters** column to display **Multi Ledger Alteration** screen, as shown below:

Multi Ledger Alteration										National Enterprises		Ctrl + H	
Specify Tax Rate/ Tax Type										1-Jul-2017 to 31-Jul-2017			
Particulars	GST Applicable	Classification/ Nature of Transaction	HSN/SAC Name	HSN/SAC	Integrated Tax Rate	Central Tax Rate	State Tax Rate	Tax Cess Rate	Cess Rate Per	Taxability	Effective Date		
Sales Accounts													
Sales													
Sales No Rate	Applicable	Undefined	Desc	AB						Taxable	1-4-2017		

*Note: Select the nature of transaction and enter tax rate for Group or Ledgers*

3. Enter **HSN/SAC**, and tax rate.
4. Select **Taxability** and enter the **Effective date**.
5. Press **Ctrl+A** to accept.

### Total Vouchers

Drill down from this column to view information missing/mismatch in the ledger at voucher level. You can provide the required details for each transaction.

### To update the information and resolve voucher exception at voucher level

1. Click **L: Ledger Exceptions**.

GSTR-1			National Enterprises		Ctrl + H	
Vouchers with incomplete/mismatch in information			1-Jul-2017 to 31-Jul-2017			
List of Exceptions	Total Masters	Total Vouchers				
No. of vouchers with incomplete/mismatch in information at Ledger level	2	20				
Tax rate/tax type not specified	2	20				

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

2. Navigate to required exception type and press **Enter** from **Total Vouchers** column to display **Exception Resolution** screen, as shown below:



Exception Resolution										National Enterprises					Ctrl + H				
Specify Tax Rate/ Tax Type															1 Jul 2017 to 31 Jul 2017				
Sl No.	Date	Particulars	Vch.Type	Vch.No.	Amount	Nature Of Transaction	Rate												
							Integrated Tax	Central Tax	State Tax	Cess	Gen Rate Per								
1	1-Jul-2017	Forlan and Co	Sales	72															
		Item	(Sales)		1,000.00														
2	6-Jul-2017	Pyarelal and Sons	Sales	80															
		Item	(Sales)		1														
3	6-Jul-2017	Lotus Traders	Sales	81															
		Item	(Sales)		1														
4	6-Jul-2017	Lotus Traders	Sales	82															
		Item	(Sales)		1														
5	9-Jul-2017	Pradeep Traders	Sales	84															
		Item	(Sales)		1														
6	9-Jul-2017	Lotus Traders	Sales	86															
		Item	(Sales)		1														
7	9-Jul-2017	Lotus Traders	Sales	88															
		Item	(Sales)		1														
8	9-Jul-2017	Lotus Traders	Sales	89															
		Item	(Sales)		1														
9	11-Jul-2017	Lotus Traders	Sales	94															
		Item	(Sales)		2														
10	12-Jul-2017	Lotus Traders	Sales	95															
		Sales No Rate			1														
11	17-Jul-2017	Lotus Traders	Sales	99															
		Item	(Sales)		1														
12	26-Jul-2017	Forlan and Co	Sales	101															
		Item	(Sales)		1														
13	21-Jul-2017	Party with LT	Sales	102															
		Item	(Sales)		1														
14	21-Jul-2017	Party W/o Country3	Sales	103															
		Item	(Sales)		1														

Note: Select the nature of transaction and enter tax rate for each line item.

3. Select **Nature of transaction** and enter rate.
4. Press **Ctrl+A** to accept.

## Table-wise View in the GSTR-1 Report in TallyERP9

GSTR-1 report can be viewed in the table-wise format. The table-wise report is structured in line with the GSTR-1 format given by the department.

### To view the report in table-wise format

- Click **V: Table-wise View** in the **GSTR-1** report.

GSTR-1 National Enterprises Ctrl + M									
GSTR-1 1-Jul-2017 to 31-Jul-2017									
Returns Summary									
Total number of vouchers for the period									
Included in returns									36
Not relevant for returns									0
Incomplete/Mismatch in information (to be resolved)									0
Sl No.	Particulars	Voucher Count	Taxable Value	Integrated Tax Amount	Central Tax Amount	State Tax Amount	Cess Amount	Tax Amount	Invoice Amount
1	B2B Invoices - 4A, 4B, 4C, 6B, 6C	11	9,12,382.18	65,567.01	26,775.00	26,775.00	4,744.11	1,23,861.12	9,91,243.30
2	B2C(Large) Invoices - 5A, 5B	3	13,58,000.00	2,44,440.00				2,44,440.00	16,02,440.00
3	B2C(Small) Invoices - 7	6	6,03,750.00	18,000.00	27,837.50	27,837.50	5,000.00	78,675.00	6,82,425.00
4	Credit/Debit Notes(Registered) - 9B	2	(-)32,250.00		(-)2,902.50	(-)2,902.50		(-)5,805.00	(-)38,055.00
5	Credit/Debit Notes(Unregistered) - 9B	2	(-)3,95,000.00	(-)71,100.00				(-)71,100.00	(-)4,66,100.00
6	Exports Invoices - 6A	3	3,82,000.00	17,100.00				17,100.00	3,99,100.00
7	Tax Liability(Advances received) - 11A(1), 11A(2)								
8	Adjustment of Advances - 11B(1), 11B(2)								
9	Nil Rated Invoices	9	13,46,475.00						13,46,475.00
<b>Total</b>		<b>36</b>	<b>41,75,357.18</b>	<b>2,74,007.01</b>	<b>51,710.00</b>	<b>51,710.00</b>	<b>9,744.11</b>	<b>3,87,171.12</b>	<b>45,17,528.30</b>
HSN wise Summary - 12									
<i>Note: Voucher count and values are not provided for HSN wise summary. Drill down for details.</i>									

By default the table-wise format displays rows related to values for current reporting period. And rows of previous period amendments, if values are available. To view all the amendment rows, enable the option **Show amendment tables with zero values?** under **F12: Configure**.

<b>Configuration</b>	
Show tax types in separate columns	? <b>Yes</b>
Export voucher numbers with more than 16 characters ?	? <b>Yes</b>

Given below is the description of different tables.

Table name	Description
5 B2B invoices	<p>Displays the taxable value and tax amount from taxable supplies to a registered person recorded in the reporting period. The transactions recorded with</p> <p><b>Nature of transaction as</b></p> <ul style="list-style-type: none"> <li>• Sales Taxable</li> <li>• Interstate Sales Taxable</li> <li>• Sales Exempt</li> <li>• Interstate Sales Exempt</li> <li>• Sales Nil Rated</li> <li>• Interstate Sales Nil Rated</li> </ul> <p><b>Taxability as</b></p>



	<ul style="list-style-type: none"> <li>• Taxable</li> <li>• Exempt</li> <li>• Nil Rated</li> </ul> <p><b>Registration type as</b></p> <ul style="list-style-type: none"> <li>• Regular</li> <li>• Composite</li> <li>• Unknown (with GSTIN)</li> </ul>
5A Amendments to B2B Invoices	Displays amendments to details of outward supplies to a registered person of earlier tax periods.
6 B2C(Large) Invoices	<p>Displays taxable value and tax amount from taxable outward supplies to a consumer where place of supply is other than the state where supplier is located (Inter-state supplies) and invoice value is more than Rs 2.5 lakh. The transactions recorded with,</p> <p><b>Nature of transaction as</b></p> <ul style="list-style-type: none"> <li>• Interstate Sales Taxable</li> <li>• Interstate Sales Exempt</li> <li>• Interstate Sales Nil Rated</li> </ul> <p><b>Taxability as</b></p> <ul style="list-style-type: none"> <li>• Taxable</li> <li>• Exempt</li> <li>• Nil Rated</li> </ul> <p><b>Registration Type as</b></p> <ul style="list-style-type: none"> <li>• Unregistered</li> <li>• Consumer</li> <li>• Unknown (with GSTIN)</li> </ul>
6A Amendments to B2C(Large) Invoices	Displays amendments to details of taxable outward supplies to a consumer where place of supply is other than the state where supplier is located (Inter-state supplies) and invoice value is more than Rs 2.5 lakh of earlier tax periods.
7 B2C(Small) Invoices	<p>Displays taxable value and tax amount from taxable outward supplies to consumer (Other than captured in table 6). The transactions recorded with</p> <p><b>Nature of transaction as:</b></p> <ul style="list-style-type: none"> <li>· Interstate Sales Taxable</li> <li>· Interstate Sales Exempt</li> <li>· Sales Taxable</li> <li>· Sales Exempt</li> <li>· Sales Nil Rated</li> </ul>

	<ul style="list-style-type: none"> <li>· Interstate Sales Nil Rated</li> <li>· Sales to Consumer – Taxable</li> <li>· Sales to Consumer – Exempt</li> </ul> <p><b>Taxability as:</b></p> <ul style="list-style-type: none"> <li>· Taxable</li> <li>· Exempt</li> <li>· Nil Rated</li> </ul> <p><b>Registration Type as:</b></p> <ul style="list-style-type: none"> <li>· Unregistered</li> <li>· Consumer</li> <li>· Unknown (with GSTIN)</li> </ul> <p>and invoice value of less than 2.5 lakhs are captured in this table.</p>
7A Amendments to B2C(Small) Invoices	Displays amendments to details of taxable value and tax amount from taxable outward supplies to consumer (Other than captured in table 6) of earlier tax periods.
8 Credit/Debit Notes	<p>Displays the taxable value and tax amount from credit and debit notes recorded in the reporting period. The credit and debit note transactions recorded with</p> <p><b>Nature of transaction as</b></p> <ul style="list-style-type: none"> <li>● Interstate Sales Taxable</li> <li>● Interstate Sales Exempt</li> <li>● Interstate Sales Nil Rated</li> <li>● Sales Taxable</li> <li>● Sales Exempt</li> <li>● Sales Nil Rated</li> </ul> <p><b>Taxability as</b></p> <ul style="list-style-type: none"> <li>● Taxable</li> <li>● Exempt</li> <li>● Nil Rated</li> </ul> <p><b>Registration type as</b></p> <ul style="list-style-type: none"> <li>● Regular</li> <li>● Composite</li> <li>● Unknown (with GSTIN)</li> </ul>
8A Amendments to Credit/Debit Notes	Displays amendment to details of credit and debit notes of earlier tax periods.

<p>9 Nil Rated Invoices</p>	<p>Displays the taxable value from nil rated, exempt and non-GST outward supplies. The transactions recorded with,</p> <p><b>Nature of transaction as</b></p> <ul style="list-style-type: none"> <li>● Sales Exempt</li> <li>● Interstate Sales Exempt</li> <li>● Sales Nil Rated</li> <li>● Interstate Nil Rated</li> </ul> <p><b>Taxability as</b></p> <ul style="list-style-type: none"> <li>● Taxable</li> <li>● Nil Rated</li> </ul> <p><b>Registration type as</b></p> <ul style="list-style-type: none"> <li>● Regular</li> <li>● Composite</li> <li>● Consumer</li> <li>● Unregistered</li> <li>● Unknown (with GSTIN)</li> </ul> <p>and, Is Non-GST good? option enabled.</p>
<p>10 Exports Invoices</p>	<p>Displays the taxable value and tax amount from supplies exported (including deemed exports) in the reporting period. The transactions recorded with,</p> <p><b>Nature of transaction as</b></p> <ul style="list-style-type: none"> <li>● Exports Taxable</li> <li>● Exports - LUT/Bond</li> <li>● Exports Exempt</li> <li>● Deemed Exports Taxable</li> <li>● Deemed Exports Exempt</li> <li>● Sales to SEZ - Taxable</li> <li>● Sales to SEZ - Exempt</li> <li>● Sales to SEZ - LUT/Bond</li> </ul> <p><b>Taxability as</b></p> <ul style="list-style-type: none"> <li>● Taxable</li> <li>● Exempt</li> <li>● Nil Rated</li> </ul> <p><b>Registration type as</b></p> <ul style="list-style-type: none"> <li>● Composite</li> <li>● Consumer</li> </ul>



	<ul style="list-style-type: none"> <li>• Unregistered</li> <li>• Unknown</li> </ul>
10A Amendments to Exports Invoices	Displays details of amendments to supplies exported of earlier tax periods.
11 Tax Liability on Advances	Displays tax liability arising on account of time of supply without issuance of invoice in the same period. The tax amount credited in the receipt transactions recorded by using the option <b>Advance Receipt</b> are captured in this table.
11A Amendments to Tax Liability on Advances	Displays details of amendments to tax liability arising on account of time of supply without issuance of invoice in the same period.
12 Setoff of Tax Paid against Advances	Displays tax already paid (on advance receipt/ on account of time of supply) on invoices issued in the current period. Displays the tax amount from sales transactions for which tax liability was created in advance receipts recorded in previous period.

## GSTR-1 Status Reconciliation Report in Tally.ERP9

GST compliance is complete if information of outward and inward supplies in books reconcile with the data on GST portal. Due to involvement of counter-party, multiple systems, and users, discrepancies creep in frequently making reconciliation a critical step.

The filing process involves

- Supplier uploading details of outward supplies in GSTR-1.
- Buyer receiving the supply details in his GSTR-2A.
- Buyer approving, rejecting, modifying or adding the supply details and filing GSTR-2.
- Supplier receiving the modified supply details in GSTR-1A. Supplier approving or rejecting the updated supply details.

All the approval, rejection, or modification is done on the GST portal. The supplier or the buyer has to login to the GST portal to check the status of each voucher. The **GSTR-1** report in Tally.ERP 9 has the status reconciliation feature that enables you to mark the status of each transaction based on the online status. This will allow you to track the status of all the transactions uploaded without having to login to the portal.

### To view Status Reconciliation report

1. Go to **Gateway of Tally > Display > Statutory Reports > GST > GSTR – 1**.
2. Click **U: Status Reconciliation**. The **Status Reconciliation** screen appears as shown below:

GSTR-1 Status Reconciliation		Tax @ Company Level						Ctrl + H	
GSTR-1 Status Reconciliation		1-Jul-2017 to 31-Jul-2017							
Table No.	Particulars	Count	Activity Status					Recon. Status	
			To Be Uploaded	Uploaded	Rejected by GST	Accepted	Rejected	Reconciled	Not Reconciled
5	B2B Invoices	7		7					7
6	B2C(Large) Invoices								
7	B2C(Small) Invoices								
8	Credit/Debit Notes	1		1					1
9	Nil Rated Invoices	2	2						2
10	Exports Invoices	4	2	2					4
11	Tax Liability on Advances								
12	Setoff of Tax Paid against Advances								
Transactions not forming a part of included transactions									38

**Count:** Displays the total count of vouchers under the particular table for the reporting period.

## Activity Status

**To Be Uploaded:** Displays the number of vouchers yet to be exported. The count vouchers that are not yet exported to GSTR-1 return file are displayed in this column.

**Uploaded:** Displays the number of vouchers exported. This column is automatically updated when a voucher is exported to GSTR-1 return file.

**Rejected by GST:** Displays the count of vouchers marked as **Rejected by GST**. You can mark the voucher status as rejected when GST rejects the voucher for reasons such as, duplicate invoice, reference of original transaction is not found in case of debit/credit note, GSTIN of any user being suspended, and so on.

**Accepted:** Displays the count of vouchers marked as **Accepted**. You can mark the status as accepted when input tax claim made by the buyer in the GSTR-1A.

**Rejected:** Displays the count of vouchers marked as **Rejected**. You can mark the status as rejected when the buyer rejects the voucher details as displayed in the GSTR-1A.

## Reconciliation Status

**Not Reconciled:** Displays the count of vouchers marked as **Not Reconciled**. You can mark the status as Not Reconciled when the details in the online portal do not match with your books.

**Reconciled:** Displays the count of vouchers marked as **Reconciled**. You can mark the status as Reconciled when the details in the online portal match with your books.

## Set Status

Drill down from any table to view the voucher register with list of vouchers and change the status of

the voucher.

The voucher register displayed on drill down from a table in **Status Reconciliation** screen appears as shown below:

Voucher Register												
Tax @ Company Level												
Vouchers of B2B Invoices												
1-Jul-2017 to 31-Jul-2017												
Date	Particulars	Vch Type	Vch No.	Taxable Value	Integrated Tax Amount	Central Tax Amount	State Tax Amount	Cess Amount	Total Tax Amount	Invoice Amount	Activity Status	Reconciliation Status
3-7-2017	Local Party	Sales	116	1,000.00						1,110.00	Uploaded	Not reconciled
3-7-2017	Local Party	Sales	117	1,000.00		50.00	50.00	10.00	110.00	1,110.00	Uploaded	Not reconciled
9-7-2017	Local Party	Sales	127	1,000.00		50.00	50.00	10.00	110.00	1,110.00	Uploaded	Not reconciled
18-7-2017	Local Party	Sales	134	2,000.00		200.00	200.00	40.00	440.00	1,440.00	Uploaded	Not reconciled
18-7-2017	Local Party	Sales	142	2,000.00		200.00	200.00	40.00	440.00	1,440.00	Uploaded	Not reconciled
28-7-2017	Local Party	Sales	152	1,000.00		100.00	100.00	20.00	220.00	1,220.00	Uploaded	Not reconciled
31-7-2017	Party W/o Country	Sales	159	1,000.00		50.00	50.00	10.00	110.00	1,110.00	Uploaded	Not reconciled
<b>Grand Total</b>				<b>9,000.00</b>		<b>650.00</b>	<b>650.00</b>	<b>130.00</b>	<b>1,430.00</b>	<b>8,540.00</b>		

## To set the status of a voucher

1. Select a voucher or multiple vouchers using **Spacebar**.
2. Click **S: Set Status**.

Set Status												
Tax @ Company Level												
Vouchers of B2B Invoices												
1-Jul-2017 to 31-Jul-2017												
Date	Particulars	Vch Type	Vch No.	Taxable Value	Integrated Tax Amount	Central Tax Amount	State Tax Amount	Cess Amount	Total Tax Amount	Invoice Amount	Activity Status	Reconciliation Status
3-7-2017	Local Party	Sales	116	1,000.00						1,110.00	Uploaded	Not reconciled
9-7-2017	Local Party	Sales	117	1,000.00		50.00	50.00	10.00	110.00	1,110.00	Uploaded	Not reconciled
9-7-2017	Local Party	Sales	127	1,000.00		50.00	50.00	10.00	110.00	1,110.00	Uploaded	Not reconciled
18-7-2017	Local Party	Sales	134	2,000.00		200.00	200.00	40.00	440.00	1,440.00	Uploaded	Not reconciled
18-7-2017	Local Party	Sales	142	2,000.00		200.00	200.00	40.00	440.00	1,440.00	Uploaded	Not reconciled
28-7-2017	Local Party	Sales	152	1,000.00		100.00	100.00	20.00	220.00	1,220.00	Uploaded	Not reconciled
31-7-2017	Party W/o Country	Sales	159	1,000.00		50.00	50.00	10.00	110.00	1,110.00	Uploaded	Not reconciled

**Set Status**

Activity status: **Uploaded**      Reconciliation status: **Not reconciled**

**Update Status**

- Accepted
- Rejected
- Rejected by GST
- To be uploaded
- Uploaded**

3. Select the **Activity status** and **Reconciliation status** of the voucher based on the details in the GST portal and press **Enter**.

The status change is displayed in the **Voucher Register** as shown:

Voucher Register											Tax @ Company Level			Ctrl + M	
Vouchers of : B2B Invoices														1-Jul-2017 to 31-Jul-2017	
Date	Particulars	Vch Type	Vch No.	Taxable Value	Integrated Tax Amount	Central Tax Amount	State Tax Amount	Cess Amount	Total Tax Amount	Invoice Amount	Activity Status	Reconciliation Status			
2-7-2017	Local Party	Sales	116	1,000.00						1,110.00	Accepted	Reconciled			
3-7-2017	Local Party	Sales	117	1,000.00		50.00	50.00	10.00	110.00	1,110.00	Accepted	Reconciled			
9-7-2017	Local Party	Sales	127	1,000.00		50.00	50.00	10.00	110.00	1,110.00	Accepted	Reconciled			
18-7-2017	Local Party	Sales	134	2,000.00		200.00	200.00	40.00	440.00	1,440.00	Accepted	Reconciled			
18-7-2017	Local Party	Sales	142	2,000.00		200.00	200.00	40.00	440.00	1,440.00	Uploaded	Not reconciled			
28-7-2017	Local Party	Sales	152	1,000.00		100.00	100.00	20.00	220.00	1,220.00	Uploaded	Not reconciled			
31-7-2017	Party W/o Country	Sales	159	1,000.00		50.00	50.00	10.00	110.00	1,110.00	Uploaded	Not reconciled			
<b>Grand Total</b>				<b>9,000.00</b>		<b>650.00</b>	<b>650.00</b>	<b>130.00</b>	<b>1,430.00</b>	<b>8,540.00</b>					

4. Press **Escape (Esc)** to return to the **Status Reconciliation** screen. The voucher count in columns is changed based on the status updates.

Status Reconciliation										Tax @ Company Level		Ctrl + M	
GSTR-1 Status Reconciliation												1-Jul-2017 to 31-Jul-2017	
Table No.	Particulars	Count	Activity Status					Reconciliation Status					
			To Be Uploaded	Uploaded	Rejected By GST	Accepted	Rejected	Not Reconciled	Reconciled				
5	B2B Invoices	7		3		4			3	4			
5A	Amendments to B2B Invoices												
6	B2C(Large) Invoices												
6A	Amendments to B2C(Large) Invoices												
7	B2C(Small) Invoices												
7A	Amendments to B2C(Small) Invoices												
8	Credit/Debit Notes	1		1						1			
8A	Amendments to Credit/Debit Notes												
9	Nil Rated Invoices	2	2							2			
10	Exports Invoices												
10A	Amendments to Exports Invoices												
11	Tax Liability on Advances												
11A	Amendments to Tax Liability on Advances												
12	Setoff of Tax Paid against Advances												
Transactions with incomplete information or mismatch (not included in returns)												42	

## Status-wise View

You can view the status reconciliation in the status-wise view.

### To change to status-wise view

1. Click **F5: Status-wise View** in the **Status Reconciliation** screen.

Status Reconciliation		Tax @ Company Level	Ctrl + M
GSTR-1 Status Reconciliation		1-Jul-2017 to 31-Jul-2017	
Particulars	Count		
<b>Activity Status</b>			
To be uploaded	2		
Uploaded	4		
Rejected by GST	4		
Accepted	4		
Rejected			
<b>Reconciliation Status</b>			
Not reconciled	6		
Reconciled	4		
Transactions with incomplete information or mismatch (not included in returns)			42

## F12: Configure

**Show uncertain transactions?:** Enable this option to view the number vouchers that are not included in the returns due to incomplete information or mismatch. This voucher count is displayed at the bottom of the **Status Reconciliation** screen.

# Reversal of Tax Credit under GST in Tally.ERP9

Reversal of tax credit can be done for trading goods, capital goods, goods meant for self-consumption and services. You can reverse the tax credit, using a journal voucher.

### To record a journal voucher for reversing the tax credit

1. Go to **Gateway of Tally > Accounting Vouchers > F7: Journal**.
2. Click **J: Stat Adjustment**.
3. In the **Stat Adjustment Details** screen, select the options as shown below:

<u>Stat Adjustment</u>	
Type of duty/tax	: GST
Nature of adjustment	: <b>Reversal of Input Tax Credit</b>

4. Press **Enter** to save and return to the journal voucher.
5. In the journal voucher, debit the expense or party ledger, and credit the integrated tax, central tax, state tax/UT tax or cess ledgers.
6. Press **Ctrl+A** to accept the voucher.

## Refund of Tax Credit under GST in Tally.ERP9

You can claim the excess amount paid as tax, interest, penalty, late fee or other dues as refund using a journal voucher.

### To record a journal voucher for refund

1. Go to **Gateway of Tally > Accounting Vouchers > F7: Journal**.
2. Click **J: Stat Adjustment**.
3. In the **Stat Adjustment Details** screen, select the options as shown below:

<u>Stat Adjustment</u>	
Type of duty/tax	: GST
Nature of adjustment	: <b>Refund</b>
<u>Additional Details</u>	
Additional Details	: <b>Interest</b>

4. Press **Enter** to save and return to the journal voucher.
5. Debit the bank ledger, and enter the amount of interest liability.

**Note:** To select bank or cash ledger, click **F12: Configure** and set the option **Allow cash accounts in journal vouchers?** to **Yes** in the **Voucher Configuration** screen.

6. Credit the GST ledgers or ledger grouped under **Current Assets**.



7. Press **Ctrl+A** to accept the journal voucher.

Similarly, you can record the journal voucher by selecting the **Additional Details** in the **Stat Adjustment Details** as:

- **Not Applicable**, for refund of excess tax payment made.
- **Penalty**, for refund of excess payment made towards penalty.
- **Late Fee**, for refund of excess payment made towards late fee.
- **Others**, refund of excess payment made towards other dues.

## Recording Transitional Credit under GST in Tally.ERP9

When the stock purchased during the previous tax regime is cleared, the tax credit can be claimed under GST. This facility is available only upto 6 months from the date of implementation of GST. You can record this transaction using a journal voucher.

### To record a journal voucher for transitional credit

1. Go to **Gateway of Tally > Accounting Vouchers > F7: Journal**.
2. Click **J: Stat Adjustment**.
3. In the **Stat Adjustment Details** screen, select the options as shown below:

<b><u>Stat Adjustment</u></b>	
Type of duty/tax	: GST
Nature of adjustment	: Increase of Input Tax Credit
<b><u>Additional Details</u></b>	
Additional Details	: <b>Transitional Credit</b>

4. Press **Enter** to save and return to the journal voucher.
5. In the journal voucher,
  - For availing tax credit on excise and service tax, debit the central tax ledger and credit the service tax and CENVAT ledgers.
  - For availing tax credit on VAT, additional tax, cess, TDS and entry tax, debit the state tax/UT tax ledger and credit the VAT, additional tax, cess, TDS and entry tax ledgers.

# Adjustments Against Tax Credit under GST in Tally.ERP9

The tax credits of central tax, integrated tax and state tax can be used to set-off the liability of central tax, state tax/UT tax and integrated tax in the order specified under GST.

The order in which tax credit can be offset is given below:

Input Tax Credit	Set-off against the Liability
Central tax	Central tax and integrated tax (in that order).
Integrated tax	Integrated tax, central tax, state tax/UT tax (in that order).
State tax/UT tax	State tax/UT tax and integrated tax (in that order).

## To record a journal voucher for cross utilisation of tax credits

1. Go to **Gateway of Tally > Accounting Vouchers > F7: Journal**.

**Note:** You can also create a journal voucher from **Gateway of Tally > Display > Statutory Reports > GST > GSTR-1 or GSTR-2**.

2. Click **J: Stat Adjustment**.
3. In the **Stat Adjustment Details** screen, select the options as shown below:

**Stat Adjustment**

Type of duty/tax : **GST**

Nature of adjustment : **Decrease of Tax Liability**

**Additional Details**

Additional Details : **Adjustment Against Credit**

4. Press **Enter** to save and return to the journal voucher.
5. In the journal voucher, debit and credit the ledgers as per the scenarios mentioned below:

Scenario	Debit Ledger	Credit Ledger
Utilisation of central tax credit, when only central	<ul style="list-style-type: none"> <li>• Debit the central tax</li> </ul>	Credit the central tax ledger to set-off the payable amount



<p>tax credit is available.</p>	<p>ledger</p> <ul style="list-style-type: none"> <li>• Enter the amount to the extent of credit available.</li> </ul>	<p>against the available credit.</p>
<p>Utilisation of central tax credit, when central tax and integrated tax credits are available.</p>	<ul style="list-style-type: none"> <li>• Debit the central tax ledger.</li> <li>• Enter the amount to the extent of credit available.</li> </ul>	<ul style="list-style-type: none"> <li>• Credit the central tax ledger, and enter the total amount payable.</li> <li>• Credit the integrated tax ledger if the tax credit remains after it is set-off against central tax dues.</li> </ul>
<p>Utilisation of state tax credit, when only state tax credit is available.</p>	<ul style="list-style-type: none"> <li>• Debit the state tax ledger.</li> <li>• Enter the amount to the extent of credit available.</li> </ul>	<p>Credit the state tax ledger to set-off the payable amount against the available credit.</p>
<p>Utilisation of state tax credit, when state tax and integrated tax credits are available.</p>	<ul style="list-style-type: none"> <li>• Debit the state tax ledger.</li> <li>• Enter the amount to the extent of credit available.</li> </ul>	<ul style="list-style-type: none"> <li>• Credit the state tax ledger, and enter the total amount payable.</li> <li>• Credit the integrated tax ledger if the tax credit remains after it is set-off against state tax dues.</li> </ul>
<p>Utilisation of integrated tax credit, when only</p>	<ul style="list-style-type: none"> <li>• Debit the integrated tax</li> </ul>	<p>Credit the integrated tax ledger to set-off the payable</p>

<p>integrated tax credit is available.</p>	<p>ledger.</p> <ul style="list-style-type: none"> <li>• Enter the amount to the extent of credit available.</li> </ul>	<p>amount against the available credit.</p>
<p>Utilisation of integrated tax credit, when integrated tax and central tax credits are available.</p>	<ul style="list-style-type: none"> <li>• Debit the integrated tax ledger.</li> <li>• Enter the amount to the extent of credit available.</li> </ul>	<ul style="list-style-type: none"> <li>• Credit the integrated tax ledger, and enter the total amount payable.</li> <li>• Credit the central tax ledger, if the tax credit remains after it is set-off against integrated tax dues.</li> </ul>
<p>Utilisation of integrated tax credit, when integrated tax, central tax and state tax/UT tax credits are available.</p>	<ul style="list-style-type: none"> <li>• Debit the integrated tax ledger.</li> <li>• Enter the amount to the extent of credit available.</li> </ul>	<ul style="list-style-type: none"> <li>• Credit the integrated tax ledger, and enter the total amount payable.</li> <li>• Credit the central tax ledger, if the tax credit remains after it is set-off against integrated tax dues.</li> <li>• Credit the state tax ledger, if the tax credit remains after it is set-off against central tax dues.</li> </ul>
<p>Utilisation of cess credit, when only cess credit is available.</p>	<ul style="list-style-type: none"> <li>• Debit the cess ledger.</li> <li>• Enter the</li> </ul>	<p>Credit the cess ledger to set-off the payable amount against the available credit.</p>

	amount to the extent of credit available.	
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## Journal Vouchers for Interest, Penalty, Late Fee and Other Dues in GST in Tally.ERP9

You can a record journal voucher to raise the liability towards interest, penalty, late fee, or other dues.

### To record a journal voucher for interest, penalty, late fee and other dues payable

1. Go to **Gateway of Tally > Accounting Vouchers > F7: Journal**.
2. Click **J: Stat Adjustment**.
3. In the **Stat Adjustment Details** screen, select the options as shown below:

**Stat Adjustment**

Type of duty/tax : **GST**

Nature of adjustment : **Increase of Tax Liability**

**Additional Details**

Additional Details : **Interest**

4. Press **Enter** to save and return to the journal voucher.
5. Debit the expenses or party ledger, and enter the amount of interest liability.
6. Credit the ledger grouped under **Current Liabilities**.
7. Press **Ctrl+A** to accept the journal voucher.

Similarly, you can record the journal voucher by selecting the **Additional Details** in the **Stat Adjustment Details** as:

- **Penalty**, for penalty payable.
- **Late Fee**, for late fee payable.
- **Others**, for other dues payable.

## Advance Payment to Supplier under Reverse Charge in GST in Tally.ERP9

You can record advance payments made to registered or unregistered dealers in a payment voucher, raise liability in journal voucher, record a refund voucher in receipt voucher if advance payment transaction is cancelled, and cancel the liability on advance payment in journal voucher.

[Advance payment](#)

[Raising liability for advance payment](#)

[Refund voucher cancellation of advance payment transaction](#)

[Cancelling the liability of advance amount to the extent the transaction is cancelled](#)

### Advance Payment

#### To record a payment voucher for advance payment

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

Accounting Voucher Creation		National Enterprises	Ctrl + M
Payment No. 1			15-Jul-2017 Saturday
Used for: Advance Payment Under Reverse Charge			
Account : Bank of India			
Cur Bal: 1,07,850.00 Dr			
Particulars		Amount	
Supreme Enterprises			55,000.00
Cur Bal: 55,000.00 Dr			
Advance Adv1	55,000.00 Dr		
Narration:			55,000.00
			Accept ? Yes or No

2. Click **V: Reverse Chrg. Adv.** to mark the voucher for advance payment.
3. **Account:** Select the bank to which the payment will be made.
4. Select the party ledger enabled for bill-wise details.
5. In the **Advance Payment Details** screen:

- All stock items are displayed when the party is an unregistered dealer.
- Only stock items which attract reverse charge (**Is reverse charge applicable?** is set to **Yes** in stock item master) are displayed when the party is a regular dealer.

**Note:** To select a ledger, click **L: Show Ledgers**.

♦ *Only ledgers which attract reverse charge (**Is reverse charge applicable?** is set to **Yes** in ledger master) are displayed when the party is a regular dealer.*

♦ *When the party ledger is an unregistered dealer, all ledgers are displayed.*

- Click **F12: Configure** and set the option:
  - o **Allow to provide rate of stock items?** to **Yes**, to enter/alter the slab rate of the stock item.
  - o **Allow to provide quantity for calculation of cess on quantity?** to **Yes**, to enter the cess rate and cess rate per unit.
  - o **Allow modification of tax details?** to **Yes**, to override the GST and cess rates in the voucher.

6. Select the **Stock Item** (goods enabled for GST) or **Ledger Name** (services enabled for GST), and enter the **Advance Amount**.

Advance Payment Details												
Particulars	Item Rate	Advance Amount	Taxable Value	Central Tax		State Tax		Cess				
				Rate	Amount	Rate	Amount	Rate	Amount	Rate Per	Quantity	Amount
Computers		55,000.00	55,000.00	9 %	4,950.00	9 %	4,950.00					
		55,000.00	55,000.00		4,950.00		4,950.00					

*Note: Amount of tax subject to reverse charge*

The **Advance Amount** appears as the **Taxable Value**, and the tax amount is calculated on this. The tax values shown in the **Advance Payment Details** is the amount on which you need to generate the liability in a [journal voucher](#) if the purchase invoice is not recorded within the return period.

The tax type appears as integrated tax or central tax and state tax, based on the state selected for the party ledger.

7. Press **Ctrl+A** to save the **Advance Payment Details** screen.
8. Select the type of reference as **Advance** and enter the reference details in the **Bill-wise Details** screen.
9. Accept the payment voucher.

## Journal voucher to raise the liability

### To record a journal voucher to raise the liability

1. Go to **Gateway of Tally > Accounting Vouchers > F7: Journal**.
2. Click **J: Stat Adjustment**.
3. Select the options as shown below.

<u>Stat Adjustment</u>	
Type of duty/tax	: GST
Nature of adjustment	: Increase of Tax Liability
<u>Additional Details</u>	
Additional Details	: <b>Advances Paid under Reverse Charge</b>

4. Debit the expense ledger or ledger grouped under **Current Assets** and credit the GST ledgers for the tax on advance receipt, as shown below:

Accounting Voucher Creation		National Enterprises		Ctrl + M
Journal No. 1				16-Jul-2017
				Sunday
<i>Used for: Increase of Tax Liability (Additional Details: Advances Paid under Reverse Charge)</i>				
Particulars	Debit	Credit		
Dr Tax on Advance <i>Cur Bal: 41,400.00 Cr</i>	9,900.00			
Cr State Tax <i>Cur Bal: 55,050.00 Cr</i>		4,950.00		
Cr State Tax <i>Cur Bal: 55,050.00 Cr</i>		4,950.00		
Narration:			9,900.00	9,900.00
			Accept ? Yes or No	

5. Press **Enter** to save.

The tax liability raised on the advance amount appears in **GSTR-3B** as shown below:





**Configure** and set the option:

- **Allow to provide rate of stock items** to **Yes**, to enter/alter the slab rate of the stock item.
  - **Allow to provide quantity for calculation of cess on quantity** to **Yes**, to enter the cess rate and cess rate per unit.
  - **Allow modification of tax details** to **Yes**, to override the GST and cess rates in the voucher.
5. Select the **Stock Item** (goods enabled for GST) or **Ledger Name** (services enabled for GST).
  6. Enter the **Refund Amount** which is inclusive of GST. The break-up of GST amount gets auto calculated for **Central Tax**, **State Tax**, and **Cess**, if applicable. The **Refund Details** section appears as shown below:

Refund Details												
Particulars	Item Rate	Refund Amount	Taxable Value	Central Tax		State Tax		Cess				
				Rate	Amount	Rate	Amount	Rate	Amount	Rate Per	Quantity	Amount
Computers		20,000.00	20,000.00	9 %	1,800.00	9 %	1,800.00					
		20,000.00	20,000.00		1,800.00		1,800.00					

*Note: Amount of tax subject to reverse charge*

The **Advance Amount** appears as the **Taxable Value**, and the tax amount is calculated on this. The tax values shown in the Advance Payment Details is the amount on which you need to generate the liability in a journal voucher.

7. Press **Ctrl+A** to accept and return to payment voucher.
8. Select the type of reference as **Agst Ref** and select the reference details in the **Bill-wise Details** screen.
9. Set **Provide GST details?** to **Yes**, and enter the **Receipt No.** and **Date** of the advance receipt.
10. Press **Enter** to save.
11. Click **P: Print** and set **Print Refund Voucher?** to **Yes**, as shown below:

Voucher Printing			
<b>Printer</b>	: Microsoft Print to PDF (PORTPROMPT:)	<b>Paper type:</b>	A4
<b>Number of copies</b>	: 1		
<b>Print language</b>	: English		(Printing dimensions)
<b>Print format</b>	: Neat Mode	<b>Paper size:</b>	(8.27" x 11.69") or (210 mm x 297 mm)
<b>Range of pages to print:</b>	All	<b>Print area :</b>	(8.27" x 11.69") or (210 mm x 297 mm)
Report Titles			
<b>Receipt Voucher</b>			
(with Print Preview)			
<i>Without company phone no., Without company website</i>			
<b>Print Refund Voucher</b>			<b>? Yes</b>
			<b>Print ?</b>
			<b>Yes or No</b>

The printed refund voucher appears as shown below:



<b>Refund Voucher</b>						
<b>National Enterprises</b>						
5th Block Rajajinagar Bangalore GSTIN/UIN : 29ALDGE1234A1Z5						
Party : <b>Supreme Enterprises</b> Address : Yeshwanthpur Bangalore State Name : Karnataka, Code : 29 Place of Supply : Karnataka				Voucher No. : <b>1</b> Voucher Date : <b>25/07/2017</b>  Reference Details Payment No. : <b>1</b> Payment Date : <b>15/07/2017</b>		
Sl No.	Particulars	Rate	per	Amount		
	Computers	20,000.00			<b>20,000.00</b>	
					<b>₹ 20,000.00</b>	
Amount received (in words) <b>INR Twenty Thousand Only</b>						
HSN/SAC		Taxable Value	Central Tax		State Tax	
			Rate	Amount	Rate	Amount
54713010		20,000.00	9%	1,800.00	9%	1,800.00
<b>Total</b>		<b>20,000.00</b>		<b>1,800.00</b>		<b>3,600.00</b>
Tax Amount (in words) : <b>INR Three Thousand Six Hundred Only</b>						E. & O.E
Amount of tax subject to Reverse Charge						<b>for National Enterprises</b>
		Prepared by	Verified by	Authorised Signatory		

## Cancelling the liability to the extent of refund voucher To reverse the tax liability

1. Click **J: Stat Adjustment** in **GSTR-3B** report or from the **Accounting Vouchers > F7: Journal**.
2. Select the options as shown below.

<u>Stat Adjustment</u>	
Type of duty/tax	: <b>GST</b>
Nature of adjustment	: <b>Decrease of Tax Liability</b>
<u>Additional Details</u>	
Additional Details	: <b>Cancellation of Advance Payments under Reverse Charge</b>

3. Debit the GST ledgers and credit the expense ledger, or ledger grouped under **Current Assets**.

Accounting Voucher: Creation		National Enterprises		Ctrl + M
<b>Journal</b>	No. 2			26-Jul-2017 Wednesday
Used for: <b>Decrease of Tax Liability</b> (Additional Details: Cancellation of Advance Payments under Reverse Charge)				
Particulars		Debit	Credit	
Dr <b>Central Tax</b>		1,800.00		
<i>Cur Bal: 1,800.00 Dr</i>				
Dr <b>State Tax</b>		1,800.00		
<i>Cur Bal: 8,100.00 Cr</i>				
Cr <b>Tax on Advance</b>			3,600.00	
<i>Cur Bal: 6,300.00 Dr</i>				
Narration:		3,600.00	3,600.00	
		3,600.00		3,600.00

## GST Payment Voucher in Tally.ERP9

You can record payments such as, interest, late fee, penalty, and others made to the GST department using a tax payment voucher. Interest, late fee, penalty and others are to be paid separately for central tax and state tax.

### To record a tax payment voucher

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

Accounting Voucher: Creation		National Enterprises		Ctrl + M
<b>Payment</b>	No. 1			30-Aug-2017 Wednesday
Statutory payment for: <b>GST</b> (Payment Type: Regular)				
Account : <b>Bank of India</b> <i>Cur Bal: 2,63,550.00 Dr</i>				
Particulars		Amount		
<b>State Tax</b>		13,950.00		
<i>Cur Bal: 6,300.00 Cr</i>				
<b>Central Tax</b>		13,950.00		
<i>Cur Bal: 6,300.00 Cr</i>				
<b>Interest - State Tax</b>		750.00		
<i>Cur Bal: 750.00 Cr</i>				
<b>Interest - Central Tax</b>		750.00		
<i>Cur Bal: 750.00 Dr</i>				
<b>Penalty - State Tax</b>		400.00		
<i>Cur Bal: 400.00 Cr</i>				
<b>Penalty - Central Tax</b>		400.00		
<i>Cur Bal: 400.00 Dr</i>				
<b>Late Fee - State Tax</b>		325.00		
<i>Cur Bal: 325.00 Dr</i>				
<b>Late Fee - Central Tax</b>		325.00		
<i>Cur Bal: 325.00 Dr</i>				
Provide GST Details: <b>Yes</b>				
Narration:		30,950.00		
		30,950.00		30,950.00

2. Click **S: Stat Payment** and enter the required details.

<u>Statutory Payment</u>		Type of Payment
Tax Type	: GST	<input type="checkbox"/> Any <input type="checkbox"/> Advance <input type="checkbox"/> Recipient Liability <input checked="" type="checkbox"/> Regular
Period From	: 1-Jul-2017 To	
Payment Type	: <b>Regular</b>	

**Payment Type:** Set the type of payment as **Regular**.

3. **Account:** Select the bank from which the payment will be made.

4. Select the central and state tax ledgers. If you have to pay interest, penalty, late fee or other dues, select the ledgers to make the payment. created to account for these dues. Ensure these ledgers are grouped under **Direct Expenses/Indirect Expenses/Current Liabilities**.

5. Select the type of payment to be made to the GST department.

<u>Types of Payment</u>	List of Types of Payment
<b>Interest</b>	<input type="checkbox"/> Not Applicable <input checked="" type="checkbox"/> Interest <input type="checkbox"/> Late Fee <input type="checkbox"/> Others <input type="checkbox"/> Penalty

6. **Provide GST details:** Enable this option to enter the bank details.

<u>Bank Details</u>	
Mode of payment	: <b>Net Banking - (E-Payments)</b>
Name of the Bank	: <b>Bank of India</b>
Common Portal Identification Number(CPIN):	<b>12352145214521</b>
Challan Identification Number(CIN)	:
BRN/UTR	: <b>BOI189212</b>
Payment date	: <b>30-Aug-2017</b>

If the bank details are not available, you can enter them later in the [Challan Reconciliation](#) report.

7. In the **Bank Allocations** screen, select the ledgers, enter the amount and provide the payment details.

8. Press **Enter** to save.

Similarly, you can record other tax payments to be made to the GST department.

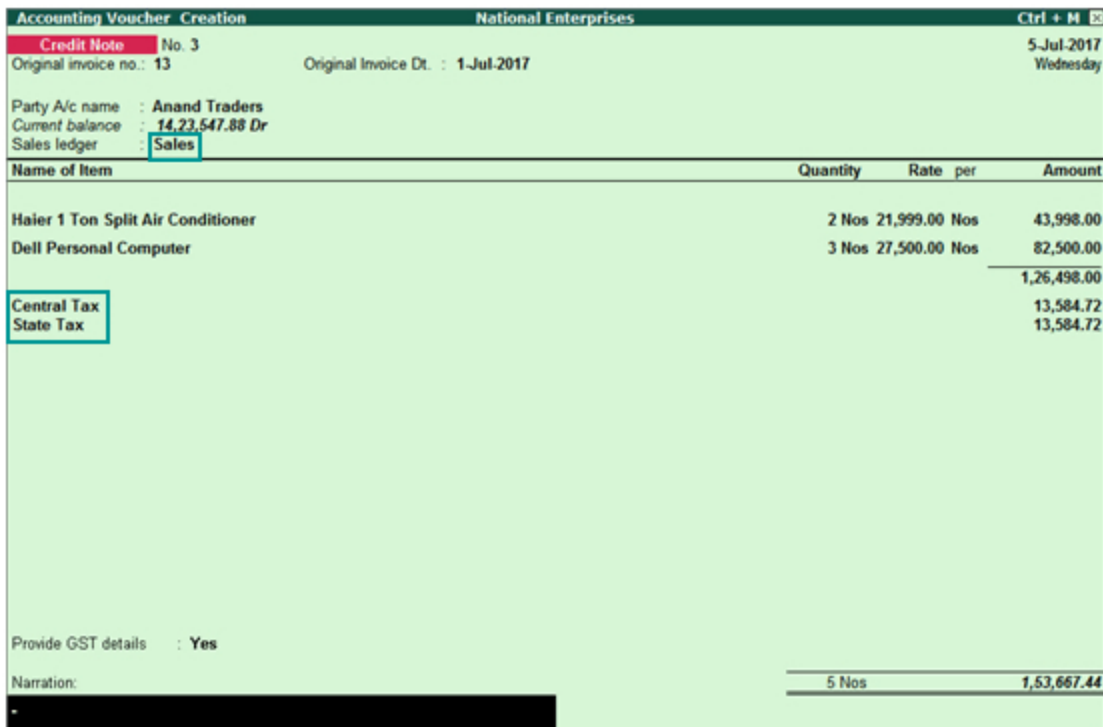
## Sales Returns under GST in Tally.ERP9

You can record sales returns (both local and interstate) against an earlier sales transaction using a credit note.

Your sales returns will be captured in table 8 (**Credit/Debit Notes**) in GSTR-1.

### To record sales return using a credit note

1. Go to **Gateway of Tally > Accounting Vouchers > Ctrl+F8**.



The screenshot shows the 'Accounting Voucher Creation' window in Tally.ERP9. The window title is 'National Enterprises' and it has a 'Ctrl + M' icon. The voucher type is 'Credit Note' with number 'No. 3'. The date is '5-Jul-2017' (Wednesday). The 'Original invoice no.' is '13' and the 'Original Invoice Dt.' is '1-Jul-2017'. The 'Party A/c name' is 'Anand Traders', the 'Current balance' is '14,23,547.88 Dr', and the 'Sales ledger' is 'Sales'. The table below lists items with their quantities, rates, and amounts. At the bottom, 'Provide GST details' is set to 'Yes' and there is a 'Narration' field.

Name of Item	Quantity	Rate per	Amount
Haier 1 Ton Split Air Conditioner	2 Nos	21,999.00 Nos	43,998.00
Dell Personal Computer	3 Nos	27,500.00 Nos	82,500.00
			1,26,498.00
Central Tax			13,584.72
State Tax			13,584.72
			1,53,667.44

Provide GST details : Yes

Narration: \_\_\_\_\_

2. In **Original invoice no.**, enter the invoice number of the original sales transaction against which you are recording the current sales return.
3. In **Party's A/c Name**, select the party against which the original sales was made.
4. Select the central tax and state tax ledgers.
5. **Provide GST details:** Enable this option if you want to enter additional details about the purchase return.



	Nature of Return
<b>Additional Details : Sales Taxable</b>	<input type="checkbox"/> Not Applicable 01-Sales Return 02-Post sale discount 03-Deficiency in service 04-Correction in invoice 05-Change in POS 06-Finalization of Provisional assessment 07-Others
Nature of Return : <span style="background-color: black; color: black;">XXXXXXXXXX</span>	

- o **01-Sales Return** - When there is a return of goods or services after sales.
- o **02-Post sale discount** - When discount is allowed on goods or services after sales.
- o **03-Deficiency in service** - When there is a deficiency in services (like a quality issue) after sales.
- o **04-Correction in invoice** - When there is a change in the invoice raised that leads to change in tax amount.
- o **05-Change in POS** - When there is a change in place of supply that leads to change in tax amount.
- o **06-Finalization of Provisional assessment** - When there is a change in price or rate after the department issues a notification about the finalized price of the goods or services.
- o **07-Others** - Any other nature of return.

Similarly, you can record sales returns against an interstate sales transaction by selecting the relevant party, sales ledger, and integrated tax ledger.

## Export Sales under GST in Tally.ERP9

You can record the export of goods using a sales vouchers.

In an export sales transaction, taxes are applicable based on the type of export:

- Taxable export: Integrated tax is applicable. Select **Exports Taxable** as the **Nature of transaction** in the sales ledger created for taxable exports.
- Exempt export: No tax is applicable. Select **Exports Exempt** as the **Nature of transaction** in the sales ledger created for exempt exports.
- Export under LUT/bond: No tax is applicable. Select **Exports LUT/Bond** as the **Nature of transaction** in the sales ledger created for exports under LUT/bond.
  - o Export under LUT/bond is applicable when you have signed up a letter of undertaking with the department for the export of goods without the payment of duty.
  - o To provide details of the LUT/bond, enable the options **Enable Goods and Services Tax (GST)?** and **Set/alter GST details?** in **Statutory and Taxation** features. In the **Company GST Details** screen that opens, enable the option **Provide LUT/Bond details?**, and enter the details in the **LUT/Bond Details** screen.

LUT/Bond Details

**LUT/Bond Details**  
LUT/Bond No. : 3634783DA9  
Validity : From 16-Jun-2017 To 16-Jun-2022

## To record export sales transaction

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

Accounting Voucher Creation National Enterprises Ctrl + M

**Sales** No. 17 5-Jul-2017  
Reference no.: Wednesday

Party A/c name : SH Enterprises - Dhaka  
Current balance : 1,92,000.00 Dr  
Sales ledger : **Export Sales**

Name of Item	Quantity	Rate per	Amount
Portland Cement	280 T	6,000.00 T	16,80,000.00
Ceramic Tiles	30,000 SqFt	28.00 SqFt	8,40,000.00
			25,20,000.00
<b>Integrated Tax</b>			7,05,600.00

Provide GST details : Yes

Narration: \_\_\_\_\_ 32,25,600.00

2. In **Party A/c name**, select the customer ledger or the cash ledger.
3. Select the sales ledger. You can also create separate sales ledgers for taxable exports, exempt exports, and exports under LUT/bond, and select them during the transaction.
4. Select the integrated tax ledger if it is a taxable export.
5. **Provide GST details - Yes**, if you want to enter additional details regarding the export transaction.

Additional Details : Exports - Taxable

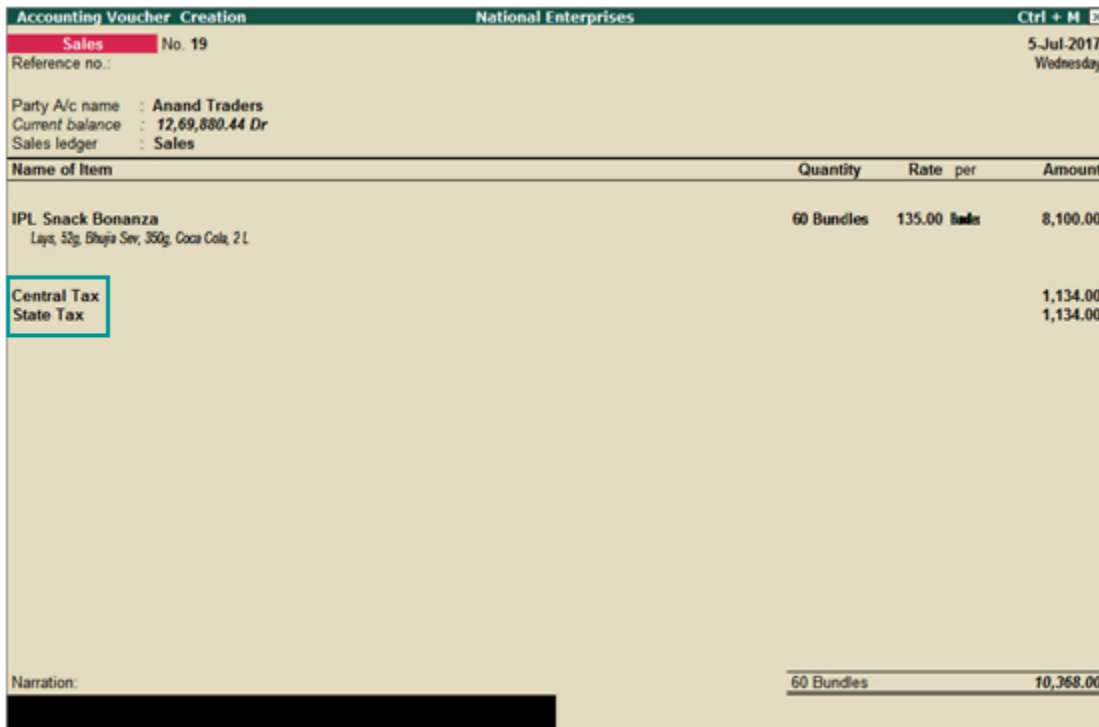
Shipping bill no. : 242676 Date : 2-Jul-2017

## Sales of Mixed Supply Under GST in

You can record the sales of a mixed supply using a sales invoice. For this, create a new stock item to account for the bundle of items. The tax of the highest-rated item in the bundle is applicable for this bundled unit.

## To record the sales of a mixed supply

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



Name of Item	Quantity	Rate per	Amount
IPL Snack Bonanza Lays, 52g, Bhujia Sev, 350g, Coca Cola, 2 L	60 Bundles	135.00	8,100.00
Central Tax			1,134.00
State Tax			1,134.00
Total			10,368.00

2. Select the applicable tax ledgers (central and state/union territory taxes for local supply, integrated tax for interstate supply).

## Sales of Composite Supply Under GST (Expense Apportioning) in Tally.ERP9

You can record the sales of a composite supply using a sales invoice. The rate of tax applicable on the principal supply will be considered as the rate of tax for the composite supply.

In a composite supply of both goods and services, either one of them can be the principal supply. If you are not sure about the principal supply and the secondary supply, you can create separate invoices for the goods and services.

For composite supply:

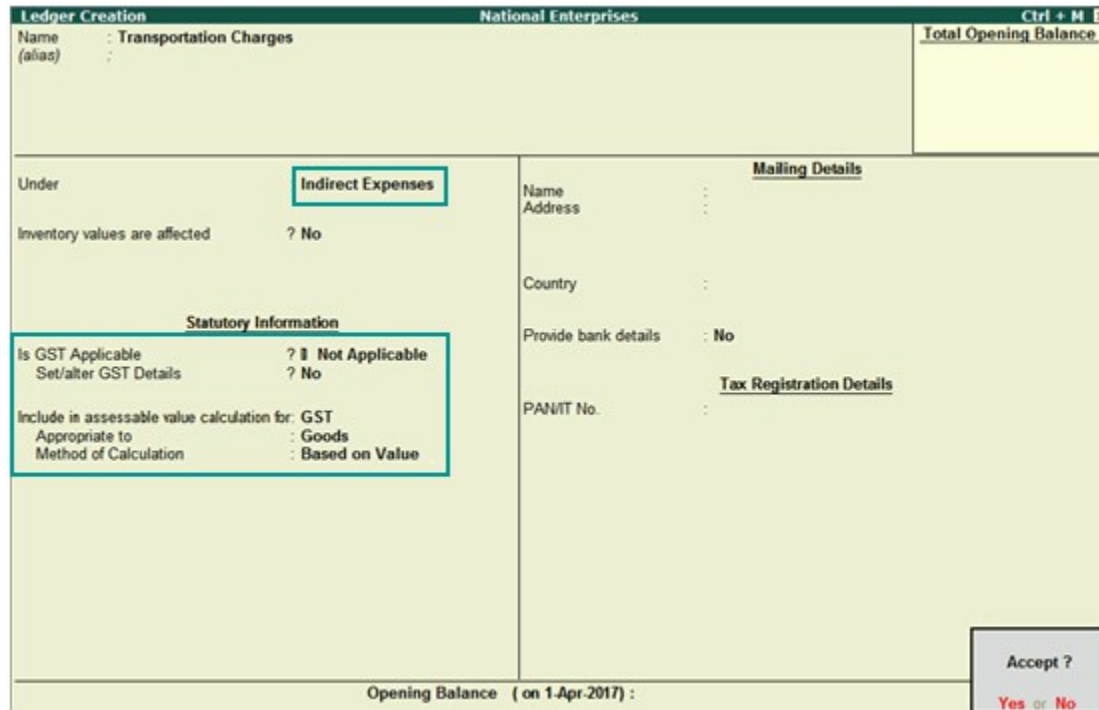
**Create a service ledger to participate in the sales of composite supply.**



Record sales of composite supply.

**To create a service ledger**

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



The screenshot shows the 'Ledger Creation' window in Tally. The ledger name is 'Transportation Charges'. The 'Under' field is set to 'Indirect Expenses'. The 'Statutory Information' section shows 'Is GST Applicable' as 'Not Applicable' and 'Include in assessable value calculation for: GST' as 'Appropriate to: Goods'. The 'Mailing Details' and 'Tax Registration Details' sections are empty. An 'Accept?' dialog box is visible at the bottom right.

2. **Is GST Applicable? - Not Applicable.** The option **Include in assessable value calculation** for appears.

3. **Include in assessable value calculation for - GST.**

o **Appropriate to - Goods**, as the principal supply is considered as goods in this example.

4. Press **Ctrl+A** to accept.

**To record the sales of composite supply with goods as principal item**

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





Accounting Voucher Creation		National Enterprises		Ctrl + M
<b>Sales</b> No. 17				5-Jul-2017
Reference no.:				Wednesday
Party A/c name : SLV Constructions				
Current balance :				
Sales ledger : Sales				
Name of Item	Quantity	Rate per	Amount	
TMT Steel Rebar 12 MM	1,000 Nos	400.00 Nos	4,00,000.00	
Steel Footing 1.45m - 12 MM	300 Bundles	1,450.00 Bundles	4,35,000.00	
			<u>8,35,000.00</u>	
Transportation Charges			3,000.00	
Central Tax			75,420.00	
State Tax			75,420.00	
Narration:			<u>9,88,840.00</u>	

2. Select the service ledger (in this example, the ledger applicable for transportation charges).
3. Select the applicable tax ledgers (central and state/union territory taxes for local supply, integrated tax for interstate supply).

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

ATTITUDE

National Enterprises			
Tax Analysis			
Particulars	Taxable Value	Tax rate	Duty/Tax Value
<b>GST Details</b>			
Sales Taxable	8,38,000.00		1,50,840.00
TMT Steel Rebar 12 MM	4,01,437.13		72,258.68
Item Value ( Sales Value 4,00,000.00 )	4,00,000.00		
Transportation Charges (3,000.00 / 8,35,000.00 * 4,00,000.00)	1,437.13		
Central Tax		9%	36,129.34
State Tax		9%	36,129.34
Steel Footing 1.45m - 12 MM	4,36,562.87		78,581.32
Item Value ( Sales Value 4,35,000.00 )	4,35,000.00		
Transportation Charges (3,000.00 / 8,35,000.00 * 4,35,000.00)	1,562.87		
Central Tax		9%	39,290.66
State Tax		9%	39,290.66
Total			1,50,840.00

## Nil-Rated GST Sales in Tally.ERP9

The sales of nil-rated goods to a local or interstate customer does not attract GST, and can be recorded using a sales voucher. In the masters of the goods or services classified as nil rated (0%), **Taxability** should be set to **Nil Rated** in the **GST Details** screen.

- Go to **Gateway of Tally > Accounting Vouchers > F8: Sales**.
- Select the applicable **Sales ledger**. For example, Sales Nil-Rated.

While recording any type of sales transaction, you can choose either of the following methods:

- **Method 1:** For a specific type of sales transaction, you can create or update the sales ledger with the relevant **Nature of transaction**. Now select this sales ledger while recording the sales transaction.



GST Details for Ledger: GST Sale - Nil

HSN/SAC Details

Description :  
 HSN/SAC :  
 Nature of transaction : **Sales Nil Rated**

Tax Details

Taxability : Nil Rated  
 Is reverse charge applicable ? No

Tax Type	Rate
Integrated Tax	0 %
Cess	0 %

Type of Supply : Services

Opening Balance ( on 1-Jul-2017 ) :

**Nature**

- Not Applicable
- Branch Transfer
- Deemed Exports
- Deemed Exports Exempt
- Exports LUT/Bond
- Exports Taxable
- Interstate Sales
- Interstate Sales Exempt
- Sales Nil Rated**
- Sales Taxable
- Sales to Consumer - Exempt
- Sales to Consumer - Taxable
- Sales to SEZ - Exempt
- Sales to SEZ - LUT/Bond
- Sales to SEZ - Taxable

- **Method 2:** Select the common sales ledger during the sales transaction. Press **F12** and enable the option **Allow modification of tax details for GST?** Now select the **Classification/Nature**.

**Tax Classification details**

Classification/Nature : **Sales** ( Sales Taxable )

**Natures of Transaction**

- Not Applicable
- Interstate Sales Exempt
- Interstate Sales Nil Rated
- Interstate Sales Taxable
- Sales Exempt**
- Sales Nil Rated**
- Sales Taxable**
- Sales to Consumer - Exempt
- Sales to Consumer - Taxable
- Sales to SEZ - Exempt
- Sales to SEZ - LUT/Bond
- Sales to SEZ - Taxable

Accounting Voucher Creation		National Enterprises		Ctrl + M
<b>Sales</b> No. 11				1-Jun-2017
Reference no.:				Thursday
Party A/c name :	Gopal Juice and Lassi Centre			
Current balance :	1,874.00 Dr			
Sales ledger :	Sales Nil Rated			
Name of Item	Quantity	Rate per	Amount	
Nandini Good Life Milk	80 lt	41.00 lt	3,280.00	
Apple Fuji	14 Kg	122.00 Kg	1,708.00	
			<u>4,988.00</u>	
End of List				
Narration:			<u>4,988.00</u>	

Depending on the location of the party, you can record a local or interstate nil-rated sales transaction.

## Exempted GST Sales in Tally.ERP9

The local or interstate sale of goods or services exempted from GST can be recorded using a sales voucher. In the masters of the exempted goods or services, **Taxability** should be set to **Exempt** in the **GST Details** screen.

- Go to **Gateway of Tally > Accounting Vouchers > F8: Sales**.
- Select the applicable **Sales ledger**.

Accounting Voucher Creation		National Enterprises		Ctrl + M
Sales No. 13				1-Jun-2017
Reference no.:				Thursday
Party A/c name : Nanda Traders				
Current balance				
Sales ledger : Sales Exempt				
Name of Item	Quantity	Rate per	Amount	
Moong Dal Premium	280 Kg	71.00 Kg	19,880.00	
Amul Lassi	50 lt	80.00 lt	4,000.00	
			<hr/>	
			23,880.00	
End of List				
Narration:				<hr/> <hr/>
				23,880.00

Note :

While recording any type of sales transaction, you can choose either of the following methods:

- **Method 1:** For a specific type of sales transaction, you can create or update the sales ledger with the relevant **Nature of transaction**. Now select this sales ledger while recording the sales transaction.

GST Details		Www.TallyERP9Book.Com	
GST Details for Ledger: GST Sales Exempted			
<b>HSN/SAC Details</b>			
Description	:		
HSN/SAC	:		
Nature of transaction	:	Sales Exempt	
<b>Tax Details</b>			
Taxability	:	Exempt	
Is reverse charge applicable	?	No	
<b>Tax Type</b>		<b>Rate</b>	
Integrated Tax		0 %	
Cess		0 %	
Opening Balance		( on 1-Jul-2017 ) :	

- **Method 2:** Select the common sales ledger during the sales transaction. Press **F12** and enable the option **Allow modification of tax details for GST?** Now select the **Classification/Nature**.

Tax Classification details	
Classification/Nature	: Sales ( Sales Taxable )
	<b>Natures of Transaction</b>
	<ul style="list-style-type: none"> <li>▢ Not Applicable</li> <li>Interstate Sales Exempt <i>Nature of Transaction</i></li> <li>Interstate Sales Nil Rated <i>Nature of Transaction</i></li> <li>Interstate Sales Taxable <i>Nature of Transaction</i></li> <li>Sales Exempt <i>Nature of Transaction</i></li> <li>Sales Nil Rated <i>Nature of Transaction</i></li> <li>Sales Taxable <i>Nature of Transaction</i></li> <li>Sales to Consumer - Exempt <i>Nature of Transaction</i></li> <li>Sales to Consumer - Taxable <i>Nature of Transaction</i></li> <li>Sales to SEZ - Exempt <i>Nature of Transaction</i></li> <li>Sales to SEZ - LUT/Bond <i>Nature of Transaction</i></li> <li>Sales to SEZ - Taxable <i>Nature of Transaction</i></li> </ul>

## SEZ (Special Economic Zone) GST Sales in Tally.ERP9

The sale of goods and services to a party in an SEZ can be recorded using a sales vouchers. In an SEZ sales transaction, taxes are applicable based on the type of sale:

- Taxable SEZ sale: In SEZ sales, integrated tax is applicable for both local and interstate parties.
- Exempt SEZ sale: No tax is applicable.
- SEZ sale under LUT/bond: No tax is applicable. SEZ sales under LUT/bond are allowed when you have signed up a letter of undertaking with the department for the sale of goods without the payment of duty.

To provide details of the LUT/bond, enable the options **Enable Goods and Services Tax (GST)?** and **Set/alter GST details?** in **Statutory and Taxation** features. In the **Company GST Details** screen, enable the option **Provide LUT/Bond details?**, and enter the details in the **LUT/Bond Details** screen.

LUT/Bond Details

**LUT/Bond Details**  
 LUT/Bond No. : 3634783DA9  
 Validity : From 16-Jun-2017 To 16-Jun-2022

### To record SEZ sales

- Go to **Gateway of Tally > Accounting Vouchers > F8: Sales.**
- Select the applicable **Sales ledger.** For example, Sales - SEZ.

Accounting Voucher Creation National Enterprises Ctrl + M

**Sales** No. 16 5-Jul-2017  
 Reference no.: Wednesday

Party A/c name : ICL Technologies Ltd - Jigani Industrial Area  
 Current balance : 18,15,000.00 Dr  
 Sales ledger : Sales - SEZ

Name of Item	Quantity	Rate per	Amount
HP Pavilion All-in-One Computer	120 Nos	29,990.00 Nos	35,98,800.00
Haier 1 Ton Split Air Conditioner	10 Nos	21,999.00 Nos	2,19,990.00
			38,18,790.00
<b>Integrated Tax</b>			6,87,382.20

Provide GST details : Yes

Narration: 130 Nos 45,06,172.20

**Provide GST details:** Enable this option if you want to enter additional details regarding the export transaction.

Additional Details : Sales to SEZ - Taxable

Shipping bill no. : 367842 Date : 5-Jul-2017

**Note :**

While recording any type of sales transaction, you can choose either of the following methods:

- **Method 1:** For a specific type of sales transaction, you can create or update the sales ledger with the relevant **Nature of transaction.** Now select this sales ledger while recording the sales transaction.



GST Details www.TallyERP9Book.Com

GST Details for Ledger:  
**SEZ Sale**

**HSN/SAC Details**

Description :  
HSN/SAC :  
Nature of transaction : **Sales to SEZ - Taxable**

**Tax Details**

Taxability : Taxable  
Is reverse charge applicable ? No

Tax Type	Rate
Integrated Tax	0 %
Cess	0 %

Opening Balance ( on 1-Jul-2017 ) :

- **Method 2:** Select the common sales ledger during the sales transaction. Press **F12** and enable the option **Allow modification of tax details for GST?** Now select the **Classification/Nature**.

Tax Classification details

Classification/Nature : **Sales** ( Sales Taxable )

Natures of Transaction	
<input type="checkbox"/> Not Applicable	<i>Nature of Transaction</i>
<input type="checkbox"/> Interstate Sales Exempt	<i>Nature of Transaction</i>
<input type="checkbox"/> Interstate Sales Nil Rated	<i>Nature of Transaction</i>
<input type="checkbox"/> Interstate Sales Taxable	<i>Nature of Transaction</i>
<input type="checkbox"/> Sales Exempt	<i>Nature of Transaction</i>
<input type="checkbox"/> Sales Nil Rated	<i>Nature of Transaction</i>
<input type="checkbox"/> Sales Taxable	<i>Nature of Transaction</i>
<input type="checkbox"/> Sales to Consumer - Exempt	<i>Nature of Transaction</i>
<input type="checkbox"/> Sales to Consumer - Taxable	<i>Nature of Transaction</i>
<input type="checkbox"/> Sales to SEZ - Exempt	<i>Nature of Transaction</i>
<input type="checkbox"/> Sales to SEZ - LUT/Bond	<i>Nature of Transaction</i>
<input type="checkbox"/> Sales to SEZ - Taxable	<i>Nature of Transaction</i>

## GST Sales to Consumers - Taxable and Exempt in Tally.ERP9



You can record sales to consumers (end users of your goods or services) and unregistered dealers, using a sales invoice.

Depending on the transaction value and the location of the party, the sales invoice will be captured in different tables in GSTR-1 returns.

- **B2C (Large) Invoices:** Captures interstate sales transactions where the invoice value is more than Rs. 2.5 lakh.

The following images show how large invoices are captured in GSTR-1 for an interstate party:

Accounting Voucher Alteration (Secondary) National Enterprises Crid + H

Sales No. 20 5-Jul-2017 Wednesday  
Reference no. 002

Party A/c name : VVV Traders - Hyderabad  
Current balance : 6,37,000.00 Dr  
Sales ledger : Sales

Name of Item	Quantity	Rate per	Amount
TMT Steel Rebar 12 MM	9,000 Nos	400.00 Nos	36,00,000.00
Integrated Tax			6,48,000.00
Total			42,48,000.00

Tab. No.	Particulars	Count	Taxable Value	Integr Tax Am
5	B2B Invoices	4	21,52,894.00	
6	B2C(Large) Invoices	1	36,00,000.00	6,48,000.00
7	B2C(Small) Invoices	2	4,50,000.00	36,000.00
8	Credit/Debit Notes	2	2,52,996.00	
9	Nil Rated Invoices			
10	Exports Invoices			
11	Tax Liability on Advances			
12	Setoff of Tax Paid against Advances			

- **B2C (Small) Invoices:** In GSTR-1, this table captures:
  - o Local sales transaction: Irrespective of the invoice value.
  - o Interstate sales transactions: where the total invoice value is less than Rs. 2.5 lakh.

The following images show how small invoices are captured in GSTR-1:

Accounting Voucher Creation National Enterprises Crid + H

Sales No. 24 5-Jul-2017 Wednesday  
Reference no. 2133

Party A/c name : VVV Traders - Hyderabad  
Current balance : 44,84,000.00 Dr  
Sales ledger : Sales

Name of Item	Quantity	Rate per	Amount
Steel Footing 1.45m - 12 MM	140 Bundles	1,450.00 Bundle	2,03,000.00
Integrated Tax			36,540.00
Total			2,39,540.00

Tab. No.	Particulars	Count	Taxable Value	Integr Tax Am
5	B2B Invoices	4	21,52,894.00	
6	B2C(Large) Invoices	1	36,00,000.00	6,48,000.00
7	B2C(Small) Invoices	2	4,50,000.00	36,000.00
8	Credit/Debit Notes	2	2,52,996.00	
9	Nil Rated Invoices			
10	Exports Invoices			
11	Tax Liability on Advances			
12	Setoff of Tax Paid against Advances			

## GST Sales Involving Consignee (Ship To)

# and Buyer (Bill To) in Tally.ERP9

In Tally.ERP 9, you can record GST sales where a consignee and a buyer are involved. Here, the goods are sent to the consignee, and the bill is sent to the buyer.

**Note:** In this case, GST calculation depends only on the location of the buyer, and not the consignee.

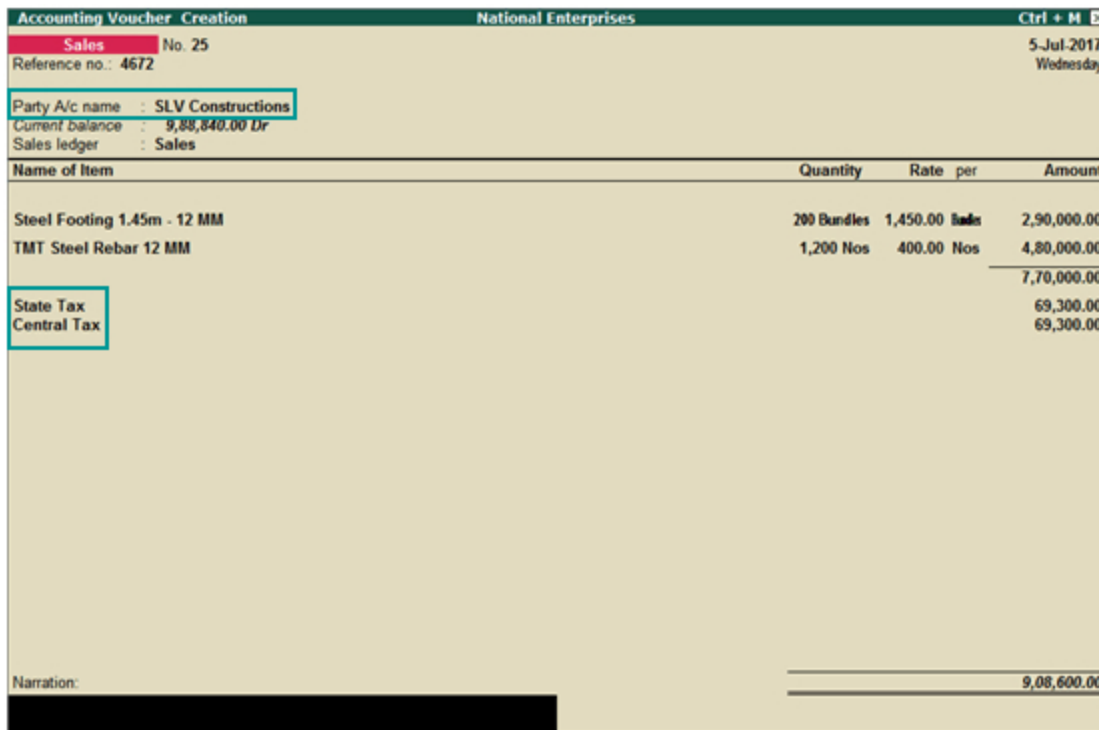
- ◆ If the buyer is located in the same state: Central tax and state tax are applicable.
- ◆ If the buyer is located in a different state: Integrated tax is applicable.

To add buyer and consignee details in the same invoice, enable the following options:

- Go to **F11: Features > F1: Accounting Features**, and enable the option **Maintain multiple mailing details for company and ledgers?**
- Press **F12** on the sales invoice, and enable the option **Allow separate buyers and consignee names?**

## To record GST sales involving a consignee and a buyer

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



Name of Item	Quantity	Rate per	Amount
Steel Footing 1.45m - 12 MM	200 Bundles	1,450.00	2,90,000.00
TMT Steel Rebar 12 MM	1,200 Nos	400.00	4,80,000.00
			7,70,000.00
State Tax			69,300.00
Central Tax			69,300.00
Narration:			9,08,600.00

2. In **Party A/c name**, select the buyer, and enter the relevant details in the **Party Details** screen.
  - o In **Consignee**, click **Alt+M** to select the consignee ledger.

Party Details		National Enterprises	
<b>Despatch Details</b>			
Delivery Note No(s) :		Despatch Doc. No. :	2671
<b>12741</b>	dt. 5-Jul-2017	Despatched through :	Maruti Logistics
		Destination :	Bangalore
<b>Order Details</b>			
Order No(s) :		Mode/Terms of Payment:	Cash
<b>142</b>	dt. 5-Jul-2017	Other Reference(s) :	
		Terms of Delivery :	
<b>Buyer's Details</b>			
<b>Consignee</b> :	Anand Traders	<b>Buyers</b> :	SLV Constructions
Address Type :	Primary	Address Type :	Primary
Address :	PR Reddy Complex Hosur Main Road, Garebhaipalya, Bommanahalli, Bengaluru, Karnataka	Address :	Sri Sai Nivas, #21, Mico Layout, Arekere, Bannerghatta Road
GSTIN/UIN :	29AKPCT1423A1Z3	State :	Karnataka
		GSTIN/UIN :	29ATKCP1321D1Z5

3. Select the sales ledger.
4. Select the required items, and specify the quantities and rates.
5. Select the relevant GST ledgers (state tax and central tax for local buyer; integrated tax for interstate buyer).
6. Press **Alt+P** to print the invoice. The consignee and buyer details appear as shown below:

**ATTITUDE**

Tax Invoice						
<b>National Enterprises</b> Bommanahalli, Bangalore GSTIN/UIN: 29DFGRY1111A2Z1		Invoice No.		Dated		
		25		5-Jul-2017		
		Supplier's Ref.		Other Reference(s)		
		4672				
		Buyer's Order No.		Dated		
		142		5-Jul-2017		
<b>Consignee</b> <b>Anand Traders</b> PR Reddy Complex, Hosur Main Road, Garebhavipalya, Bommanahalli,, Bengaluru, Karnataka Karnataka, Code : 29 GSTIN/UIN:29AKPCT1423A1Z3						
<b>Buyer (if other than consignee)</b> <b>SLV Constructions</b> Sri Sai Nivas, #21, Mico Layout,, Arekere, Bannerghatta Road Karnataka, Code : 29 GSTIN/UIN:29ATKCP1321D1Z5 Place of Supply : Karnataka						
Sl No	Description of Goods	HSN/SAC	Quantity	Rate	per	Amount
1	Steel Footing 1.45m - 12 MM		200 Bundles	1,450.00	Bundles	2,90,000.00
2	TMT Steel Rebar 12 MM		1,200 Nos	400.00	Nos	4,80,000.00
						7,70,000.00
<i>State Tax</i>						69,300.00
<i>Central Tax</i>						69,300.00
Total						<b>₹ 9,08,600.00</b>
Amount Chargeable (in words)						E & O E
<b>INR Nine Lakh Eight Thousand Six Hundred Only</b>						
HSN/SAC		Taxable Value	Central Tax		State Tax	
			Rate	Amount	Rate	Amount
		7,70,000.00	9%	69,300.00	9%	69,300.00
		<b>Total</b>		<b>69,300.00</b>		<b>69,300.00</b>
Tax Amount (in words) : <b>INR One Lakh Thirty Eight Thousand Six Hundred Only</b>						
Declaration We declare that this invoice shows the actual price of the goods described and that all particulars are true and correct.				for National Enterprises  Authorised Signatory		
This is a Computer Generated Invoice						

GST Sale of Works Contract Services in

# Tally.ERP9

## Sale of works contract services

### To record a sales invoice for works contract

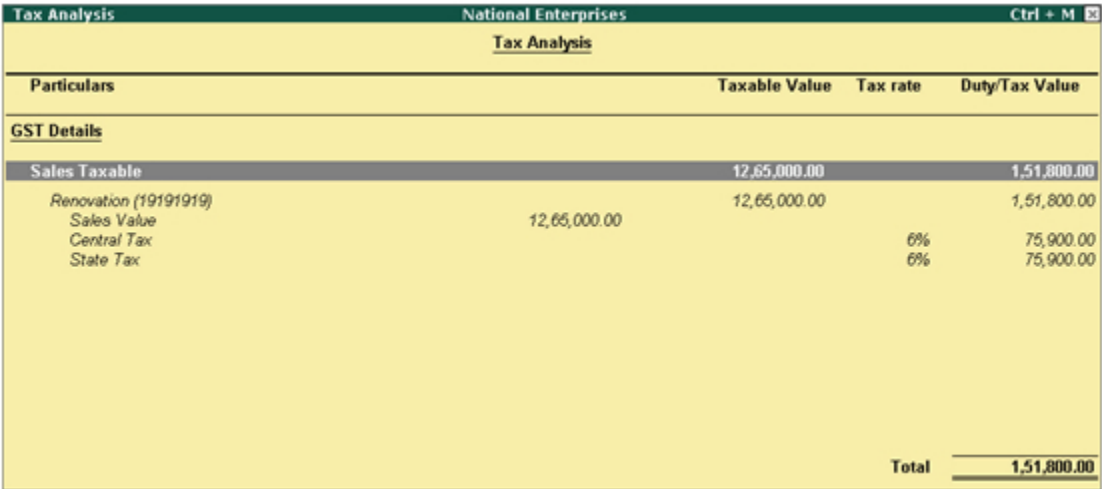
1. Go to **Gateway of Tally > Accounting Vouchers > F8: Sales.**



Accounting Voucher: Creation		National Enterprises		Ctrl + M
<b>Sales</b>	No. 1			10-Jul-2017
Reference no.: 01				Monday
Party A/c name : Lathika Works Contract				
Current balance :				
Particulars	Rate per	Amount		
Renovation		12,65,000.00		
Central Tax		75,900.00		
State Tax		75,900.00		
Narration:				Accept ? Yes or No

2. In **Party A/c name**, select the customer ledger.
3. Select the sales ledger and enter the amount.
4. Select the GST ledgers (central and state, or integrated) based on the state selected for the customer ledger.

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



Tax Analysis		National Enterprises		Ctrl + M
<u>Tax Analysis</u>				
Particulars	Taxable Value	Tax rate	Duty/Tax Value	
<b>GST Details</b>				
Sales Taxable	12,65,000.00		1,51,800.00	
Renovation (19191919)				
Sales Value	12,65,000.00		1,51,800.00	
Central Tax		6%	75,900.00	
State Tax		6%	75,900.00	
<b>Total</b>			<b>1,51,800.00</b>	

## Recording GST Local Sales and Printing Invoices in Tally.ERP9

### To record a Local Sales Transaction

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

#### **As per our Practical Example No. 4**

**Sale of 5 Antivirus CDs @ Rs.1500 to Rajib Roy & Sons with output GST 18% i.e. Rs. 1350 – [CGST (9%) Rs. 675 and SGST (9%) Rs.675 ]**

Accounting Voucher Alteration (Secondary)		Swayam Education	
<b>Sales</b>		No. SE\001\17-18	
Reference no.:			
Party A/c name	: Rajib Roy & Sons		
Current balance	: 8,850.00 Dr		
Sales ledger	: <b>GST Sale</b>		
Name of Item	Quantity	Rate per	
Anti-Virus Software CD	5 Pcs. ( 5 Pcs. )	1,500.00 Pcs.	
<b>Output CGST</b>			
<b>Output SGST</b>			
Narration:		<u>5 Pcs.</u>	

2. In **Party A/c name**, select the customer ledger or the cash ledger.
3. Select the sales ledger.
4. Select the required items, and specify the quantities and rates.
5. Select the central and state tax ledgers.

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

Tax Analysis		Swayam Education Pvt. Ltd.	
<u>Tax Analysis</u>			
Particulars		Taxable Value	Tax rate
<b>GST Details</b>			
<b>Sales Taxable</b>		<b>7,500.00</b>	
Antivirus Software CD		7,500.00	
Item Value ( Sales Value 7,500.00 )	7,500.00		
Central Tax			9%
State Tax			9%
			<b>Total</b>

*Note : As per GST Rate applied at the time of creating of Items, CGST & SGST will be automatically calculated according to Items GST Rate.*

6. In the sales invoice, press **Alt+P** to print the invoice in the required format.

For multiple copies: Press **Alt+P** and then **Alt+C** to select the number of copies.

## B. Printed Invoice Format

As per GST guidelines, details such as the applicable taxes and tax rates, and the GSTIN/UIN of the company and the customer will be captured. Depending on your requirements, you can include additional details in your invoice by clicking **F12: Configure**



**INVOICE**

Swayam Education Pvt. Ltd. Balasore - 756001 Odisha GSTIN/UIN: 21ASTPS0783A1Z5 CIN: UAAAAAABBBBBBCCCC21		Invoice No. <b>SEI00117-18</b>		Dated <b>2-Jul-2017</b>		
		Delivery Note				
Buyer <b>Rajib Roy &amp; Sons</b> Motiganj Balasore Odisha Odisha Code : 21 GSTIN/UIN: 21ASTPS0783N1Z1		Supplier's Ref.		Other Reference(s)		
		Despatch Document No.		Delivery Note Date		
		Despatched through		Destination		
Sl No.	Description of Goods	HSN/SAC	GST Rate	Quantity	Rate per	Amount
1	Antivirus Software CD		18 %	5 Pcs.	1,500.00 Pcs.	7,500.00
	<b>Output CGST</b>					<b>675.00</b>
	<b>Output SGST</b>					<b>675.00</b>
Total				5 Pcs.		<b>₹ 8,850.00</b>
Amount Chargeable (in words) <b>INR Eight Thousand Eight Hundred Fifty Only</b>						E. & O.E
HSN/SAC		Taxable Value	Central Tax		State Tax	
		7,500.00	Rate	Amount	Rate	Amount
			9%	675.00	9%	675.00
Total		7,500.00		675.00		675.00
Tax Amount (in words) : <b>INR One Thousand Three Hundred Fifty Only</b>						
Company's PAN : A STPS0783A		Company's Bank Details				
Declaration We declare that this invoice shows the actual price of the goods described and that all particulars are true and correct.		Bank Name : Axis Bank				
		A/c No. : 221010100113250				
		Branch & IFS Code : UTIBA AAAA1				
Customer's Seal and Signature		for Swayam Education Pvt. Ltd.  Authorized Signatory				

SUBJECT TO BALASORE JURISDICTION

This is a Computer Generated Invoice

**As per our Practical Example No. 5**

**Sale of 10 Monitors @ Rs.4500 , to H. Goenka Traders with Output GST @ 28% i.e. Rs. 12600 – [ CGST (14%) Rs. 6300 and SGST (14%) Rs. 6300 ]**

The above Local Sales Invoice will be as below :



Accounting Voucher Alteration (Secondary)		Swayam Education		Ctrl + M
<b>Sales</b>		No. SE\002\17-18		2-Jul-201
Reference no.:				Sunda
Party A/c name	: H. Goenka Traders			
Current balance	: 62,570.00 Dr			
Sales ledger	: GST Sale			
Name of Item	Quantity	Rate per	Amount	
Monitors	10 Pcs.	4,500.00 Pcs.	45,000.0	
Output CGST			6,300.0	
Output SGST			6,300.0	
Narration:	10 Pcs.		<u>57,600.0</u>	

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

Tax Analysis		Swayam Education Pvt. Ltd.		
<u>Tax Analysis</u>				
Particulars		Taxable Value	Tax rate	Duty
<u>GST Details</u>				
Sales Taxable		45,000.00		
Monitors		45,000.00		
Item Value ( Sales Value 45,000.00 )	45,000.00			
Central Tax			14%	
State Tax			14%	
				<u>Total</u>

**As per our Practical Example No. 6**

**Sale of 2 'Hp-Laptop' @ Rs 50,000 with Output GST @ 18% i.e. Rs.18,000 [ CGST (9%) Rs.9,000 and SGST (9%) Rs.9,000 ] in Cash within State Odisha.**

The above Local Sales Invoice will be as below :

Accounting Voucher Alteration (Secondary)		Swayam Education		Ctrl + M
<b>Sales</b>		No. SE\003\17-18		2-Jul-2017
Reference no.:				Sunday
Party A/c name	: Cash			
Current balance	: 2,980.00 Dr			
Sales ledger	: <b>GST Sale</b>			
Name of Item	Quantity	Rate per	Amount	
Hp-Laptop	2 Pcs.	50,000.00 Pcs.	1,00,000.00	
<b>Output CGST</b>			<b>9,000.00</b>	
<b>Output SGST</b>			<b>9,000.00</b>	
Narration:		2 Pcs.	<b>1,18,000.00</b>	
-				

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

Tax Analysis		Swayam Education Pvt. Ltd.	
<u>Tax Analysis</u>			
Particulars	Taxable Value	Tax rate	Du
<b>GST Details</b>			
Sales Taxable	1,00,000.00		
Hp-Laptop	1,00,000.00		
Item Value ( Sales Value 1,00,000.00 )	1,00,000.00		
Central Tax		9%	
State Tax		9%	
			<b>Total</b>

## Recording IGST-Inter-State Sales (Outside Sale) in Tally.ERP9

Sale of goods or services to a customer in another state attract integrated tax.

### To record an interstate sale

- Follow the steps used for recording a local sales transaction. The only difference is that

you have to select the integrated tax ledger instead of central tax and state tax.

**As per our Practical Example No. 7**

**2 Mi-Note 4 Mobiles Outside State @ Rs. 15,000 each with Output IGST 12% i.e. Rs. 3600 in Cash to a Party in Outside State i.e. Andhra Pradesh.**

The above Local Sales Invoice will be as below :

Accounting Voucher Alteration (Secondary)		Swayam Education		Ctrl +
<b>Sales</b>		No. SE\004\17-18		2-Jul-
Reference no.:				Su
Party A/c name	:	Cash		
Current balance	:	2,980.00 Dr		
Sales ledger	:	GST-Inter-State Sale		
Name of Item	Quantity	Rate per	Am	
Mi Note 4 Mobiles	2 Pcs.	15,000.00 Pcs.	30,00	
<b>Output IGST</b>			<b>3,60</b>	
Narration:	2 Pcs.		<b>33,60</b>	

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

Tax Analysis		Swayam Education	
<u>Tax Analysis</u>			
Particulars	Taxable Value	Tax rate	Duty
<b><u>GST Details</u></b>			
<b>Interstate Sales Taxable</b>	<b>30,000.00</b>		
Mi Note 4 Mobiles	30,000.00		
Item Value ( Sales Value 30,000.00 )	30,000.00		
Integrated Tax		12%	
		<b>Total</b>	<b>3,600.00</b>

Depending on the location of the party, you can record a local or interstate sales transaction with the applicable GST rates, and print the invoice.

## GST Sale of Goods and Services in a Single Invoice in Tally.ERP9

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

### Setup :

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

GST Details		Swayam Education		Nature
GST Details for Ledger:				
<b>Installation Charges</b>				
<b>HSN/SAC Details</b>				
Description	:			
HSN/SAC	:			
Nature of transaction	:	<b>Sales Taxable</b>		
<b>Tax Details</b>				
<i>(From 1-Jul-2017)</i>				
Taxability	:	Taxable		
Is reverse charge applicable	?	No		
<b>Tax Type</b>				
		<b>Rate</b>		
Integrated Tax		5 %		
Cess		0 %		
				J Not Applicable Branch Transfer Deemed Exports Deemed Exports Exports Exempt Exports LUT/Bon Exports Taxable Interstate Sales I Interstate Sales I Interstate Sales I Sales Exempt Sales Nil Rated <b>Sales Taxable</b> Sales to Consum Sales to Consum Sales to SEZ - E Sales to SEZ - LI Sales to SEZ - T

## Restarting Voucher Numbering in Tally.ERP9

You can restart the numbering of your vouchers by creating a new voucher type and specifying the applicable dates, prefix, suffix, and other details, as needed.

**Note:** In order to be GST-compliant, the voucher numbers of your invoice have to be unique and continuous. You can continue to use your existing series of voucher numbers. For your convenience, you can prefix and suffix your voucher numbers with GST-specific information. You can also choose to restart voucher numbering by creating a new voucher type for GST.

## To create a new voucher type

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

Voucher Type Creation		National Enterprises	
Name : <b>GST Sales</b> (alias) :			
<b>General</b>		<b>Printing</b>	
Select type of voucher : <b>Sales</b>		Print voucher after saving ? <b>No</b>	
Abbreviation : <b>Sale</b>		Use for POS invoicing ? <b>No</b>	
Method of voucher numbering ? <b>Automatic (Manual Override)</b>		Default title to print on invoice:	
Prevent duplicates ? <b>Yes</b>		Default bank : <b>Not Applicable</b>	
Use advanced configuration ? <b>Yes</b>		Default jurisdiction :	
Use effective dates for vouchers ? <b>No</b>		Set/alter declaration ? <b>No</b>	
Make this voucher type as 'Optional' by default? <b>No</b>			
Allow narration in voucher ? <b>Yes</b>			
Provide narrations for each ledger in voucher ? <b>No</b>			
Enable default accounting allocations ? <b>No</b>			
Set/Alter Default Accounting Entries ? <b>No</b>			

**Method of Voucher Numbering? - Automatic (Manual Override).** By selecting this option, you can auto-number your vouchers and also manually override the auto-numbering when required.

**Prevent duplicates? - Yes,** to ensure unique voucher numbers.

**Use advanced configuration? - Yes,** to open the **Voucher Type Creation (Secondary)** screen.

Voucher Type Creation (Secondary)		National Enterprises		Ctrl + M	
Name : <b>GS</b>	Starting Number ? <b>1</b>				
(alias)	Width of Numerical Part : <b>0</b>				
	Prefix with zero ? <b>No</b>				
	<b>Restart Numbering</b>	<b>Prefix Details</b>		<b>Suffix Details</b>	
Select type of voucher	Applicable From	Starting Number	Particulars	Applicable From	Particulars
Abbreviation	<b>1-Jul-2017</b>	<b>1 Yearly</b>		<b>1-Jul-2017</b>	<b>2017-18</b>
Method of voucher numbering					

**Starting Number - 1,** if you want a fresh batch of voucher numbers.

**Prefix Details, Suffix Details** - Here you can enter details specific to your transactions, as required.

Now you can easily record your transactions with a new series of voucher numbers.

According to the details entered in the screen above, the sales voucher will appear as shown below:





Accounting Voucher Creation		National Enterprises		Ctrl + M
<b>GST Sales</b> No. GSTSal/1/17-18				5-Jul-2017 Wednesday
Reference no.:				
Party A/c name	: Anand Traders			
Current balance	: 12,80,248.44 Dr			
Sales ledger	: Sales			
Name of Item	Quantity	Rate per	Amount	
Dell Personal Computer	14 Nos	27,500.00 Nos	3,85,000.00	



Tax Invoice		
<b>National Enterprises</b> Bommanahalli, Bangalore GSTIN/UIN: 29DFGRY1111A2Z1	Invoice No.	Dated
	<b>GSTSal/1/17-18</b>	<b>5-Jul-2017</b>
	Delivery Note	Mode/Terms of Payment
	Supplier's Ref.	Other Reference(s)

Similarly, if you want to create invoices to track reverse charge transactions for unregistered dealers, create a new voucher type with a separate series of voucher numbers and record the purchase invoices. In the **Voucher Printing** screen, you can click **F12: Configure** and set the options as required to print the self-invoice.

Accounting Voucher Alteration (Secondary)		Swayam Education		Ctrl + M
<b>Sales</b> No. SE\011\17-18				2-Jul-2017 Sunday
Reference no.:				
Party A/c name	: Cash			
Current balance	: 2,980.00 Dr			
Sales ledger	: <b>GST Sale</b>			
Name of Item	Quantity	Rate per	Amount	
Hp-Laptop	1 Pcs.	30,000.00 Pcs.	30,000.00	
<b>Installation Charges</b>			1,000.00	
Output CGST			2,725.00	
Output SGST			2,725.00	
Narration:			36,450.00	
-				

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

Tax Analysis		Swayam Education		
Tax Analysis				
Particulars		Taxable Value	Tax rate	Duty
<b>GST Details</b>				
<b>Sales Taxable</b>		<b>31,000.00</b>		
<i>Installation Charges</i>		<i>1,000.00</i>		
<i>Sales Value</i>	<i>1,000.00</i>			
<i>Central Tax</i>			2.50%	
<i>State Tax</i>			2.50%	
<i>Hp-Laptop</i>		<i>30,000.00</i>		
<i>Item Value ( Sales Value 30,000.00 )</i>	<i>30,000.00</i>			
<i>Central Tax</i>			9%	
<i>State Tax</i>			9%	
				<b>Total</b>

## Recording Purchase Returns in GST in Tally.ERP9

You can record purchase returns (both local and interstate) against an earlier purchase transaction using a debit note.

### To record purchase return using a debit note

1. Go to **Gateway of Tally > Accounting Vouchers > Ctrl+F9**.

Accounting Voucher Creation		National Enterprises		Ctrl + M
<b>Debit Note</b>	No. 1			5-Jul-2017 Wednesday
Original invoice no.:	1	Original Invoice Dt.:	2-Jul-2017	
Party A/c name:	Indigo Computech			
Current balance:	10,83,194.80 Cr			
Purchase ledger:	Purchase			
Name of Item	Quantity	Rate per	Amount	
Dell Personal Computer	5 Nos	22,990.00 Nos	1,14,950.00	
Central Tax			10,346.00	
State Tax			10,346.00	
Provide GST details:	Yes			
Narration:			5 Nos	1,35,642.00

- Original invoice no:** Enter the invoice number of the original purchase transaction against which you are recording the purchase return.
- In **Party's A/c Name**, select the party from which the original purchase was made.
- Select the central and state tax ledgers.
- Provide GST details:** Enable this option if you want to enter additional details about the purchase return.

Additional Details : Purchas		Nature of Return	
Nature of Return	: 05-Change in POS	<input type="checkbox"/> Not Applicable	
Supplier's Debit/Credit Note No.	: RT4588	<input type="checkbox"/> 01-Sales Return	
		<input type="checkbox"/> 02-Post sale discount	
		<input type="checkbox"/> 03-Deficiency in service	
		<input type="checkbox"/> 04-Correction in invoice	
		<input checked="" type="checkbox"/> 05-Change in POS	
		<input type="checkbox"/> 06-Finalization of Provisional assessment	
		<input type="checkbox"/> 07-Others	

- o **01-Sales Return** - When there is a return of goods or services after sales.
- o **02-Post sale discount** - When discount is allowed on goods or services after sales.
- o **03-Deficiency in service** - When there is a deficiency in services (like a quality issue) after sales.
- o **04-Correction in invoice** - When there is a change in the invoice raised that leads to change in tax amount.
- o **05-Change in POS** - When there is a change in place of supply that leads to change in tax amount.
- o **06-Finalization of Provisional assessment** - When there is a change in price or



rate after the department issues a notification about the finalized price of the goods or services.

- o **07-Others** - Any other nature of return.

Similarly, you can record purchase returns against an interstate purchase by selecting the relevant party, purchase ledger, and integrated tax ledger.

## Import of Services under Reverse Charge – GST in Tally.ERP9

You can account for import of services, raise liability on the tax payable (reverse charge), and claim tax credit.

[Record inward supply of services as imports](#)

[Raise tax liability](#)

[Claim tax credit on the liability of imports](#)

### Recording inward supply of services as imports

You can record an inward supply of services that are imported, in a purchase invoice.

#### To record a purchase invoice

1. Go to **Gateway of Tally > Accounting Vouchers > F9: Purchase**.
2. Click **I: Accounting Invoice**.

Accounting Voucher Creation		National Enterprises		Ctrl + M
<b>Purchase</b>	No. 1			15-Jul-2017
Supplier invoice no.:	TA01	Date :	15-Jul-2017	Saturday
Party A/c name :	Global Legal Services Inc.			
Current balance :				
Particulars	Rate per	Amount		
Professional Legal Services		\$ 2,000.00		
Narration:				\$ 2,000.00 @ ₹ 68.5 = ₹ 1,38,000.00

3. In the field **Party's A/c Name**, select the supplier ledger predefined with **Country** other than **India**.
4. Select the service ledger grouped under **Purchase Accounts**, and enter the amount.
5. Press **Ctrl+A** to accept.

## Claiming tax credit on the liability of imports

When you import services, you have to raise the tax liability in your books and then pay it to the department. You can record a journal voucher to raise this liability under reverse charge.

You can [claim the tax liability paid on imports](#) as tax credit by recording a journal voucher. The purchase invoice details with the [tax credit claimed on the purchase is shown in GSTR-3B](#).

## To record a journal voucher to raise tax liability

1. Go to **Gateway of Tally > Accounting Vouchers > F7: Journal**.
2. Click **J: Stat Adjustment**.
3. Select the options as shown below.

<u>Stat Adjustment</u>	
Type of duty/tax	: GST
Nature of adjustment	: Increase of Tax Liability
<u>Additional Details</u>	
Additional Details	: <b>Import of Services</b>

4. Debit the ledger grouped under **Current Assets** and credit the integrated tax ledger.

**ATTITUDE**

Accounting Voucher Creation		National Enterprises		Ctrl + M
<b>Journal</b> No. 1				20-Jul-2017 Thursday
<i>Used for: Increase of Tax Liability (Additional Details: Import of Services)</i>				
Particulars	Debit	Credit		
Dr Tax on imports <i>Cur Bal: 24,840.00 Dr</i>	24,840.00			
Cr Integrated Tax <i>Cur Bal: 24,840.00 Cr</i>		24,840.00		
Narration:			24,840.00	24,840.00
			Accept ? Yes or No	

5. Press **Enter** to save.

### To claim tax credit on liability of imports

1. In the journal voucher, click **J: Stat Adjustment** and set the options as shown below:

<u>Stat Adjustment</u>	
Type of duty/tax	: GST
Nature of adjustment	: Increase of Input Tax Credit
<u>Additional Details</u>	
Additional Details	: <b>Import of Services</b>

2. Debit the integrated tax ledger and credit the ledger grouped under **Current Assets**.

Accounting Voucher Creation		National Enterprises		Ctrl + M
<b>Journal</b> No. 2				29-Jul-2017 Saturday
<i>Used for: Increase of Input Tax Credit (Additional Details: Import of Services)</i>				
Particulars	Debit	Credit		
Dr <b>Integrated Tax</b> Cur Bal: 0.00 Dr	24,840.00			
Cr <b>Tax on Imports</b> Cur Bal: 0.00 Cr		24,840.00		
Narration:		24,840.00	24,840.00	<b>Accept ?</b> Yes or No

3. Press **Enter** to save.

### To view the transactions in GSTR-3B report

- Go to **Gateway of Tally > Display > Statutory Reports > GST > GSTR-3B**.

GSTR-3B		National Enterprises		Ctrl + M			
<b>GSTR3B</b>				1-Jul-2017 to 31-Jul-2017			
<b>Returns Summary</b>							
<b>Total number of vouchers for the period</b>				3			
Included in returns				3			
Not relevant for returns				0			
Incomplete/Mismatch in information (to be resolved)				0			
Table No.	Particulars	Taxable Value	Integrated Tax Amount	Central Tax Amount	State Tax Amount	Cess Amount	Tax Amount
3.1	<b>Outward supplies and inward supplies liable to reverse charge</b>		24,840.00				24,840.00
a	Outward taxable supplies (other than zero rated, nil rated and exempted)						
b	Outward taxable supplies (zero rated)						
c	Other than Outward supplies (Nil rated, exempted)						
d	Inward supplies (liable to reverse charge)		24,840.00				24,840.00
e	Non-GST outward supplies						
3.2	<b>Of the supplies shown in 3.1 (a) above, details of inter-state supplies made to unregistered persons, composition taxable persons and UIN holders</b>						
4	<b>Eligible ITC</b>		24,840.00				24,840.00
A	ITC Available (whether in full or part)						
	(1) Import of goods						
	(2) Import of services		24,840.00				24,840.00

You can record journal vouchers related to import of trading and capital goods as given below:

Nature of Adjustment	Additional Details	Ledgers to be used
Increase of Input Tax	Import of Capital	Debit: GST ledgers (integrated tax/state tax

Credit	Goods	and central tax). Credit: Ledger grouped under <b>Current Assets</b> .
	Import of Goods	Debit: GST ledgers (integrated tax/state tax and central tax). Credit: Ledger grouped under <b>Current Assets</b> .
Increase of Tax Liability	Import of Capital Goods	Debit: Ledger grouped under <b>Current Assets</b> .
	Imports	Credit: GST ledgers (integrated tax/state tax and central tax).

## Import of Services under Reverse Charge – GST in Tally.ERP9

You can account for import of services, raise liability on the tax payable (reverse charge), and claim tax credit.

[Record inward supply of services as imports](#)

[Raise tax liability](#)

[Claim tax credit on the liability of imports](#)

### Recording inward supply of services as imports

You can record an inward supply of services that are imported, in a purchase invoice.

#### To record a purchase invoice

1. Go to **Gateway of Tally > Accounting Vouchers > F9: Purchase**.
2. Click **I: Accounting Invoice**.



Accounting Voucher Creation		National Enterprises		Ctrl + M
<b>Purchase</b>	No. 1			15-Jul-2017
Supplier invoice no.:	TA01	Date :	15-Jul-2017	Saturday
Party A/c name :	Global Legal Services Inc.			
Current balance :				
Particulars	Rate per	Amount		
Professional Legal Services		\$ 2,000.00		
Narration:				\$ 2,000.00 @ ₹ 68/\$ = ₹ 1,36,000.00

3. In the field **Party's A/c Name**, select the supplier ledger predefined with **Country** other than **India**.
4. Select the service ledger grouped under **Purchase Accounts**, and enter the amount.
5. Press **Ctrl+A** to accept.

## Claiming tax credit on the liability of imports

When you import services, you have to raise the tax liability in your books and then pay it to the department. You can record a journal voucher to raise this liability under reverse charge.

You can [claim the tax liability paid on imports](#) as tax credit by recording a journal voucher. The purchase invoice details with the [tax credit claimed on the purchase is shown in GSTR-3B](#).

## To record a journal voucher to raise tax liability

1. Go to **Gateway of Tally > Accounting Vouchers > F7: Journal**.
2. Click **J: Stat Adjustment**.
3. Select the options as shown below.

<u>Stat Adjustment</u>	
Type of duty/tax	: GST
Nature of adjustment	: Increase of Tax Liability
<u>Additional Details</u>	
Additional Details	: Import of Services

- Debit the ledger grouped under **Current Assets** and credit the integrated tax ledger.

Accounting Voucher Creation		National Enterprises		Ctrl + M
Journal No. 1				20-Jul-2017 Thursday
<i>Used for: Increase of Tax Liability (Additional Details: Import of Services)</i>				
Particulars		Debit	Credit	
Dr Tax on Imports <i>Cur Bal: 24,840.00 Dr</i>		24,840.00		
Cr Integrated Tax <i>Cur Bal: 24,840.00 Cr</i>			24,840.00	
Narration:		24,840.00	24,840.00	
				Accept ? Yes or No

- Press **Enter** to save.

### To claim tax credit on liability of imports

- In the journal voucher, click **J: Stat Adjustment** and set the options as shown below:

<u>Stat Adjustment</u>	
Type of duty/tax	: GST
Nature of adjustment	: Increase of Input Tax Credit
<u>Additional Details</u>	
Additional Details	: <b>Import of Services</b>

- Debit the integrated tax ledger and credit the ledger grouped under **Current Assets**.



Accounting Voucher Creation		National Enterprises		Ctrl + M
<b>Journal</b> No. 2				29-Jul-2017 Saturday
<i>Used for: Increase of Input Tax Credit (Additional Details: Import of Services)</i>				
Particulars	Debit	Credit		
Dr Integrated Tax Cur Bal. 0.00 Dr	24,840.00			
Cr Tax on Imports Cur Bal. 0.00 Cr		24,840.00		
Narration:		24,840.00	24,840.00	Accept ? Yes or No

3. Press **Enter** to save.

### To view the transactions in GSTR-3B report

- Go to **Gateway of Tally > Display > Statutory Reports > GST > GSTR-3B.**

GSTR-3B		National Enterprises		Ctrl + M			
<b>GSTR-3B</b>				1-Jul-2017 to 31-Jul-2017			
<b>Returns Summary</b>							
<b>Total number of vouchers for the period</b>				3			
Included in returns				3			
Not relevant for returns				0			
Incomplete/Mismatch in information (to be resolved)				0			
Table No.	Particulars	Taxable Value	Integrated Tax Amount	Central Tax Amount	State Tax Amount	Cess Amount	Tax Amount
3.1	<b>Outward supplies and inward supplies liable to reverse charge</b>		24,840.00				24,840.00
a	Outward taxable supplies (other than zero rated, nil rated and exempted)						
b	Outward taxable supplies (zero rated)						
c	Other than Outward supplies (Nil rated, exempted)						
d	Inward supplies (liable to reverse charge)		24,840.00				24,840.00
e	Non-GST outward supplies						
3.2	<b>Of the supplies shown in 3.1 (a) above, details of inter-state supplies made to unregistered persons, composition taxable persons and UIN holders</b>						
4	<b>Eligible ITC</b>		24,840.00				24,840.00
A	ITC Available (whether in full or part)						
	(1) Import of goods						
	(2) Import of services		24,840.00				24,840.00

You can record journal vouchers related to import of trading and capital goods as given below:

Nature of Adjustment	Additional Details	Ledgers to be used
Increase of Input Tax	Import of Capital	Debit: GST ledgers (integrated tax/state tax



Credit	Goods	and central tax). Credit: Ledger grouped under <b>Current Assets</b> .
	Import of Goods	Debit: GST ledgers (integrated tax/state tax and central tax). Credit: Ledger grouped under <b>Current Assets</b> .
Increase of Tax Liability	Import of Capital Goods	Debit: Ledger grouped under <b>Current Assets</b> .
	Imports	Credit: GST ledgers (integrated tax/state tax and central tax).

## Import of Services under Reverse Charge – GST in Tally.ERP9

You can account for import of services, raise liability on the tax payable (reverse charge), and claim tax credit.

[Record inward supply of services as imports](#)

[Raise tax liability](#)

[Claim tax credit on the liability of imports](#)

### Recording inward supply of services as imports

You can record an inward supply of services that are imported, in a purchase invoice.

#### To record a purchase invoice

1. Go to **Gateway of Tally > Accounting Vouchers > F9: Purchase**.
2. Click **I: Accounting Invoice**.



Accounting Voucher Creation		National Enterprises		Ctrl + M
<b>Purchase</b>	No. 1			15-Jul-2017
Supplier invoice no.:	TA01	Date :	15-Jul-2017	Saturday
Party A/c name :	Global Legal Services Inc.			
Current balance :				
Particulars	Rate per	Amount		
Professional Legal Services		\$ 2,000.00		
Narration:				\$ 2,000.00 @ ₹ 68% = ₹ 1,36,000.00

3. In the field **Party's A/c Name**, select the supplier ledger predefined with **Country** other than **India**.
4. Select the service ledger grouped under **Purchase Accounts**, and enter the amount.
5. Press **Ctrl+A** to accept.

## Claiming tax credit on the liability of imports

When you import services, you have to raise the tax liability in your books and then pay it to the department. You can record a journal voucher to raise this liability under reverse charge.

You can [claim the tax liability paid on imports](#) as tax credit by recording a journal voucher. The purchase invoice details with the [tax credit claimed on the purchase is shown in GSTR-3B](#).

## To record a journal voucher to raise tax liability

1. Go to **Gateway of Tally > Accounting Vouchers > F7: Journal**.
2. Click **J: Stat Adjustment**.
3. Select the options as shown below.

<u>Stat Adjustment</u>	
Type of duty/tax	: GST
Nature of adjustment	: Increase of Tax Liability
<u>Additional Details</u>	
Additional Details	: Import of Services

- Debit the ledger grouped under **Current Assets** and credit the integrated tax ledger.

Accounting Voucher Creation		National Enterprises		Ctrl + M
Journal No. 1				20-Jul-2017 Thursday
<i>Used for: Increase of Tax Liability (Additional Details: Import of Services)</i>				
Particulars		Debit	Credit	
Dr Tax on Imports <i>Cur Bal: 24,840.00 Dr</i>		24,840.00		
Cr Integrated Tax <i>Cur Bal: 24,840.00 Cr</i>			24,840.00	
Narration:		24,840.00	24,840.00	
				Accept ? Yes or No

- Press **Enter** to save.

### To claim tax credit on liability of imports

- In the journal voucher, click **J: Stat Adjustment** and set the options as shown below:

<u>Stat Adjustment</u>	
Type of duty/tax	: GST
Nature of adjustment	: Increase of Input Tax Credit
<u>Additional Details</u>	
Additional Details	: <b>Import of Services</b>

- Debit the integrated tax ledger and credit the ledger grouped under **Current Assets**.



Accounting Voucher Creation		National Enterprises		Ctrl + M
Journal No. 2				29-Jul-2017 Saturday
Used for: Increase of Input Tax Credit (Additional Details: Import of Services)				
Particulars	Debit	Credit		
Dr Integrated Tax Cur Bal. 0.00 Dr	24,840.00			
Cr Tax on Imports Cur Bal. 0.00 Cr		24,840.00		
Narration:		24,840.00	24,840.00	
		Accept ? Yes or No		

3. Press **Enter** to save.

### To view the transactions in GSTR-3B report

- Go to **Gateway of Tally > Display > Statutory Reports > GST > GSTR-3B.**

GSTR-3B		National Enterprises		Ctrl + M			
GSTR-3B				1-Jul-2017 to 31-Jul-2017			
<b>Returns Summary</b>							
Total number of vouchers for the period				3			
Included in returns				3			
Not relevant for returns				0			
Incomplete/Mismatch in information (to be resolved)				0			
Table No.	Particulars	Taxable Value	Integrated Tax Amount	Central Tax Amount	State Tax Amount	Cess Amount	Tax Amount
3.1	Outward supplies and inward supplies liable to reverse charge		24,840.00				24,840.00
a	Outward taxable supplies (other than zero rated, nil rated and exempted)						
b	Outward taxable supplies (zero rated)						
c	Other than Outward supplies (Nil rated, exempted)						
d	Inward supplies (liable to reverse charge)		24,840.00				24,840.00
e	Non-GST outward supplies						
3.2	Of the supplies shown in 3.1 (a) above, details of inter-state supplies made to unregistered persons, composition taxable persons and UIN holders						
4	Eligible ITC		24,840.00				24,840.00
A	ITC Available (whether in full or part)						
	(1) Import of goods						
	(2) Import of services		24,840.00				24,840.00

You can record journal vouchers related to import of trading and capital goods as given below:

Nature of Adjustment	Additional Details	Ledgers to be used
Increase of Input Tax	Import of Capital	Debit: GST ledgers (integrated tax/state tax

Credit	Goods	and central tax). Credit: Ledger grouped under <b>Current Assets</b> .
	Import of Goods	Debit: GST ledgers (integrated tax/state tax and central tax). Credit: Ledger grouped under <b>Current Assets</b> .
Increase of Tax Liability	Import of Capital Goods	Debit: Ledger grouped under <b>Current Assets</b> .
	Imports	Credit: GST ledgers (integrated tax/state tax and central tax).

## GST Purchases - Nil Rated, Exempt, SEZ, and Works Contract in Tally.ERP9

Once you activate GST in your company, you can record a variety of purchase transactions (inward supply) such as nil rated, exempt, and SEZ purchases using a purchase voucher.

- [1. Nil rated purchases](#)
- [2. Exempt purchases](#)
- [3. SEZ purchases](#)
- [4. Purchase of works contract services](#)

### Selecting the purchase ledger in a purchase transaction

While recording any type of purchase transaction, you can choose either of the following methods:

- **Method 1:** For a specific type of purchase transaction, you can create or update the purchase ledger with the relevant **Nature of transaction**. Now select this purchase ledger while recording the purchase transaction.

GST Details		National Enterprises	Ctrl + M E
<b>GST Details for Ledger:</b> <b>Purchase</b> Nature of transaction : <b>Purchase Taxable</b> <b>Tax Details</b> (From 5-Jul-2017) Taxability : <b>Taxable</b> <b>Tax Type</b> <b>Rate</b> Integrated Tax                      0 % Cess                                      0 %			<b>Natures of Transaction</b> <input type="checkbox"/> Not Applicable <input type="checkbox"/> Imports Exempt <input type="checkbox"/> Imports Taxable <input type="checkbox"/> Interstate Purchase Exempt <input type="checkbox"/> Interstate Purchase From Unregistered Dealer - Exempt <input type="checkbox"/> Interstate Purchase From Unregistered Dealer - Taxable <input type="checkbox"/> Interstate Purchase Nil Rated <input type="checkbox"/> Interstate Purchase Taxable <input type="checkbox"/> Purchase Exempt <input type="checkbox"/> Purchase From Composition Dealer <input type="checkbox"/> Purchase From SEZ - Exempt <input type="checkbox"/> Purchase From SEZ - Taxable <input type="checkbox"/> Purchase From Unregistered Dealer - Exempt <input type="checkbox"/> Purchase From Unregistered Dealer - Taxable <input type="checkbox"/> Purchase Nil Rated <input checked="" type="checkbox"/> <b>Purchase Taxable</b>

- **Method 2:** Select the common purchase ledger during the purchase transaction. Press **F12** and enable the option **Allow modification of tax details for GST?** Now select the **Classification/Nature**.

Tax Classification details																															
Classification/Nature	: <b>Purchase</b> (Purchase Taxable)																														
	<table border="1"> <thead> <tr> <th colspan="2">Natures of Transaction</th> </tr> </thead> <tbody> <tr> <td>↑ ... 1 more</td> <td></td> </tr> <tr> <td>Interstate Purchase Exempt</td> <td>Nature of Transaction</td> </tr> <tr> <td>Interstate Purchase From Unregistered Dealer - Exempt</td> <td>Nature of Transaction</td> </tr> <tr> <td>Interstate Purchase From Unregistered Dealer - Taxable</td> <td>Nature of Transaction</td> </tr> <tr> <td>Interstate Purchase Nil Rated</td> <td>Nature of Transaction</td> </tr> <tr> <td>Interstate Purchase Taxable</td> <td>Nature of Transaction</td> </tr> <tr> <td>Purchase Exempt</td> <td>Nature of Transaction</td> </tr> <tr> <td>Purchase From Composition Dealer</td> <td>Nature of Transaction</td> </tr> <tr> <td>Purchase From SEZ - Exempt</td> <td>Nature of Transaction</td> </tr> <tr> <td>Purchase From SEZ - Taxable</td> <td>Nature of Transaction</td> </tr> <tr> <td>Purchase From Unregistered Dealer - Exempt</td> <td>Nature of Transaction</td> </tr> <tr> <td>Purchase From Unregistered Dealer - Taxable</td> <td>Nature of Transaction</td> </tr> <tr> <td>Purchase Nil Rated</td> <td>Nature of Transaction</td> </tr> <tr> <td>Purchase Taxable</td> <td>Nature of Transaction</td> </tr> </tbody> </table>	Natures of Transaction		↑ ... 1 more		Interstate Purchase Exempt	Nature of Transaction	Interstate Purchase From Unregistered Dealer - Exempt	Nature of Transaction	Interstate Purchase From Unregistered Dealer - Taxable	Nature of Transaction	Interstate Purchase Nil Rated	Nature of Transaction	Interstate Purchase Taxable	Nature of Transaction	Purchase Exempt	Nature of Transaction	Purchase From Composition Dealer	Nature of Transaction	Purchase From SEZ - Exempt	Nature of Transaction	Purchase From SEZ - Taxable	Nature of Transaction	Purchase From Unregistered Dealer - Exempt	Nature of Transaction	Purchase From Unregistered Dealer - Taxable	Nature of Transaction	Purchase Nil Rated	Nature of Transaction	Purchase Taxable	Nature of Transaction
Natures of Transaction																															
↑ ... 1 more																															
Interstate Purchase Exempt	Nature of Transaction																														
Interstate Purchase From Unregistered Dealer - Exempt	Nature of Transaction																														
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Interstate Purchase Nil Rated	Nature of Transaction																														
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Purchase From SEZ - Taxable	Nature of Transaction																														
Purchase From Unregistered Dealer - Exempt	Nature of Transaction																														
Purchase From Unregistered Dealer - Taxable	Nature of Transaction																														
Purchase Nil Rated	Nature of Transaction																														
Purchase Taxable	Nature of Transaction																														

## 1. Nil Rated Purchases

The purchase of nil rated goods from a local or interstate supplier does not attract GST, and can be recorded using a purchase voucher. In the masters of the goods or services classified as nil rated (0%), **Taxability** should be set to **Nil Rated** in the **GST Details** screen.

- Go to **Gateway of Tally > Accounting Vouchers > F9: Purchases**.
- Select the applicable purchase ledger. For example, Nil Rated Purchases.



Accounting Voucher Creation		National Enterprises		Ctrl + M
<b>Purchase</b>	No. 2			5-Jul-2017
Supplier invoice no.:	1344	Date :	5-Jul-2017	Wednesday
Party A/c name :	Nanda Traders			
Current balance :	23,880.00 Dr			
Purchase ledger	<b>Nil Rated Purchases</b>			
Name of Item	Quantity	Rate per	Amount	
Apple - Golden Delicious	45 Kg	119.00 Kg	5,355.00	
Oranges - Premium Nagpuri	30 Kg	98.00 Kg	2,940.00	
Nandini Good Life Milk	70 lt	36.00 lt	2,520.00	
			<hr/>	
			10,815.00	
End of List				
Narration:				<hr/>
				10,815.00

Depending on the location of the party, you can record a local or interstate nil rated purchase transaction.

## 2. Exempt Purchases

The local or interstate purchase of goods or services exempted from GST can be recorded using a purchase voucher. In the masters of the exempted goods or services, **Taxability** should be set to **Exempt** in the **GST Details** screen.

- Go to **Gateway of Tally > Accounting Vouchers > F9: Purchases**.
- Select the applicable purchase ledger. For example, Exempt Purchases.

**ATTITUDE**







Accounting Voucher - Creation		National Enterprises		Ctrl + M
<b>Purchase</b>	No. 2			5-Jul-2017
Supplier invoice no.:	11159	Date :	5-Jul-2017	Wednesday
Party A/c name :	Fruitkart Ltd - TFI AgroTech Park			
Current balance				
Purchase ledger	SEZ Taxable Purchase			
Name of Item	Quantity	Rate per	Amount	
Pineapple Jam 200g	350 Nos	37.00 Nos	12,950.00	
Crunchy Peanut Butter 350g	100 Nos	265.00 Nos	26,500.00	
			39,450.00	
<b>Integrated Tax</b>			4,734.00	
Provide GST details : Yes				
Narration:				
			450 Nos	44,184.00

**Provide GST details:** Enable this option if you want to enter additional details regarding the SEZ transaction.

## 4. Purchase of works contract services

### To record a purchase invoice for works contract

1. Go to **Gateway of Tally > Accounting Vouchers > F9: Purchase.**



Accounting Voucher Creation		National Enterprises		Ctrl + M
<b>Purchase</b>	No. 1			7-Jul-2017
Supplier invoice no.:	01	Date :	7-Jul-2017	Friday
Party A/c name : Prajwal Works Contract				
Current balance :				
Particulars		Rate per	Amount	
Fabrication			5,68,000.00	
Central Tax			34,080.00	
State Tax			34,080.00	
Narration:				
				Accept ? Yes or No

**Supplier invoice no.:** Displays the sales invoice no. of the supplying party.

**Date:** Displays the date on which the sales invoice was passed by the supplier.

- In **Party A/c name**, select the supplier's ledger.
- Select the purchase ledger and enter the amount.
- Select the GST ledgers (central and state, or integrated) based on the state selected for the supplier ledger.

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

Tax Analysis		National Enterprises		Ctrl + M
Tax Analysis				
Particulars		Taxable Value	Tax rate	Duty/Tax Value
<b>GST Details</b>				
Purchase Taxable		5,68,000.00		68,160.00
Fabrication (11129191)		5,68,000.00		68,160.00
Purchase Value	5,68,000.00			
Central Tax			6%	34,080.00
State Tax			6%	34,080.00
<b>Total</b>				<b>68,160.00</b>

## GST Purchases - Nil Rated, Exempt, SEZ, and Works Contract in Tally.ERP9

Once you activate GST in your company, you can record a variety of purchase transactions (inward supply) such as nil rated, exempt, and SEZ purchases using a purchase voucher.

**1. Nil rated purchases**

**2. Exempt purchases**

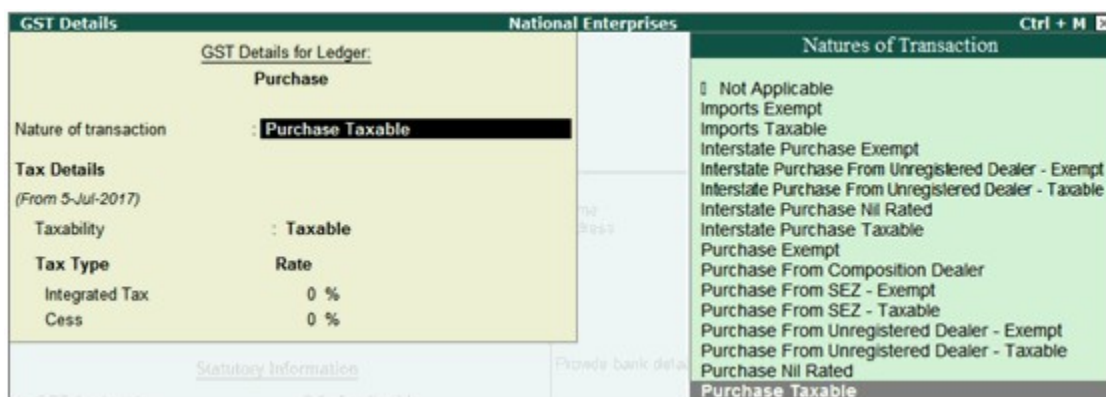
**3. SEZ purchases**

**4. Purchase of works contract services**

## Selecting the purchase ledger in a purchase transaction

While recording any type of purchase transaction, you can choose either of the following methods:

- **Method 1:** For a specific type of purchase transaction, you can create or update the purchase ledger with the relevant **Nature of transaction**. Now select this purchase ledger while recording the purchase transaction.



- **Method 2:** Select the common purchase ledger during the purchase transaction. Press **F12** and enable the option **Allow modification of tax details for GST?** Now select the **Classification/Nature**.



Tax Classification details	
Classification/Nature	: <b>Purchase</b> (Purchase Taxable)
	<b>Natures of Transaction</b>
	↑ ... 1 more
	Interstate Purchase Exempt <i>Nature of Transaction</i>
	Interstate Purchase From Unregistered Dealer - Exempt <i>Nature of Transaction</i>
	Interstate Purchase From Unregistered Dealer - Taxable <i>Nature of Transaction</i>
	Interstate Purchase Nil Rated <i>Nature of Transaction</i>
	Interstate Purchase Taxable <i>Nature of Transaction</i>
	Purchase Exempt <i>Nature of Transaction</i>
	Purchase From Composition Dealer <i>Nature of Transaction</i>
	Purchase From SEZ - Exempt <i>Nature of Transaction</i>
	Purchase From SEZ - Taxable <i>Nature of Transaction</i>
	Purchase From Unregistered Dealer - Exempt <i>Nature of Transaction</i>
	Purchase From Unregistered Dealer - Taxable <i>Nature of Transaction</i>
	Purchase Nil Rated <i>Nature of Transaction</i>
	Purchase Taxable <i>Nature of Transaction</i>

## 1. Nil Rated Purchases

The purchase of nil rated goods from a local or interstate supplier does not attract GST, and can be recorded using a purchase voucher. In the masters of the goods or services classified as nil rated (0%), **Taxability** should be set to **Nil Rated** in the **GST Details** screen.

- Go to **Gateway of Tally > Accounting Vouchers > F9: Purchases**.
- [Select the applicable purchase ledger](#). For example, Nil Rated Purchases.

Accounting Voucher Creation		National Enterprises		Ctrl + M
<b>Purchase</b>	No. 2			5-Jul-2017
Supplier invoice no.:	1344	Date :	5-Jul-2017	Wednesday
Party A/c name :	Nanda Traders			
Current balance :	23,880.00 Dr			
Purchase ledger :	<b>Nil Rated Purchases</b>			
Name of Item	Quantity	Rate per	Amount	
Apple - Golden Delicious	45 Kg	119.00 Kg	5,355.00	
Oranges - Premium Nagpuri	30 Kg	98.00 Kg	2,940.00	
Nandini Good Life Milk	70 lt	36.00 lt	2,520.00	
			<b>10,815.00</b>	
End of List				
Narration:			<b>10,815.00</b>	

Depending on the location of the party, you can record a local or interstate nil rated purchase transaction.

## 2. Exempt Purchases

The local or interstate purchase of goods or services exempted from GST can be recorded using a purchase voucher. In the masters of the exempted goods or services, **Taxability** should be set to **Exempt** in the **GST Details** screen.

- Go to **Gateway of Tally > Accounting Vouchers > F9: Purchases**.
- Select the applicable purchase ledger. For example, Exempt Purchases.

Accounting Voucher Creation		National Enterprises		Ctrl + M
<b>Purchase</b>	No. 2			5-Jul-2017
Supplier invoice no.:	1233	Date :	5-Jul-2017	Wednesday
Party A/c name :	Nanda Traders			
Current balance :	23,880.00 Dr			
Purchase ledger	<b>Exempt Purchases</b>			
Name of Item	Quantity	Rate per	Amount	
Phalguna Long-Grained Rice	100 Kg	62.00 Kg	6,200.00	
Moong Dal Premium	65 Kg	70.00 Kg	4,550.00	
Premium Durum Wheat	50 Kg	24.00 Kg	1,200.00	
			<b>11,950.00</b>	
End of List				
Narration:			215 Kg	11,950.00

The purchase of goods and services from a party in an SEZ can be recorded using a purchase voucher. In an SEZ purchase transaction, taxes are applicable based on the type of purchase:

- **Taxable SEZ purchase:** In SEZ purchases, integrated tax is applicable for both local and interstate parties.
- **Exempt SEZ purchase:** No tax is applicable.
- **SEZ purchase under LUT/bond:** No tax is applicable. SEZ purchases under LUT/bond are allowed when your supplier has signed up a letter of undertaking with the department for the sale of goods without the payment of duty. While passing the purchase transaction, you can select either the ledger created for exempt SEZ purchases or the common purchase ledger.

### To record SEZ purchases

- Go to **Gateway of Tally > Accounting Vouchers > F9: Purchases**.
- Select the applicable purchase ledger. For example, SEZ Purchases.

Accounting Voucher - Creation		National Enterprises		Ctrl + M
<b>Purchase</b>	No. 2			5-Jul-2017
Supplier invoice no.:	11159	Date :	5-Jul-2017	Wednesday
Party A/c name :	Fruitkart Ltd - TFI AgroTech Park			
Current balance				
Purchase ledger	SEZ Taxable Purchase			
Name of Item	Quantity	Rate per	Amount	
Pineapple Jam 200g	350 Nos	37.00 Nos	12,950.00	
Crunchy Peanut Butter 350g	100 Nos	265.00 Nos	26,500.00	
			39,450.00	
<b>Integrated Tax</b>			4,734.00	
Provide GST details : Yes				
Narration:				
			450 Nos	44,184.00

**Provide GST details:** Enable this option if you want to enter additional details regarding the SEZ transaction.

## 4. Purchase of works contract services

### To record a purchase invoice for works contract

1. Go to **Gateway of Tally > Accounting Vouchers > F9: Purchase.**



Accounting Voucher Creation		National Enterprises		Ctrl + M
<b>Purchase</b>	No. 1			7-Jul-2017
Supplier invoice no.:	01	Date :	7-Jul-2017	Friday
Party A/c name : Prajwal Works Contract				
Current balance :				
Particulars		Rate per	Amount	
Fabrication			5,68,000.00	
Central Tax			34,080.00	
State Tax			34,080.00	
Narration:				
				Accept ? Yes or No

**Supplier invoice no.:** Displays the sales invoice no. of the supplying party.

**Date:** Displays the date on which the sales invoice was passed by the supplier.

- In **Party A/c name**, select the supplier's ledger.
- Select the purchase ledger and enter the amount.
- Select the GST ledgers (central and state, or integrated) based on the state selected for the supplier ledger.

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

Tax Analysis		National Enterprises		Ctrl + M
Tax Analysis				
Particulars	Taxable Value	Tax rate	Duty/Tax Value	
<b>GST Details</b>				
Purchase Taxable	5,68,000.00		68,160.00	
Fabrication (11129191)				
Purchase Value	5,68,000.00		68,160.00	
Central Tax		6%	34,080.00	
State Tax		6%	34,080.00	
<b>Total</b>			<b>68,160.00</b>	

## GST Purchases - Nil Rated, Exempt, SEZ, and Works Contract in Tally.ERP9



Once you activate GST in your company, you can record a variety of purchase transactions (inward supply) such as nil rated, exempt, and SEZ purchases using a purchase voucher.

**1. Nil rated purchases**

**2. Exempt purchases**

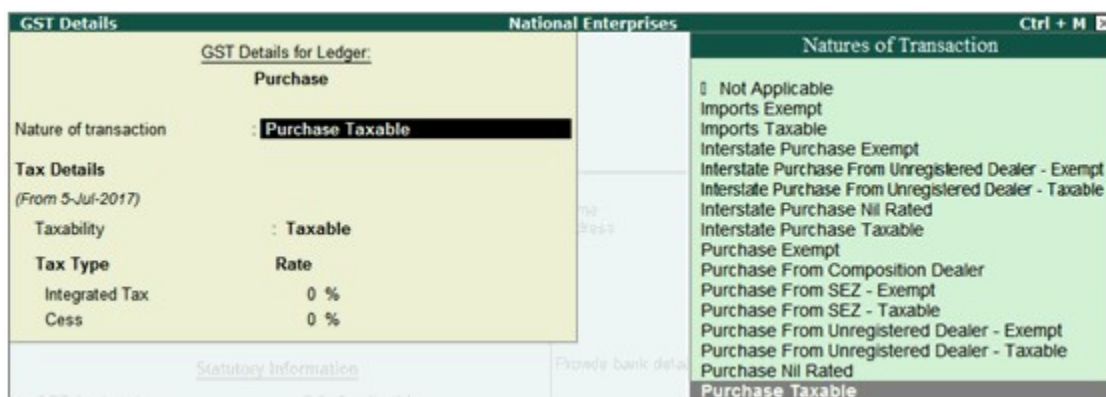
**3. SEZ purchases**

**4. Purchase of works contract services**

## Selecting the purchase ledger in a purchase transaction

While recording any type of purchase transaction, you can choose either of the following methods:

- **Method 1:** For a specific type of purchase transaction, you can create or update the purchase ledger with the relevant **Nature of transaction**. Now select this purchase ledger while recording the purchase transaction.



- **Method 2:** Select the common purchase ledger during the purchase transaction. Press **F12** and enable the option **Allow modification of tax details for GST?** Now select the **Classification/Nature**.





Tax Classification details	
Classification/Nature	: <b>Purchase</b> (Purchase Taxable)
<b>Natures of Transaction</b>	
↑ ... 1 more	
Interstate Purchase Exempt	Nature of Transaction
Interstate Purchase From Unregistered Dealer - Exempt	Nature of Transaction
Interstate Purchase From Unregistered Dealer - Taxable	Nature of Transaction
Interstate Purchase Nil Rated	Nature of Transaction
Interstate Purchase Taxable	Nature of Transaction
Purchase Exempt	Nature of Transaction
Purchase From Composition Dealer	Nature of Transaction
Purchase From SEZ - Exempt	Nature of Transaction
Purchase From SEZ - Taxable	Nature of Transaction
Purchase From Unregistered Dealer - Exempt	Nature of Transaction
Purchase From Unregistered Dealer - Taxable	Nature of Transaction
Purchase Nil Rated	Nature of Transaction
Purchase Taxable	Nature of Transaction

## 1. Nil Rated Purchases

The purchase of nil rated goods from a local or interstate supplier does not attract GST, and can be recorded using a purchase voucher. In the masters of the goods or services classified as nil rated (0%), **Taxability** should be set to **Nil Rated** in the **GST Details** screen.

- Go to **Gateway of Tally > Accounting Vouchers > F9: Purchases**.
- [Select the applicable purchase ledger](#). For example, Nil Rated Purchases.

Accounting Voucher Creation		National Enterprises		Ctrl + M
<b>Purchase</b>	No. 2			5-Jul-2017
Supplier invoice no.:	1344	Date :	5-Jul-2017	Wednesday
Party A/c name :	Nanda Traders			
Current balance :	23,880.00 Dr			
Purchase ledger :	<b>Nil Rated Purchases</b>			
Name of Item	Quantity	Rate per	Amount	
Apple - Golden Delicious	45 Kg	119.00 Kg	5,355.00	
Oranges - Premium Nagpuri	30 Kg	98.00 Kg	2,940.00	
Nandini Good Life Milk	70 lt	36.00 lt	2,520.00	
			<b>10,815.00</b>	
End of List				
Narration:			<b>10,815.00</b>	

Depending on the location of the party, you can record a local or interstate nil rated purchase transaction.

## 2. Exempt Purchases

The local or interstate purchase of goods or services exempted from GST can be recorded using a purchase voucher. In the masters of the exempted goods or services, **Taxability** should be set to **Exempt** in the **GST Details** screen.

- Go to **Gateway of Tally > Accounting Vouchers > F9: Purchases**.
- Select the applicable purchase ledger. For example, Exempt Purchases.

Accounting Voucher Creation		National Enterprises		Ctrl + M
<b>Purchase</b>	No. 2			5-Jul-2017
Supplier invoice no.:	1233	Date :	5-Jul-2017	Wednesday
Party A/c name :	Nanda Traders			
Current balance :	23,880.00 Dr			
Purchase ledger	<b>Exempt Purchases</b>			
Name of Item	Quantity	Rate per	Amount	
Phalgun Long-Grained Rice	100 Kg	62.00 Kg	6,200.00	
Moong Dal Premium	65 Kg	70.00 Kg	4,550.00	
Premium Durum Wheat	50 Kg	24.00 Kg	1,200.00	
			<b>11,950.00</b>	
End of List				
Narration:			215 Kg	11,950.00

The purchase of goods and services from a party in an SEZ can be recorded using a purchase voucher. In an SEZ purchase transaction, taxes are applicable based on the type of purchase:

- **Taxable SEZ purchase:** In SEZ purchases, integrated tax is applicable for both local and interstate parties.
- **Exempt SEZ purchase:** No tax is applicable.
- **SEZ purchase under LUT/bond:** No tax is applicable. SEZ purchases under LUT/bond are allowed when your supplier has signed up a letter of undertaking with the department for the sale of goods without the payment of duty. While passing the purchase transaction, you can select either the ledger created for exempt SEZ purchases or the common purchase ledger.

### To record SEZ purchases

- Go to **Gateway of Tally > Accounting Vouchers > F9: Purchases**.
- Select the applicable purchase ledger. For example, SEZ Purchases.

Accounting Voucher - Creation		National Enterprises		Ctrl + M
<b>Purchase</b>	No. 2			5-Jul-2017
Supplier invoice no.:	11159	Date :	5-Jul-2017	Wednesday
Party A/c name :	Fruitkart Ltd - TFI AgroTech Park			
Current balance				
Purchase ledger	SEZ Taxable Purchase			
Name of Item	Quantity	Rate per	Amount	
Pineapple Jam 200g	350 Nos	37.00 Nos	12,950.00	
Crunchy Peanut Butter 350g	100 Nos	265.00 Nos	26,500.00	
			39,450.00	
<b>Integrated Tax</b>			4,734.00	
Provide GST details : Yes				
Narration:				
			450 Nos	44,184.00

**Provide GST details:** Enable this option if you want to enter additional details regarding the SEZ transaction.

## 4. Purchase of works contract services

### To record a purchase invoice for works contract

1. Go to **Gateway of Tally > Accounting Vouchers > F9: Purchase.**



Accounting Voucher Creation		National Enterprises		Ctrl + M
<b>Purchase</b>	No. 1			7-Jul-2017
Supplier invoice no.:	01	Date :	7-Jul-2017	Friday
Party A/c name : Prajwal Works Contract				
Current balance :				
Particulars		Rate per	Amount	
Fabrication			5,68,000.00	
Central Tax			34,080.00	
State Tax			34,080.00	
Narration:				
				Accept ? Yes or No

**Supplier invoice no.:** Displays the sales invoice no. of the supplying party.

**Date:** Displays the date on which the sales invoice was passed by the supplier.

- In **Party A/c name**, select the supplier's ledger.
- Select the purchase ledger and enter the amount.
- Select the GST ledgers (central and state, or integrated) based on the state selected for the supplier ledger.

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

Tax Analysis		National Enterprises		Ctrl + M
Tax Analysis				
Particulars		Taxable Value	Tax rate	Duty/Tax Value
<b>GST Details</b>				
Purchase Taxable		5,68,000.00		68,160.00
Fabrication (11129191)		5,68,000.00		68,160.00
Purchase Value	5,68,000.00			
Central Tax			6%	34,080.00
State Tax			6%	34,080.00
<b>Total</b>				<b>68,160.00</b>

## Recording Local Purchase under GST in TallyERP9

Once you activate GST in your company, you can record the purchase of goods and services that attract GST using a purchase voucher. Ensure that you provide unique voucher numbers for your purchase vouchers, and use a new series of voucher numbering.

**A. Local purchase**

**B. Interstate purchase**

**A. Local Purchase**

The purchase of goods or services from a supplier in the same state attracts central tax and state tax.

**Method-1 : To Record a Local Purchase Transaction**

**[ Using Common Ledger Account for all items with same Tax Rate]**

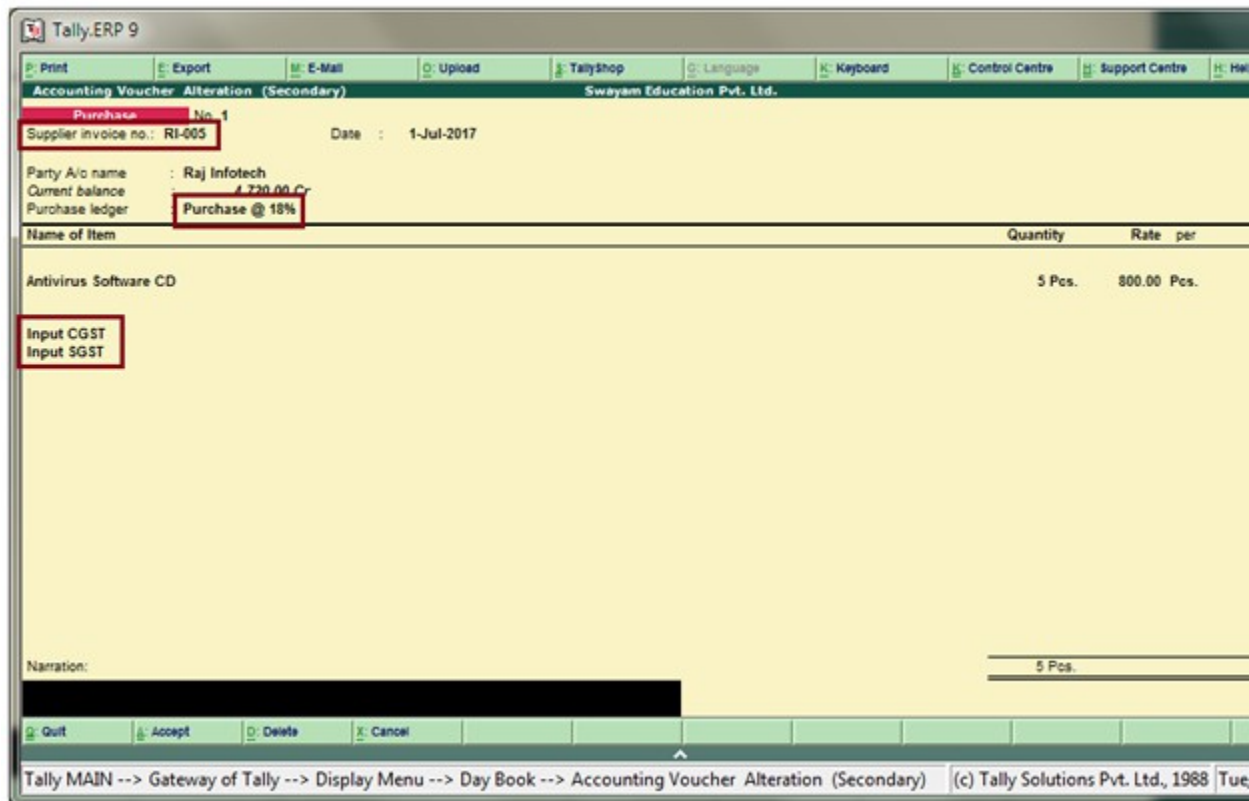
*During Purchase Voucher (F9) Entry Press F12 and Set YES as below :*

<u>Purchase Invoice Standard Configuration</u>	
<u>General Options</u>	
Enable supplementary details <i>(Address details, despatch details, etc.)</i>	? Yes
Allow separate buyer and consignee names	? No
<b>Use common ledger account for item allocation</b>	<b>? Yes</b>
Use defaults for bill allocations	? No
Provide additional descriptions for stock item name	? No
Provide additional descriptions for ledger name	? No
<u>Statutory Options</u>	
Calculate tax on current sub-total <i>(else calculations are on inventory total only)</i>	? No
Allow modification of tax details for GST	? No
<u>Other Options</u>	
Warn on negative stock balance	? Yes
<i>Press F12 for more options.</i>	

**As per our Practical Example No. 1**

Purchase from Raj Infotech, 5 CDs of Antivirus Software @ Rs. 800 each, with Input GST rate @ 18%. i.e. Rs.. 720 - [ CGST (9%) Rs.360 and SGST (9%) Rs.360 ]

1. Go to **Gateway of Tally > Accounting Vouchers > F9: Purchase.**



**Supplier invoice no.:** Displays the sales invoice no. of the supplying party.

**Date:** Displays the date on which the sales invoice was passed by the supplier.

2. In **Party A/c name**, select the supplier's ledger or the cash ledger.
3. Select the **Purchase Ledger** applicable for local taxable purchases.
4. Select the required **Items**, and specify the **Quantities** and **Rates**.
5. Select the **central and state tax ledgers**. As above.

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





Tax Analysis		
Swayam Education Pvt. Ltd.		
Tax Analysis		
Particulars	Taxable Value	Tax rate
<b>GST Details</b>		
<b>Purchase Taxable</b>	4,000.00	
Antivirus Software CD	4,000.00	
Item Value ( Purchase Value 4,000.00 )	4,000.00	
Central Tax		9%
State Tax		9%
		<b>Total</b>

**As per our Practical Example No. 2**

Purchase from Microtek India Ltd. , 10 Monitors @ Rs. 4000 each, with Input GST @ 28% i.e. Rs.11,200 – [ CGST (14%) Rs.5600 and SGST (14%) Rs. 5600. ]

Accounting Voucher Creation			
Swayam Education Pvt. Ltd.			
Purchase		No. 2	1-Jul
Supplier invoice no.:		Date :	Sat
Party A/c name	: Microtek India Ltd.		
Current balance	:		
Purchase ledger	: <b>Purchase @ 28%</b>		
Name of Item	Quantity	Rate per	Am
Monitors	10 Pcs.	4,000.00 Pcs.	40,0
<b>Input CGST</b>			5,6
<b>Input SGST</b>			5,6
Narration:	10 Pcs.		<b>51,2</b>

**Method-2 : To Record a Local Purchase Transaction**

**[ Without Using Common Ledger Account for all items due to Different Tax Rate ]**

*During Purchase Voucher (F9) Entry Press F12 and Set No as below :*

<u>Purchase Invoice Standard Configuration</u>	
<u>General Options</u>	
Enable supplementary details <i>(Address details, despatch details, etc.)</i>	? Yes
Allow separate buyer and consignee names	? No
Use common ledger account for item allocation	? <b>No</b>
Use defaults for bill allocations	? No
Provide additional descriptions for stock item name	? No
Provide additional descriptions for ledger name	? No
<u>Statutory Options</u>	
Calculate tax on current sub-total <i>(else calculations are on inventory total only)</i>	? No
Allow modification of tax details for GST	? No
<u>Other Options</u>	
Warn on negative stock balance	? Yes
<i>Press F12 for more options.</i>	

**Examples :**

Cash Purchase of 5 CDs of Antivirus Software @ Rs. 800 each , with Input GST rate @ 18%. & 2 Mi-Note 4 Mobiles @ Rs. 10,000 each with Input GST 12%

*The Purchase Invoice will be entered as below with GST Analysis..*





Accounting Voucher Creation			
<b>Purchase</b> No. 11		Date : 2-Jul-2017	
Supplier invoice no.:		Sunday	
Party A/c name : Cash			
Current balance : 33,470.00 Cr			
Name of Item	Quantity	Rate per	Amount
Antivirus Software CD	5 Pcs.	800.00 Pcs.	4,000.00
Mi Note 4 Mobiles	2 Pcs.	10,000.00 Pcs.	20,000.00
			24,000.00
Input CGST			1,560.00
Input SGST			1,560.00
Narration:			7 Pcs. 27,120.00

Accounting Details for : A	
Upto: ₹ 4,0	
Particulars	
<b>Purchase @ 18%</b>	
Cur Bal: 28,000.00	
Accounting Details for :	
Upto: ₹ 20,0	
Particulars	
<b>Purchase @ 12%</b>	
Cur Bal: 30,000.00	

Tax Analysis			
Tax Analysis			
Particulars	Taxable Value	Tax rate	Duty/Tax Value
<b>GST Details</b>			
<b>Purchase Taxable</b>	24,000.00		3,120.00
Antivirus Software CD	4,000.00		720.00
Item Value ( Purchase Value 4,000.00 )	4,000.00		
Central Tax		9%	360.00
State Tax		9%	360.00
Mi Note 4 Mobiles	20,000.00		2,400.00
Item Value ( Purchase Value 20,000.00 )	20,000.00		
Central Tax		6%	1,200.00
State Tax		6%	1,200.00
		<b>Total</b>	<b>3,120.00</b>

Press to see items

## Recording Outside Inter-State Purchase under GST in TallyERP9

As per our Practical Example No. 3

Purchase 2 'Hp-Laptop' @ Rs. 45,000 with Input IGST @ 18% i.e. Rs. 16,200 and

2 Mi-Note 4 Mobiles @ Rs. 10,000 each with Input IGST 12% i.e. Rs.2,400 – in Cash from Outside State – West Bengal from Registered Shop.

In the above example...Purchase of Multiple Items GST Rates in one Purchase Bill.

1. Go to **Gateway of Tally > Accounting Vouchers > F9: Purchase.**

Press F12 : Make 'No' to Use common ledger account for item allocation as follow :

<u>Purchase Invoice Standard Configuration</u>	
<u>General Options</u>	
Enable supplementary details <i>(Address details, despatch details, etc.)</i>	? Yes
Allow separate buyer and consignee names	? No
Use common ledger account for item allocation	? <b>No</b>
Use defaults for bill allocations	? Yes
Provide additional descriptions for stock item name	? No
Provide additional descriptions for ledger name	? No
<u>Statutory Options</u>	
Calculate tax on current sub-total <i>(else calculations are on inventory total only)</i>	? No
Allow modification of tax details for GST	? No
<u>Other Options</u>	
Warn on negative stock balance	? Yes
<i>Press F12 for more options.</i>	

● Follow the steps used for recording a local purchase transaction, with the following changes:

o In **Party A/c name**, select Cash ledger i.e. **Cash** .

The Supplementary Details should be as below with Address, State, GST Registration Type , GSTIN/UIN & Type of Dealer :

Other Reference(s)	:
<u>Supplier's Details</u>	
Supplier	: Cash
Address	: ABC Electronics Calcutta.
State	: <b>West Bengal</b>
GST Registration Type	: Regular
GSTIN/UIN	: 21AAAAABBBBB1Z5
Type of Dealer	: Regular

o Select the purchase ledger applicable for interstate purchases for each item i.e. Inter-state Purchase @ 18% for Hp-Laptop & Inter-state Purchase @ 12% for Mi Note 4 Mobiles.



Tax Analysis		Swayam Education Pvt. Ltd.	
Tax Analysis			
Particulars		Taxable Value	Tax rate
<b>GST Details</b>			
<b>Interstate Purchase Taxable</b>		<b>1,10,000.00</b>	
<i>Hp-Laptop</i>		90,000.00	
Item Value ( Purchase Value 90,000.00 )	90,000.00		
Integrated Tax			18%
<i>Mi Note 4 Mobiles</i>		20,000.00	
Item Value ( Purchase Value 20,000.00 )	20,000.00		
Integrated Tax			12%
			<b>Total</b>

## Creating Sales Ledgers for GST in Tally.ERP9

### Creating a Sales Ledger (Local) : GST Sales

#### To Create a Sales Ledger i.e. GST Sales

1. Go to **Gateway of Tally > Accounts Info. > Ledgers > Create.**
2. Enter the **Name** of the Sales ledger i.e. GST Sales
3. Select **Sales Account** from the **List of Groups** in the **Under** field.
4. Set the option **Inventory values are affected?** to **Yes** ,.
5. **Is GST Applicable - Applicable.**
6. Set / alter GST Details – **No**
7. Type of Supply - **Goods**

<u>Statutory Information</u>	
Is GST Applicable	? <b>Applicable</b>
Set/alter GST Details	? <b>No</b>
Type of Supply	: <b>Goods</b>

8. Press **Ctrl + A** to save.

Ledger Alteration		Www.TallyERP9Book.Com	
Name : GST Sale (alias) :			
Under : Sales Accounts		Name : Address :	
Inventory values are affected ? Yes Cost centres are applicable ? No		Provide bank details : No	
<u>Statutory Information</u> Is GST Applicable ? <input checked="" type="checkbox"/> Applicable Set/alter GST Details ? No Type of Supply : Goods		<u>Tax Registration Details</u> PAN/IT No. :	
Opening Balance ( on 1-Apr-2017 ) :			

## Creating Purchase Ledgers for GST in Tally.ERP9

### Creating a Purchase Ledger : Purchase @ 18%

To Create a Purchase Ledger i.e. Purchase @ 18%

1. Go to Gateway of Tally > Accounts Info. > Ledgers > Create.
2. Enter the Name of the Sales ledger i.e. Purchase @ 18%
3. Select Purchase Account from the List of Groups in the Under field.
4. Set the option Inventory values are affected? to Yes ,.



Ledger Alteration		www.TallyERP9Book.Com	
Name	: GST Purchase - 18%		
(alias)	:		
Under : Purchase Accounts		<u>Mailing Details</u>	
Inventory values are affected	? Yes	Name	:
Type of Ledger	? <input checked="" type="radio"/> Not Applicable	Address	:
<u>Statutory Information</u>		Provide bank details	: No
Is GST Applicable	? <input checked="" type="radio"/> Applicable	<u>Tax Registration Details</u>	
Set/alter GST Details	? <input checked="" type="radio"/> Yes	PAN/IT No.	:
Type of Supply	: Goods		
Opening Balance		( on 1-Jul-2017 ) :	

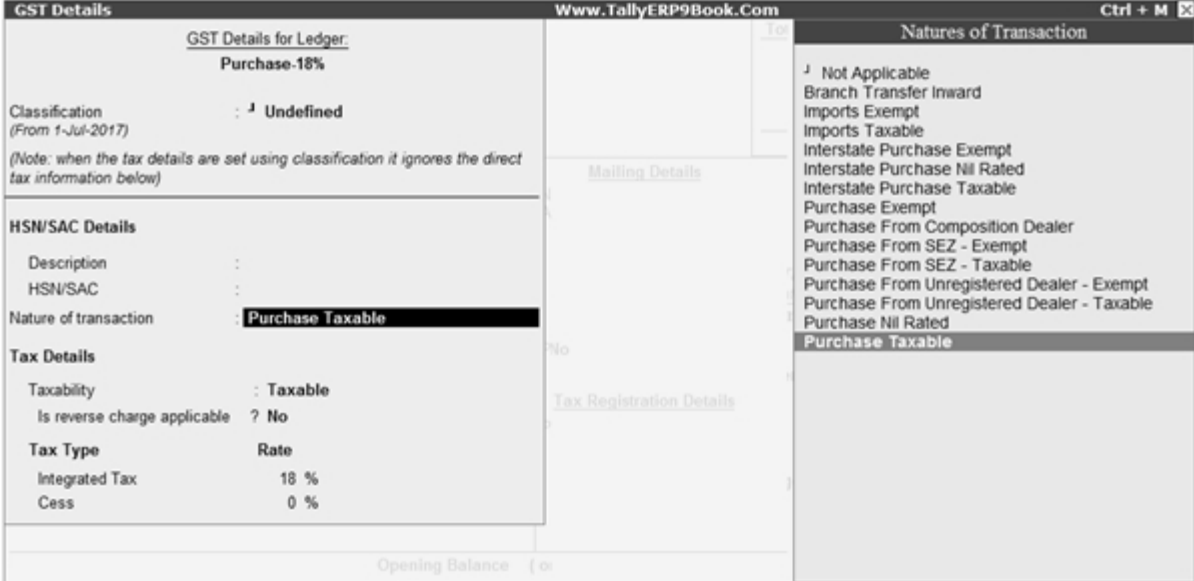
5. Is GST Applicable - Applicable.

Statutory Information	
Is GST Applicable	? <input checked="" type="radio"/> Applicable
Set/alter GST Details	? <input checked="" type="radio"/> Yes
Type of Supply	: Goods

6. Set/alter GST Details - Yes, specify the details in the GST Details screen as below , and Save.







**GST Details for Ledger: Purchase-18%**

Classification : Undefined  
(From 1-Jul-2017)  
(Note: when the tax details are set using classification it ignores the direct tax information below)

**HSN/SAC Details**

Description :  
HSN/SAC :  
Nature of transaction : **Purchase Taxable**

**Tax Details**

Taxability : Taxable  
Is reverse charge applicable ? No

Tax Type	Rate
Integrated Tax	18 %
Cess	0 %

**Natures of Transaction**

- Not Applicable
- Branch Transfer Inward
- Imports Exempt
- Imports Taxable
- Interstate Purchase Exempt
- Interstate Purchase Nil Rated
- Interstate Purchase Taxable
- Purchase Exempt
- Purchase From Composition Dealer
- Purchase From SEZ - Exempt
- Purchase From SEZ - Taxable
- Purchase From Unregistered Dealer - Exempt
- Purchase From Unregistered Dealer - Taxable
- Purchase Nil Rated
- Purchase Taxable**

- Follow the steps used for Creating the Purchase Ledger i.e. Purchase @ 18% as above, with the nature of transaction and rates for purchase. Similarly...you can create all following Purchase Ledgers as per our Practical Examples by specify the Tax Rate and other GST details as above :
  - Purchase @ 28%
  - Purchase @ 12%
  - Purchase @ 5%

## Creating Purchase Ledgers for GST in Tally.ERP9

### Creating a Purchase Ledger : Purchase @ 18%

#### To Create a Purchase Ledger i.e. Purchase @ 18%

- Go to **Gateway of Tally > Accounts Info. > Ledgers > Create.**
- Enter the **Name** of the Sales ledger i.e. **Purchase @ 18%**
- Select **Purchase Account** from the **List of Groups** in the **Under** field.
- Set the option **Inventory values are affected?** to **Yes** ,.

Ledger Alteration		www.TallyERP9Book.Com	
Name	: GST Purchase - 18%		
(alias)	:		
Under : Purchase Accounts		<u>Mailing Details</u>	
Inventory values are affected	? Yes	Name	:
Type of Ledger	? <input checked="" type="radio"/> Not Applicable	Address	:
<u>Statutory Information</u>		Provide bank details	: No
Is GST Applicable	? <input checked="" type="radio"/> Applicable	<u>Tax Registration Details</u>	
Set/alter GST Details	? <input checked="" type="radio"/> Yes	PAN/IT No.	:
Type of Supply	: Goods		
Opening Balance		( on 1-Jul-2017 ) :	


5. Is GST Applicable - Applicable.

Statutory Information	
Is GST Applicable	? <input checked="" type="radio"/> Applicable
Set/alter GST Details	? <input checked="" type="radio"/> Yes
Type of Supply	: Goods

6. Set/alter GST Details - Yes, specify the details in the GST Details screen as below , and Save.







The screenshot shows the 'GST Details' window for a ledger named 'Purchase-18%'. The window is divided into several sections:

- Classification:** Undefined (From 1-Jul-2017). A note states: "(Note: when the tax details are set using classification it ignores the direct tax information below)".
- HSN/SAC Details:** Description, HSN/SAC, and Nature of transaction (Purchase Taxable).
- Tax Details:** Taxability (Taxable), Is reverse charge applicable (No), and a table for Tax Type and Rate:
 

Tax Type	Rate
Integrated Tax	18 %
Cess	0 %
- Natures of Transaction:** A list of transaction types with 'Purchase Taxable' selected.

- Follow the steps used for Creating the Purchase Ledger i.e. Purchase @ 18% as above, with the nature of transaction and rates for purchase. Similarly...you can create all following Purchase Ledgers as per our Practical Examples by specify the Tax Rate and other GST details as above :
  - Purchase @ 28%
  - Purchase @ 12%
  - Purchase @ 5%

## Setting Up GST Rates for stock groups and stock items in Tally.ERP9

Quickly set up GST rates for your company, stock item-wise or stock group-wise, using the **GST Rate Setup** option. You must enable GST in your company to provide GST rates. You can set up GST rates at the company level, stock group level, stock item level, ledger group level, and ledger level. You can also set the GST rates for a particular price range/slab for multiple stock items.

### To set GST rates for stock groups and stock items

1. Go to **Gateway of Tally > Display > Statutory Reports > GST > GST Rate Setup.**

CST Rate Setup		Triage Limited		
Stock Group: Primary				
Particulars	Applicable From	HSN/SAC	Taxability	Integ
<Rate Not Configured>		3 stock items		
Batteries		(56784332)	(Taxable)	(18%
Inverters		(23456789)	(Taxable)	(18%
Wires		(67855444)	(Taxable)	(10%

**Note:**  
\* Stock group has items with multiple tax rates. A single tax rate cannot be set for this stock group.  
GST rate details in brackets are derived from company or stock-group, as configured.

**Note:** Brackets indicate that tax rates are captured from the company or stock group level.

2. Select the stock group or stock item, and press **Alt+S** to provide the applicable tax rates. You can press **Spacebar** to select multiple stock groups or stock items. Set the tax rates and save.

GST Details	
Tax Rate Details	
Classification	: Undefined
<i>(Note: when the tax details are set using classification it ignores the direct tax information below)</i>	
Tax Details	
Taxability	: Taxable
Tax Type	Rate
Integrated Tax	18 %
Cess	2 %

The rate entered for integrated tax will be equally divided between central tax and state tax.

To view the history of tax rate changes, press **Alt + L**.

To specify further GST-related details, click **F12: Configure**.

In order to remove a tax rate, use the option **Ctrl+C** (Clear Rate). You can clear rate of multiple items or groups by selecting them using **Spacebar**. You can also clear rate from items under a group and automatically infer tax details recorded at group level to sub-groups and items using the option **F: Enforce Rate**.

# Activating GST in Tally.ERP9 for your Company

To use Tally.ERP 9 for GST compliance, you need to activate the GST feature. Once activated, GST-related features are available in ledgers, stock items, and transactions, and GST returns can be generated.

## To activate GST

1. Open the company for which you need to activate GST.
2. Press **F11 > F3**.

Company: National Enterprises

Statutory and Taxation

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

Tax Information

PAN/Income tax no. : AAACC0061H  
 Corporate Identity No. (CIN): U22222292017003123456

Accept ?  
Yes or No

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

3. **Enable Goods and Services Tax (GST) - Yes.**
4. **Set/alter GST details - Yes.**

GST Details

State	: Karnataka
Registration type	: Regular
GSTIN/UIN	: 29AAAAA1111A1Z1
Applicable from	: 1-Jul-2017
Set/alter GST rate details	? No

**State:** Displays the state you have selected for your company. Helps in identifying local and interstate transactions. If you change the state, it will be updated in the company details.

5. Specify the **GSTIN/UIN** for the business. This can be printed in the invoices as required. You can specify this later.
6. Specify **Applicable from** date. GST will be applicable for your transactions from this date onwards.

You can record transactions using the ledgers with GST details, and print invoices with GSTIN.

If required, [deactivate other taxes like VAT](#), as applicable. For this, open the corresponding tax details screen and specify the **Deactivate from** date.

## Providing GST-Related information in GST Screen in Tally.ERP9

You can specify all GST-related information relating to your business in the **GST Details** screen. This screen can be configured to enable further options which will allow you to enter your GST information in detail.

To specify GST details, enable the option **Set/alter GST details?**. You can [manage GST details](#) for goods/services at different levels.

If you have [enabled GST classification](#) at the company level, you can select it in the field **Classification**. Once you have selected a GST classification, the details specified get applied to stock item, stock group or ledger.

The **GST Details** screen at the stock item level appears as shown below:

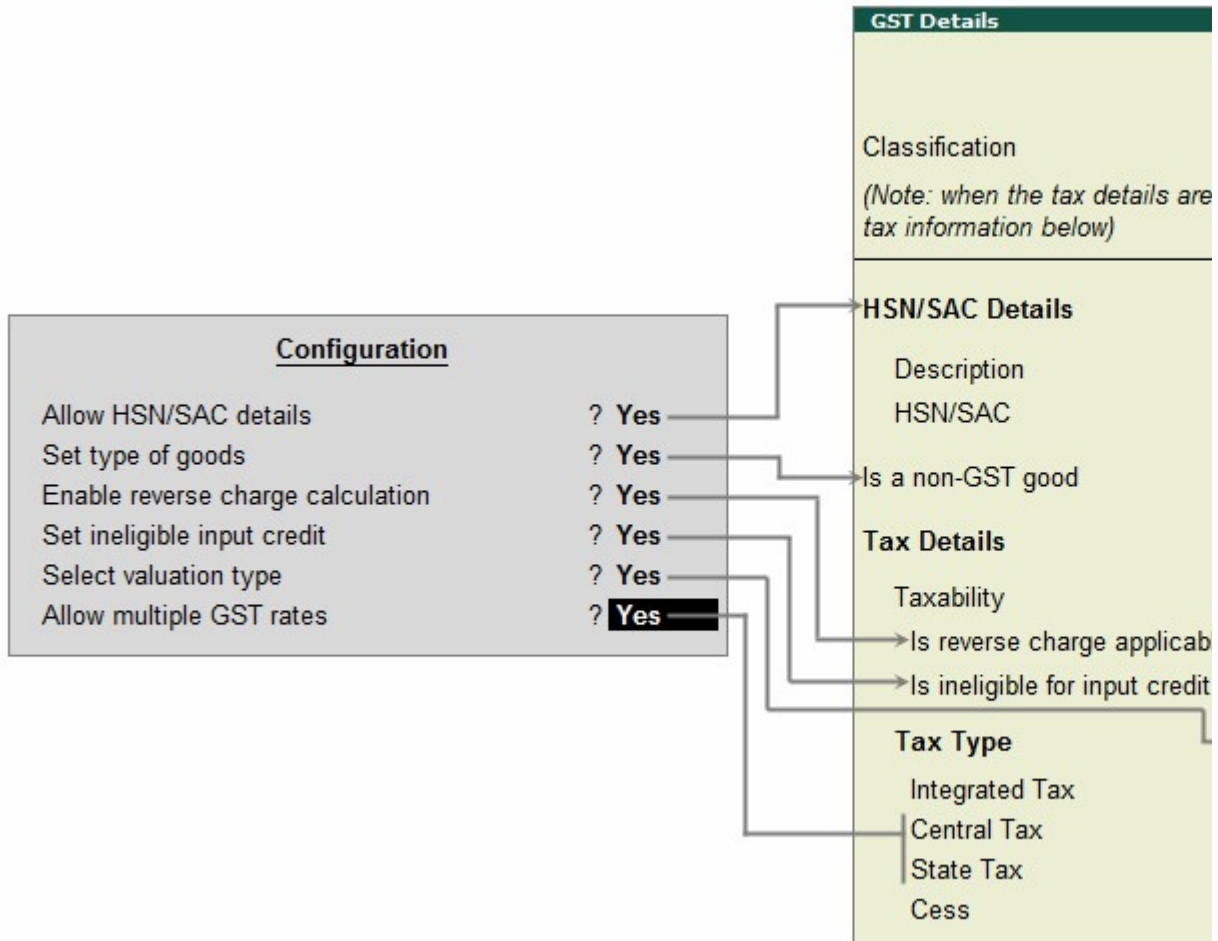
GST Details	
<u>Tax Rate Details</u>	
Classification	: <input type="checkbox"/> Undefined
<i>(Note: when the tax details are set using classification it ignores the direct tax information below)</i>	
<b>HSN/SAC Details</b>	
Description	: Batteries
HSN/SAC	: 56784332
<b>Tax Details</b>	
Calculation type	: On Value
Taxability	: Taxable
<b>Tax Type</b>	
Integrated Tax	18 %
Cess	<input type="text" value="0"/> %

**Note:** The option **Calculation type** is available only at the stock item level. You can [set the](#)

calculation type as **On Value** or **On Item Rate**, as required.

## F12: Configure

The F12 configuration options available at the stock item, stock group, and ledger levels, and the options enabled on setting them to **Yes** in the **GST Details** screen are shown below:



**Valuation Type:** Default is **Based on Value**.

You can enable the F12 configuration options as required to enable relevant options and provide the required details.

## Sales Inclusive of Tax in Tally.ERP9

Create sales voucher to record sales inclusive of duties and taxes.

### To record sales inclusive of tax

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

2. Select the party ledger in **Party's A/c Name** field.
3. Select the sales ledger with taxable nature of transaction.
4. Select the stock item for which the option **Is inclusive of duties and taxes?** is enabled.
5. Enter the **Quantity**. The **Inclusive of Tax** screen appears as shown below:
  - o Enter the **Rate (Inclusive of Tax)**.

**Rate (Inclusive of Tax)**

31500

- o Press **Enter** to save and to return to sales invoice.

**Note: You can enable an additional column in the invoice to enter the stock item value, which is inclusive of tax.**

6. Select the common VAT ledger.
  - The ledger must be grouped under **Duties & Taxes** in which the options:
    - o Type of duty/tax set to VAT (CST in case of interstate sales).
    - o Percentage of Calculation (eg 5)? set to 0.
7. Enter Narration, if required.

The sales invoice appears as shown below:

Accounting Voucher Creation		ABC Company		Ctrl + M
<b>Sales</b>		No. 4	20-Apr-2015	
Reference no.: 004		Monday		
Party's A/c Name : Supreme Digitals				
Current Balance : 3,83,940.00 Dr				
Sales Ledger : Sales				
Name of Item	Quantity	Rate per	Amount	
HP Pavilion AIO 2122	10 Nos	30,000.00 Nos	3,00,000.00	
VAT			15,000.00	
Narration:				
				10 Nos
				Accept ?
				Yes or No

8. Press Enter to save.



## Generating GSTR-1 Report in Tally.ERP9

GSTR-1 is the monthly GST return to be filed by a taxable person registered under GST. GSTR-1 includes the details of all outward supplies made in the given period.

The outward supply details include B2B invoices, B2C invoices, adjustments to sales made in debit/credit notes, exports, nil rated invoices, advances received with tax adjustments.

**Note:** Ensure that you [download](#) and install the latest version of the **GST Offline Tool** for filing returns.

### To view the report in the format provided by GST

- Go to **Gateway of Tally > Display > Statutory Reports > GST > GSTR-1**. If the report is not appearing in the format shown below, press **Alt+V**.

GSTR-1									
National Enterprises									
GSTR-1									
1 Jul 2017 to 31 Jul 2017									
Returns Summary									
Total number of vouchers for the period									
Included in returns									
Not relevant for returns									
Incomplete/Mismatch in information (to be resolved)									
Sl No.	Particulars	Voucher Count	Taxable Value	Integrated Tax Amount	Central Tax Amount	State Tax Amount	Cess Amount	Tax Amount	Invoice Amount
1	B2B Invoices - 4A, 4B, 4C, 6B, 6C	11	9,12,382.18	65,567.01	26,775.00	26,775.00	4,744.11	1,23,861.12	9,91,243.30
2	B2C(Large) Invoices - 5A, 5B	3	13,58,000.00	2,44,440.00				2,44,440.00	16,02,440.00
3	B2C(Small) Invoices - 7	6	6,03,750.00	18,000.00	50,337.50	50,337.50	5,000.00	1,23,675.00	7,27,425.00
4	Credit/Debit Notes(Registered) - 9B	2	(-32,250.00)		(-2,902.50)	(-2,902.50)		(-5,805.00)	(-38,055.00)
5	Credit/Debit Notes(Unregistered) - 9B	2	(-3,95,000.00)	(-71,100.00)				(-71,100.00)	(-4,66,100.00)
6	Exports Invoices - 6A	3	3,82,000.00	17,100.00				17,100.00	3,99,100.00
7	Tax Liability(Advances received) - 11A(1), 11A(2)	1	1,50,000.00		13,500.00	13,500.00		27,000.00	1,50,000.00
8	Adjustment of Advances - 11B(1), 11B(2)	1	(-1,65,000.00)	(-29,700.00)				(-29,700.00)	(-1,65,000.00)
9	Nil Rated Invoices - 8A, 8B, 8C, 8D	9	13,46,475.00						13,46,475.00
<b>Total</b>		<b>38</b>	<b>41,60,357.18</b>	<b>2,44,307.01</b>	<b>87,710.00</b>	<b>87,710.00</b>	<b>9,744.11</b>	<b>4,29,471.12</b>	<b>45,47,526.30</b>
HSN/SAC Summary - 12									
Document Summary - 13									
<b>Advance Receipts</b>									
Amount unadjusted against supplies									
<small>Note: Voucher count and values are not provided for HSN/SAC Summary and Document Summary. Drill down for details.</small>									

**Note:** You can press **Alt+A** in **GSTR-1** report to change the view from return format to summary view and vice-versa.

- Specify the required reporting period by pressing **F2**.

By default, the transactions having voucher numbers more than 16 characters, including special characters ("-" and "/") are not exported to the e-return template. To include these vouchers, use **F12: Configure**.

Configuration	
Show tax types in separate columns	? Yes
Export vouchers with voucher number more than 16 characters	? No
Round-off margin	: 1
Show HSN/SAC Summary	? Yes
Group vouchers by	: <b>Description Only</b>

Group By	
Both	
Description only	
HSN Only	

- You can generate the report with the line **HSN/SAC Summary** by enabling the option **Show HSN/SAC Summary?**.
- You can generate the **HSN/SAC Summary** report with only the description or HSN or both, based on the grouping set in the option **Group vouchers by**.

In the return format view, there are two sections in the report:

- Returns summary - a snapshot of the business operations in the given period.
- Particulars - structured as per the offline tool provided by the department.

### To view the report in summary view

- Go to **Gateway of Tally > Display > Statutory Reports > GST > GSTR-1**. If the report is not appearing in the format shown below, press **Alt+V**. Displays the local and interstate transactions grouped on GST and non-GST outward supplies.

National Enterprises						
GSTR-1						
Returns Summary						
Total number of vouchers for the period						
Included in returns	39					
Not relevant for returns	1					
Incomplete/Mismatch in information (to be resolved)	0					
Particulars	Taxable Value	Integrated Tax Amount	Central Tax Amount	State Tax Amount	Cess Amount	Total Tax Amount
<b>Outward Supplies</b>						
Local Sales	9,65,475.00		51,710.00	51,710.00	5,000.00	1,08,420.00
Taxable	5,19,000.00		51,710.00	51,710.00	5,000.00	1,08,420.00
Exempted	4,46,475.00					
Inter State Sales	23,54,882.18	2,74,007.01			4,744.11	2,78,751.12
Taxable	14,27,882.58	2,74,007.01			4,744.11	2,78,751.12
Exempted	9,27,000.00					
Non-GST Supplies	6,05,000.00					
Reverse Charge Supplies	2,50,000.00		22,500.00	22,500.00		45,000.00
Add/Less: GST Adjustments		(129,700.00)	13,500.00	13,500.00		(12,700.00)
<b>Total Outward Supplies</b>	<b>41,75,357.18</b>	<b>2,44,307.01</b>	<b>87,710.00</b>	<b>87,710.00</b>	<b>9,744.11</b>	<b>4,29,471.12</b>
<b>Tax Liability</b>						
Reverse Charge Supplies	2,50,000.00		22,500.00	22,500.00		45,000.00

In the summary view, there are two sections in the report:

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

### F12: Configure



<u>Configuration</u>	
Show break-up of nett values	? <b>No</b>
Show tax types in separate columns	? <b>Yes</b>
Export vouchers with voucher number more than 16 characters	? <b>No</b>
Round-off margin	: <b>1</b>

**Show break-up of nett values?:** Enable this option to display Gross Value, Returns, and Addition/Deduction values in detailed mode of the report. This option is disabled by default.

**Show tax types in separate columns?:** Enable this option to view all GST tax types in separate columns. This option is enabled by default. When this option is displayed, tax amount is displayed in a single column without the Central Tax, state tax and integrated tax break-up.

**Export vouchers with voucher number more than 16 characters?:** Enable this option to export the transactions having more than 16 characters, including special characters ("- and "/" ) to the template.

**Round-off margin:** It is set to 1. You can change it as required to ensure the relevant transactions are included in the returns.

## GSTR-1 Returns Transactions Summary

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

National Enterprises		Ctrl + H
GSTR-1		1-Jul-2017 to 31-Jul-2017
<b>Returns Summary</b>		
Total number of vouchers for the period		51
Included in returns		7
Not relevant for returns		1
Incomplete/Mismatch in information (to be resolved)		43

### Total number of vouchers for the period

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



Statistics					National Enterprises		Ctrl + H
Statistics							1-Jul-2017 to 31-Jul-2017
Type of Voucher	Transactions				Type of Account	Total Accounts	
	Total	Included	Excluded	Uncertain			
Contra					Groups	28	
Credit Note					Ledgers	63	
Debit Note					Stock Groups	0	
Delivery Note					Stock Items	2	
Job Work In Order					Voucher Types	22	
Job Work Out Order					Units	1	
Journal					Currencies	1	
Material In					Budgets & Scenarios	0	
Material Out							
Memorandum							
Payment							
Physical Stock							
Purchase	1		1				
Purchase Order							
Receipt	1	1					
Receipt Note							
Rejections In							
Rejections Out							
Reversing Journal							
Sales	49	6		43			
Sales Order							
Stock Journal							
<b>Total</b>	<b>51</b>	<b>7</b>	<b>1</b>	<b>43</b>			

### Included in returns

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

Summary of Included Vouchers		National Enterprises	Ctrl + H
Summary of Included Vouchers			1-Jul-2017 to 31-Jul-2017
Particulars			No. of Vouchers
Sales			6
Advance Receipt			1
<b>Total</b>			<b>7</b>

### Not relevant for returns

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

Summary of Excluded Vouchers		National Enterprises	Ctrl + H
Summary of Excluded Vouchers			1-Jul-2017 to 31-Jul-2017
Particulars			No. of Vouchers
Non GSTR1 Transactions			1
<b>Total</b>			<b>1</b>

Other transaction types that can appear under excluded vouchers:

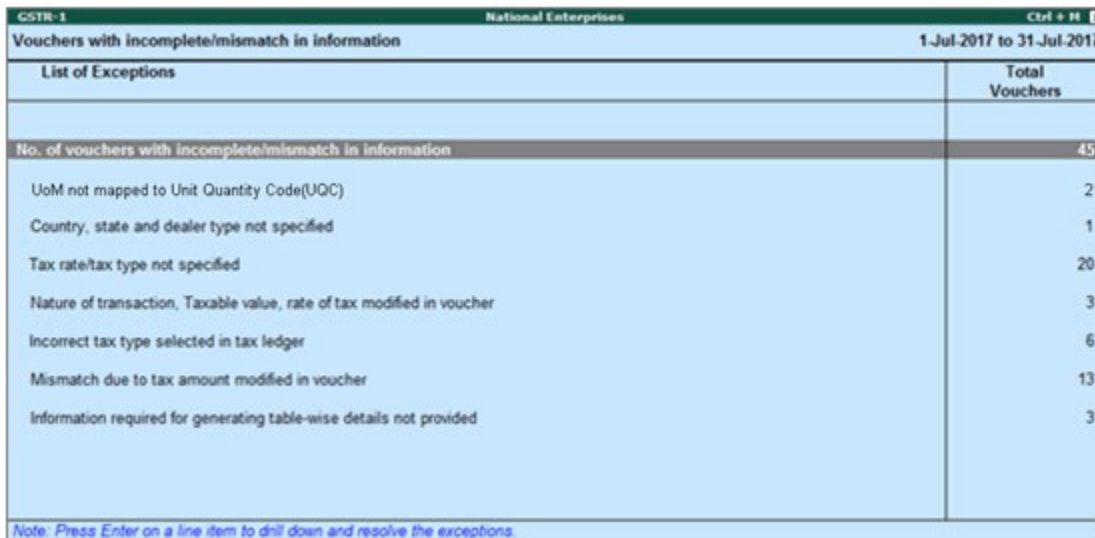
- **Excluded by User:** Manually excluded by you from the list of included or uncertain transactions. Drill down and use **I: Include Vouchers**, if required. Based on the information in the voucher it will move to either included or uncertain.

- **Contra Vouchers:** The count of contra entries which involve only bank and cash ledgers.
- **Order Vouchers:** The count of sales order, purchase order, job work in order, and job work out order vouchers.
- **Inventory Vouchers:** The count of receipt note, stock journal, delivery note, material in, material out, rejections in, rejections out, and physical stock vouchers as they are purely inventory in nature and do not attract GST.
- **Payroll Vouchers:** The count of transactions recorded using payroll and attendance vouchers. GST does not apply to these transactions.
- **No GST Implications:** The count of receipts, payments, and journal vouchers that do not have any GST implication.
- **Other voucher:** The count of memorandum and reversing journal vouchers.
- **Non GSTR-1 Transactions:** The transactions which are part of other returns, for example: GSTR – 2, and hence will not have any implication on GSTR – 1.

All the transaction types are not displayed by default. Based on the voucher type used and the exclusions done by you, the relevant categories appear with the voucher count.

#### **Incomplete/mismatch in information (to be resolved)**

The count of all vouchers with insufficient GST-related information. You can correct exceptions in the vouchers before exporting GST returns.



GSTR-1 National Enterprises 1-Jul-2017 to 31-Jul-2017	
List of Exceptions	Total Vouchers
<b>No. of vouchers with incomplete/mismatch in information</b>	<b>45</b>
UoM not mapped to Unit Quantity Code(UQC)	2
Country, state and dealer type not specified	1
Tax rate/tax type not specified	20
Nature of transaction, Taxable value, rate of tax modified in voucher	3
Incorrect tax type selected in tax ledger	6
Mismatch due to tax amount modified in voucher	13
Information required for generating table-wise details not provided	3

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

The exceptions are listed in the order of priority, based on the importance of the information for generating returns. You need to [update the missing information and resolve the mismatches](#) to include these in the returns.

## Table-wise View in the GSTR-1 Report in TallyERP9

GSTR-1 report can be viewed in the table-wise format. The table-wise report is structured in line with the GSTR-1 format given by the department.

To view the report in table-wise format

- Click V: Table-wise View in the GSTR-1 report.

GSTR-1		National Enterprises						Ctrl + M	
GSTR-1								1-Jul-2017 to 31-Jul-2017	
Returns Summary									
Total number of vouchers for the period									
Included in returns									36
Not relevant for returns									0
Incomplete/Mismatch in information (to be resolved)									0
Sl No.	Particulars	Voucher Count	Taxable Value	Integrated Tax Amount	Central Tax Amount	State Tax Amount	Cess Tax Amount	Invoice Amount	
1	B2B Invoices - 4A, 4B, 4C, 6B, 6C	11	9,12,362.18	65,567.01	26,775.00	26,775.00	4,744.11	1,23,861.12	9,91,243.30
2	B2C(Large) Invoices - 5A, 5B	3	13,58,000.00	2,44,440.00				2,44,440.00	16,02,440.00
3	B2C(Small) Invoices - 7	6	6,03,750.00	18,000.00	27,837.50	27,837.50	5,000.00	78,675.00	6,82,425.00
4	Credit/Debit Notes(Registered) - 9B	2	(-)32,250.00		(-)2,902.50	(-)2,902.50		(-)5,805.00	(-)38,055.00
5	Credit/Debit Notes(Unregistered) - 9B	2	(-)3,95,000.00	(-)71,100.00				(-)71,100.00	(-)4,66,100.00
6	Exports Invoices - 6A	3	3,82,000.00	17,100.00				17,100.00	3,99,100.00
7	Tax Liability(Advances received) - 11A(1), 11A(2)								
8	Adjustment of Advances - 11B(1), 11B(2)								
9	Nil Rated Invoices	9	13,46,475.00						13,46,475.00
<b>Total</b>		<b>36</b>	<b>41,75,357.18</b>	<b>2,74,007.01</b>	<b>51,710.00</b>	<b>51,710.00</b>	<b>9,744.11</b>	<b>3,87,171.12</b>	<b>45,17,528.30</b>
HSN wise Summary - 12									

*Note: Voucher count and values are not provided for HSN wise summary. Drill down for details.*

By default the table-wise format displays rows related to values for current reporting period. And rows of previous period amendments, if values are available. To view all the amendment rows, enable the option Show amendment tables with zero values? under F12: Configure.

<b>Configuration</b>	
Show tax types in separate columns	? <b>Yes</b>
Export voucher numbers with more than 16 characters ?	<b>Yes</b>

Given below is the description of different tables.

Table name	Description
5 B2B invoices	<p>Displays the taxable value and tax amount from taxable supplies to a registered person recorded in the reporting period. The transactions recorded with</p> <p><b>Nature of transaction as</b></p> <ul style="list-style-type: none"> <li>• Sales Taxable</li> <li>• Interstate Sales Taxable</li> <li>• Sales Exempt</li> <li>• Interstate Sales Exempt</li> <li>• Sales Nil Rated</li> <li>• Interstate Sales Nil Rated</li> </ul> <p><b>Taxability as</b></p>

	<ul style="list-style-type: none"> <li>• Taxable</li> <li>• Exempt</li> <li>• Nil Rated</li> </ul> <p><b>Registration type as</b></p> <ul style="list-style-type: none"> <li>• Regular</li> <li>• Composite</li> <li>• Unknown (with GSTIN)</li> </ul>
5A Amendments to B2B Invoices	Displays amendments to details of outward supplies to a registered person of earlier tax periods.
6 B2C(Large) Invoices	<p>Displays taxable value and tax amount from taxable outward supplies to a consumer where place of supply is other than the state where supplier is located (Inter-state supplies) and invoice value is more than Rs 2.5 lakh. The transactions recorded with,</p> <p><b>Nature of transaction as</b></p> <ul style="list-style-type: none"> <li>• Interstate Sales Taxable</li> <li>• Interstate Sales Exempt</li> <li>• Interstate Sales Nil Rated</li> </ul> <p><b>Taxability as</b></p> <ul style="list-style-type: none"> <li>• Taxable</li> <li>• Exempt</li> <li>• Nil Rated</li> </ul> <p><b>Registration Type as</b></p> <ul style="list-style-type: none"> <li>• Unregistered</li> <li>• Consumer</li> <li>• Unknown (with GSTIN)</li> </ul>
6A Amendments to B2C(Large) Invoices	Displays amendments to details of taxable outward supplies to a consumer where place of supply is other than the state where supplier is located (Inter-state supplies) and invoice value is more than Rs 2.5 lakh of earlier tax periods.
7 B2C(Small) Invoices	<p>Displays taxable value and tax amount from taxable outward supplies to consumer (Other than captured in table 6). The transactions recorded with</p> <p><b>Nature of transaction as:</b></p> <ul style="list-style-type: none"> <li>· Interstate Sales Taxable</li> <li>· Interstate Sales Exempt</li> <li>· Sales Taxable</li> <li>· Sales Exempt</li> <li>· Sales Nil Rated</li> </ul>

	<ul style="list-style-type: none"> <li>· Interstate Sales Nil Rated</li> <li>· Sales to Consumer – Taxable</li> <li>· Sales to Consumer – Exempt</li> </ul> <p><b>Taxability as:</b></p> <ul style="list-style-type: none"> <li>· Taxable</li> <li>· Exempt</li> <li>· Nil Rated</li> </ul> <p><b>Registration Type as:</b></p> <ul style="list-style-type: none"> <li>· Unregistered</li> <li>· Consumer</li> <li>· Unknown (with GSTIN)</li> </ul> <p>and invoice value of less than 2.5 lakhs are captured in this table.</p>
7A Amendments to B2C(Small) Invoices	Displays amendments to details of taxable value and tax amount from taxable outward supplies to consumer (Other than captured in table 6) of earlier tax periods.
8 Credit/Debit Notes	<p>Displays the taxable value and tax amount from credit and debit notes recorded in the reporting period. The credit and debit note transactions recorded with</p> <p><b>Nature of transaction as</b></p> <ul style="list-style-type: none"> <li>● Interstate Sales Taxable</li> <li>● Interstate Sales Exempt</li> <li>● Interstate Sales Nil Rated</li> <li>● Sales Taxable</li> <li>● Sales Exempt</li> <li>● Sales Nil Rated</li> </ul> <p><b>Taxability as</b></p> <ul style="list-style-type: none"> <li>● Taxable</li> <li>● Exempt</li> <li>● Nil Rated</li> </ul> <p><b>Registration type as</b></p> <ul style="list-style-type: none"> <li>● Regular</li> <li>● Composite</li> <li>● Unknown (with GSTIN)</li> </ul>
8A Amendments to Credit/Debit Notes	Displays amendment to details of credit and debit notes of earlier tax periods.

<p>9 Nil Rated Invoices</p>	<p>Displays the taxable value from nil rated, exempt and non-GST outward supplies. The transactions recorded with,</p> <p><b>Nature of transaction as</b></p> <ul style="list-style-type: none"> <li>● Sales Exempt</li> <li>● Interstate Sales Exempt</li> <li>● Sales Nil Rated</li> <li>● Interstate Nil Rated</li> </ul> <p><b>Taxability as</b></p> <ul style="list-style-type: none"> <li>● Taxable</li> <li>● Nil Rated</li> </ul> <p><b>Registration type as</b></p> <ul style="list-style-type: none"> <li>● Regular</li> <li>● Composite</li> <li>● Consumer</li> <li>● Unregistered</li> <li>● Unknown (with GSTIN)</li> </ul> <p>and, Is Non-GST good? option enabled.</p>
<p>10 Exports Invoices</p>	<p>Displays the taxable value and tax amount from supplies exported (including deemed exports) in the reporting period. The transactions recorded with,</p> <p><b>Nature of transaction as</b></p> <ul style="list-style-type: none"> <li>● Exports Taxable</li> <li>● Exports - LUT/Bond</li> <li>● Exports Exempt</li> <li>● Deemed Exports Taxable</li> <li>● Deemed Exports Exempt</li> <li>● Sales to SEZ - Taxable</li> <li>● Sales to SEZ - Exempt</li> <li>● Sales to SEZ - LUT/Bond</li> </ul> <p><b>Taxability as</b></p> <ul style="list-style-type: none"> <li>● Taxable</li> <li>● Exempt</li> <li>● Nil Rated</li> </ul> <p><b>Registration type as</b></p> <ul style="list-style-type: none"> <li>● Composite</li> <li>● Consumer</li> </ul>



	<ul style="list-style-type: none"> <li>• Unregistered</li> <li>• Unknown</li> </ul>
10A Amendments to Exports Invoices	Displays details of amendments to supplies exported of earlier tax periods.
11 Tax Liability on Advances	Displays tax liability arising on account of time of supply without issuance of invoice in the same period. The tax amount credited in the receipt transactions recorded by using the option <b>Advance Receipt</b> are captured in this table.
11A Amendments to Tax Liability on Advances	Displays details of amendments to tax liability arising on account of time of supply without issuance of invoice in the same period.
12 Setoff of Tax Paid against Advances	Displays tax already paid (on advance receipt/ on account of time of supply) on invoices issued in the current period. Displays the tax amount from sales transactions for which tax liability was created in advance receipts recorded in previous period.

## GSTR-1 Computation Details in Tally.ERP9

This section displays the transaction values included in the returns along with the amount of adjustments, and GST payable or refundable. The taxable amount, and tax amount under each GST tax type are displayed under respective columns for the specific period. Drill-down reports are provided for all sales and GST adjustments up to the transaction level.

Particulars	Taxable Value	Integrated Tax Amount	Central Tax Amount	State Tax Amount	Cess Amount	Total Tax Amount
<b>Outward Supplies</b>						
Local Sales	9,000.00		750.00	750.00	150.00	1,650.00
<b>Taxable</b>	<b>9,000.00</b>		<b>750.00</b>	<b>750.00</b>	<b>150.00</b>	<b>1,650.00</b>
Sales Taxable	8,000.00		650.00	650.00	130.00	1,430.00
Advance Receipt	1,000.00		100.00	100.00	20.00	220.00
<b>Total Outward Supplies</b>	<b>9,000.00</b>		<b>750.00</b>	<b>750.00</b>	<b>150.00</b>	<b>1,650.00</b>

### Outward Supplies

Total outward supplies (local and interstate), which include taxable value, and the corresponding tax amount are displayed here. The total local and interstate sales are divided into **Taxable** and **Exempted**. To view all the sales transactions,

1. Click **F1: Detailed** to display the report in detailed mode.
2. Select any of the rows displayed in italics, under **Local Sales** or **Interstate Sales**.
3. Press **Enter** to display the **Voucher Register** screen, as shown below:



Voucher Register		National Enterprises							Ctrl + H		
Vouchers of : Sales Taxable		1-Jul-2017 to 31-Jul-2017									
Date	Particulars	GSTIN/UIN	Vch Type	Vch No.	Taxable Value	Integrated Tax Amount	Central Tax Amount	State Tax Amount	Cess Amount	Total Tax Amount	Invoice Amount
9-7-2017	Lotus Traders	29ABCDE1234A124	Sales	85	1,000.00		50.00	50.00	10.00	110.00	1,110.00
9-7-2017	Lotus Traders	29ABCDE1234A124	Sales	91	2,000.00		200.00	200.00	40.00	440.00	1,440.00
18-7-2017	Lotus Traders	29ABCDE1234A124	Sales	100	2,000.00		200.00	200.00	40.00	440.00	1,440.00
28-7-2017	Lotus Traders	29ABCDE1234A124	Sales	111	1,000.00		100.00	100.00	20.00	220.00	1,220.00
30-7-2017	Parag Was Co.	29ABCDE1234A125	Sales	118	1,000.00		50.00	50.00	10.00	110.00	1,110.00
30-7-2017	Piramal Was Co.	32ABCDE1234A125	Sales	119	1,000.00		50.00	50.00	10.00	110.00	1,110.00
<b>Grand Total</b>					<b>8,000.00</b>		<b>650.00</b>	<b>650.00</b>	<b>130.00</b>	<b>1,430.00</b>	<b>7,430.00</b>

You can view this report ledger wise or commodity wise by clicking **L: Ledger-wise** or **S: Stock item-wise**, and **A: Party-wise** respectively.

## GSTR-1 Returns Summary in Tally.ERP9

This section provides a summary of all transactions recorded in the reporting period. The transactions are further classified based on the presence of GST details in the vouchers and their effect on the returns.

GSTR-1		National Enterprises		Ctrl + H	
GSTR-1		1-Jul-2017 to 31-Jul-2017			
Returns Summary					
Total number of vouchers for the period					51
Included in returns					7
Not relevant for returns					1
Incomplete/Mismatch in information (to be resolved)					43

### Total number of vouchers for the period

Displays the total number of vouchers recorded in the reporting period. Drill down will lead to the Statistics report, which displays the number of vouchers recorded against each voucher type, divided into included, excluded and uncertain based the vouchers participating in the GST returns. The statistics report on drill down from **Total number of vouchers for the period** appears as shown below:



Statistics					National Enterprises		Ctrl + H
Statistics					1-Jul-2017 to 31-Jul-2017		
Type of Voucher	Transactions				Type of Account	Total Accounts	
	Total	Included	Excluded	Uncertain			
Contra					Groups	28	
Credit Note					Ledgers	63	
Debit Note					Stock Groups	0	
Delivery Note					Stock Items	2	
Job Work In Order					Voucher Types	22	
Job Work Out Order					Units	1	
Journal					Currencies	1	
Material In					Budgets & Scenarios	0	
Material Out							
Memorandum							
Payment							
Physical Stock							
Purchase	1		1				
Purchase Order							
Receipt	1	1					
Receipt Note							
Rejections In							
Rejections Out							
Reversing Journal							
Sales	49	6		43			
Sales Order							
Stock Journal							
<b>Total</b>	<b>51</b>	<b>7</b>	<b>1</b>	<b>43</b>			

### Included in returns

Displays count of all vouchers that have requisite information to comply with requirements of GST returns. Only these transactions will be exported as part of returns. Drill down from this row to view the Summary of Included Vouchers report, with the list of voucher-types with voucher count.

Summary of Included Vouchers		National Enterprises		Ctrl + H
Summary of Included Vouchers		1-Jul-2017 to 31-Jul-2017		
Particulars	No. of Vouchers			
Sales	6			
Advance Receipt	1			
<b>Total</b>	<b>7</b>			



GSTR – 2, and hence will not have any implication on GSTR – 1. Drill down to view all the GSTR-2 related purchase transactions.

All the transaction types are not displayed by default. Based on the voucher type used and the exclusions done by user, the relevant categories appear with the voucher count.

**Incomplete/mismatch in information (to be resolved)**

Displays the count of all vouchers with insufficient GST related information. These are exceptions that need to be resolved for the vouchers to be included in the returns. Drill down from this row to view the list of exception types and number of exceptions under each type. These exceptions can be resolved right away, without having to alter vouchers or update masters one by one.

# GSTR-1 Summary of Exceptions Report in Tally.ERP9

**Vouchers with incomplete/mismatch in information** list includes voucher that contain GST details but are not included in the count of **Included in returns** and **Not relevant for returns** due to incomplete information or mismatch.

You can correct exceptions in the vouchers before exporting GST returns. The **Vouchers with incomplete/mismatch in information** report appears as shown below:

Vouchers with incomplete/mismatch in information		1-Jul-2017 to 31-Jul-2017
List of Exceptions	Total Vouchers	
No. of vouchers with incomplete/mismatch in information	45	
UoM(s) not mapped to Unit Quantity Code(UQC)	2	
Country, state and dealer type not specified	1	
Tax rate/tax type not specified	20	
Nature of transaction, Taxable value, rate of tax modified in voucher	3	
Incorrect tax type selected in tax ledger	6	
Mismatch due to tax amount modified in voucher	13	
Information required for generating table-wise details not provided	3	

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

The exceptions are listed in the order of priority, based on the importance of the information for generating returns. Hence, a voucher with multiple exceptions is listed in the exception type higher up the order. Once that exception is resolved, the voucher will move down to the next exception type. Such vouchers with multiple exceptions continue to be listed as exceptions until all incomplete/mismatch information are resolved. This will ensure that all exceptions are resolved before filing the returns as follow :

**1. No. of voucher with incomplete/mismatch in information**

2. UoM(s) not mapped to Unit Quantity Code (UQC)
3. Country, state and dealer type not specified
4. Tax rate/tax type not specified
5. Nature of transaction, taxable value, rate of tax modified in voucher
6. Incorrect tax type selected in tax ledger
7. Mismatch due to tax amount modified in voucher
8. Voucher with incomplete/incorrect adjustment details
9. Information required for generating table-wise details not provided
10. Exception Types
11. Filter for Item level and Ledger level exceptions
  - 11.1. **Item Exceptions**
  - 11.2. **Ledger Exceptions**

However, vouchers with only one exception are moved to **Included in returns** list after that exception is resolved.

## 1. **No. of voucher with incomplete/mismatch in information**

Displays the count of total vouchers with exceptions. Drill down from this row to view all the vouchers with exceptions, number of exceptions in each voucher, and type of exception. All exceptions can be resolved from here without having to open different exception categories.

### **To resolve all exceptions without having to go from one exception type to another**

1. Select **No. of voucher with incomplete/mismatch in information**.
2. Press **Enter** to display **Exception Resolution** screen with the list of vouchers, number of exceptions in each voucher, and exception types. The **Exception Resolution** screen appears as shown below:



Exception Resolution		National Enterprises				Ctrl + H	
List of vouchers with incomplete/mismatch in information							1-Jul-2017 to 31-Jul-2017
Sl. No.	Date	Particulars	Vch Type	Vch No.	Amount	No. of exceptions	Type of mismatch/incomplete info.
1	1-7-2017	Forlan and Co	Sales	72	1,000.00	1	Tax rate/tax type not specified
2	1-7-2017	Forlan and Co	Sales	73	1,000.00	1	Information required for generating table-wise details not provided
3	1-7-2017	Forlan and Co	Sales	74	1,110.00	2	Mismatch due to tax amount modified in voucher, Information required for generating table-wise details not provided
4	2-7-2017	Lotus Traders	Sales	75	1,110.00	1	Mismatch due to tax amount modified in voucher
5	3-7-2017	Lotus Traders	Sales	76	1,510.00	1	Mismatch due to tax amount modified in voucher
6	4-7-2017	JS and Sons	Sales	77	1,110.00	1	Mismatch due to tax amount modified in voucher
7	4-7-2017	Lotus Traders	Sales	78	1,200.00	1	Mismatch due to tax amount modified in voucher
8	6-7-2017	Pyarelal and Sons	Sales	80	1,220.00	1	Tax rate/tax type not specified
9	6-7-2017	Lotus Traders	Sales	81	1,340.00	1	Tax rate/tax type not specified
10	6-7-2017	Lotus Traders	Sales	82	1,220.00	1	Tax rate/tax type not specified
11	6-7-2017	Lotus Traders	Sales	79	1,440.00	1	Incorrect tax type selected in tax ledger
12	7-7-2017	Lotus Traders	Sales	83	1,440.00	1	Incorrect tax type selected in tax ledger
13	9-7-2017	Pradeep Traders	Sales	84	1,220.00	1	Tax rate/tax type not specified
14	9-7-2017	Lotus Traders	Sales	86	1,220.00	1	Tax rate/tax type not specified
							29 more ...

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

3. Select any transaction and press **Enter** to display the **Voucher Details Alteration** screen which is divided into multiple sections, one for each exception in the voucher, as shown below:

Voucher Details Alteration		National Enterprises				Ctrl + H	
<b>Sales</b> No. 74						1-Jul-2017 Saturday	
Ref :						Total Invoice Value : 1,110.00	
Party's A/c Name : Forlan and Co		Party's Address :					
1. Information required for generating table-wise details not provided							
Exception Type		Particulars			Validation Rule(s)		
Provide Commodity Details :							
Particulars		Name of Group			HSN/SAC code		
Ledgers							
Export Taxable 3		Sales Accounts					
2. Mismatch due to tax amount modified in voucher							
Particulars		Taxable Value	Name of Duty Ledger	Tax Amount (As per calculation)	Tax Amount (As per transaction)	Difference	
Sales Non-Taxable		1,000.00	Not Applicable		110.00	(-)110.00	

4. Select or enter required information for the first exception type. Further, you can click **F5: Recompute** or **A: Accept as** is to recompute or accept the details, respectively.
5. Press **Enter** to navigate to next exception type.
6. Resolve the exceptions by providing details or using the buttons provided.
7. Press **Enter** after all exceptions in the voucher are resolved to view the next voucher with respective exceptions.
8. Continue resolving the exceptions voucher by voucher, or press **Esc** to return to **Exception**



**Resolution** screen.

**Note:** Click **X: Exclude Vouchers** in the **Exception Resolution** screen to exclude the voucher from GSTR-1 return.

## 2. UoM(s) not mapped to Unit Quantity Code (UQC)

Displays the count of transactions for which **Unit Quantity Code** is not mapped with the unit of measure.

### To resolve this exception

1. Select the exception **UoM(s) not mapped to Unit Quantity Code (UQC)**. You can map the unit of measure with UQC using the button (**S: Map with UQC**) or pressing **Enter** on the **UoM Symbol**.
2. Select the **UoM Symbol**.
  - **Mapping with UQC from the report**
    - o Click **S: Map with UQC** and select the **UQC**.



- o Press **Enter** to save.
- **Selecting UQC in the stock item master**
- o Press **Enter** on the selected **UoM Symbol**.
- o Select the **Unit Quantity Code (UQC)**, as shown below:

Unit Alteration (Secondary)		National Enterprises
Type	: <b>Simple</b>	UQCs
Symbol	: <b>Nos</b>	Not Applicable
Formal name	: Numbers	BAG-BAG
Unit Quantity Code (UQC):	<b>NOS-Numbers</b>	BGS-BAGS
Number of decimal places:	<b>0</b>	BKL-BUCKLES
		BOU-BOU
		BOX-BOX
		BTL-BOTTLES
		BUN-BUNCHES
		CBM-CUBIC METER
		CCM-CUBIC CENTIMETER
		CIN-CUBIC INCHES
		CMS-CENTIMETER
		CQM-CUBIC METERS
		CTN-CARTON
		DOZ-DOZEN
		DRM-DRUM
		FTS-FEET
		GGR-GREAT GROSS
		GMS-GRAMS
		GRS-GROSS
		GYD-GROSS YARDS
		HKS-HANKS
		INC-INCHES
		KGS-Kilograms
		KLR-KILOLITER
		KME-KILOMETERS
		LBS-POUNDS
		LOT-LOTS
		LTR-LITERS
		MGS-MILLI GRAMS
		MTR-METER
		MTS-METRIC TON
		<b>NOS-Numbers</b>
		ODD-ODDS
		<b>21 more ... ↓</b>

o Press **Enter** to save.

### 3. Country, state and dealer type not specified

Displays the count of transactions where,

- Country/state is not selected in the party ledger master,
- State selected in transaction and party ledger are different, or
- Nature of transaction is not derived.

#### To resolve this exception

1. Select the exception **Country, state and dealer type not specified**.
2. Press **Enter**. All the transactions of the exception type are displayed. The **Exception**



Resolution screen appears.

3. Select the state, specify the GSTIN and select dealer type for each transaction.

Exception Resolution									
National Enterprises									
Specify Country, State and Dealer Type								1-Jul-2017 to 31-Jul-2017	
Sl. No.	Date	Particulars	Vch Type	Vch No.	Amount	Country	State	GSTIN/UIN	Dealer Type
1	14-Jul-2017	Party No State 20	Sales	120	1,000.00	India			

Note: Select the country, state and dealer type for each line item.

4. Press **Ctrl+A** to accept.

**Note:** Click **X: Exclude Vouchers** to exclude the voucher from GSTR-1 return.

## 4. Tax rate/tax type not specified

Displays the count of transactions for which the rate or tax type is not selected in the item/ledger master.

### To resolve this exception

1. Select the exception **Tax rate/tax type not specified**.

2. Press **Enter**. All the transactions of the exception type are displayed. The **Exception Resolution** screen appears as shown below:

Exception Resolution										
National Enterprises										
Specify Tax Rate/ Tax Type								1-Jul-2017 to 31-Jul-2017		
Sl. No.	Date	Particulars	Vch. Type	Vch. No.	Amount	Nature Of Transaction	Rate			
							Integrated Tax	Central Tax	State Tax	Cess
1	14-Jul-2017	Forlan and Co	Sales	72						
		Item	(Sales)		1,000.00					
2	5-Jul-2017	Pyarelal and Sons	Sales	80						
		Item	(Sales)		1					
3	5-Jul-2017	Lotus Traders	Sales	81						
		Item	(Sales)		1					
4	5-Jul-2017	Lotus Traders	Sales	82						
		Item	(Sales)		1					
5	5-Jul-2017	Pradeep Traders	Sales	84						
		Item	(Sales)		1					
6	5-Jul-2017	Lotus Traders	Sales	86						
		Item	(Sales)		1					
7	5-Jul-2017	Lotus Traders	Sales	88						
		Item	(Sales)		1					
8	5-Jul-2017	Lotus Traders	Sales	89						
		Item	(Sales)		1					
9	15-Jul-2017	Lotus Traders	Sales	94						
		Item	(Sales)		2					
10	12-Jul-2017	Lotus Traders	Sales	95						
		Sales No Rate	(Sales)		1					
11	17-Jul-2017	Lotus Traders	Sales	99						
		Item	(Sales)		1					
12	20-Jul-2017	Forlan and Co	Sales	101						
		Item	(Sales)		1					
13	21-Jul-2017	Party with LT	Sales	102						
		Item	(Sales)		1					
14	21-Jul-2017	Party W/o Country3	Sales	103						
		Item	(Sales)		1					

Note: Select the nature of transaction and enter tax rate for each line item.

3. Select the **Nature of transaction**, if not provided.

4. Enter **Rate**, as required for each transaction.

5. Press **Enter** to save.

**Note:** Click **X: Exclude Vouchers** to exclude the voucher from GSTR-1 return.

## 5. Nature of transaction, taxable value, rate of tax modified in voucher

Displays count of transactions in which the Nature of transaction, taxable value or rate of tax defined in the ledger master has been changed in the transaction.

### To resolve this exception

1. Select the exception **Nature of transaction, taxable value, rate of tax modified in voucher**.
2. Press **Enter**. All the transactions of the exception type are displayed, as shown below:

Exception Resolution													National Enterprises				Ctrl + M			
Specify nature of transaction, Taxable value and tax rate																	1-Jul-2017 to 31-Jul-2017			
Sl. N. o.	Date	Particulars	Vch Type	Vch No.	Amount	As per master/inference					As per transaction									
						Nature of transaction	Taxable value	Rate of tax				Nature of transaction	Taxable value	Rate of tax						
								Int-eg-	Ce-nt-	St-ate	Cess			Int-eg-	Ce-nt-	St-ate	Cess			
1	28-7-2017	Lotus Traders Sales	Sales	112	1,220.00															
2	28-7-2017	Lotus Traders /Item	Sales	113	1,220.00	Sales Taxable	1,000.00	10 %	5 %	5 %	1 %	Sales Taxable	1,000.00	20 %	10 %	10 %	2 %			
3	28-7-2017	Lotus Traders /Item	Sales	114	1,220.00	Sales Taxable	1,000.00					Sales Taxable	1,000.00	20 %	10 %	10 %	2 %			

Note: Specify the required information or accept as is for each line item.

3. Select the required voucher.
4. Click **R: Resolve** to select **Nature of transaction** and enter other details manually, or click **A: Accept as is**. A message is displayed as shown below:

Exception Resolution													National Enterprises				Ctrl + M			
Specify nature of transaction, Taxable value and tax rate																	1-Jul-2017 to 31-Jul-2017			
Sl. N. o.	Date	Particulars	Vch Type	Vch No.	Amount	As per master/inference					As per transaction									
						Nature of transaction	Taxable value	Rate of tax				Nature of transaction	Taxable value	Rate of tax						
								Int-eg-	Ce-nt-	St-ate	Cess			Int-eg-	Ce-nt-	St-ate	Cess			
1	28-7-2017	Lotus Traders Sales	Sales	112	1,220.00	Sales Taxable	1,000.00	10 %	5 %	5 %	1 %	Sales Taxable	1,000.00	20 %	10 %	10 %	2 %			
2	28-7-2017	Lotus Traders /Item	Sales	113	1,220.00	Sales Taxable	1,000.00					Sales Taxable	1,000.00	20 %	10 %	10 %	2 %			
3	28-7-2017	Lotus Traders /Item	Sales	114	1,220.00	Sales Taxable	1,000.00					Sales Taxable	1,000.00	20 %	10 %	10 %	2 %			

Do you want to accept this voucher as is?

Yes or No

Note: Specify the required information or accept as is for each line item.

5. Press **Enter** to accept.
6. Similarly, accept the required vouchers.
7. Press **Ctrl+A** to accept.

## 6. Incorrect tax type selected in tax ledger

Displays count of transactions in which type of duty is invalid.

### To resolve this exception

1. Select the exception Incorrect tax type selected in tax ledger.
2. Press **Enter**. All the transactions of the exception type are displayed, as shown below:

Exception Resolution National Enterprises Ctrl + H										
Select Duty Ledger and Tax Type 1-Jul-2017 to 31-Jul-2017										
Sl. No.	Date	Particulars	Vch Type	Vch No.	Taxable Value	Tax Amount	Type of Duty Ledger (Expected)	Duty Ledger (As Per Transaction)		
								Integrated Tax	Central Tax	State Tax
1	6-Jul-2017	Lotus Traders	Sales	79	1,000.00	400.00	Central Tax & State Tax			
2	7-Jul-2017	Lotus Traders	Sales	83	1,000.00	400.00	Central Tax & State Tax			
3	9-Jul-2017	Lotus Traders	Sales	87	1,000.00	400.00	Central Tax & State Tax			
4	9-Jul-2017	Lotus Traders	Sales	92	1,000.00	200.00	Central Tax & State Tax			
5	15-Jul-2017	Lotus Traders	Sales	97	1,000.00	200.00	Central Tax & State Tax			
6	16-Jul-2017	Lotus Traders	Sales	98	1,000.00	200.00	Central Tax & State Tax			

3. Select the tax type for each transaction.
4. Press **Enter** to save.

## 7. Mismatch due to tax amount modified in voucher

Displays the count of transactions in which difference is found between the calculated and entered tax amount. The mismatch due to modified value can be resolved by following one of the options.

### To resolve this exception

1. Select the exception **Mismatch due to tax amount modified in voucher**.
2. Press **Enter**. All the transactions of the exception type are displayed.
3. Based on your accounting requirements, you can recompute the tax values, or resolve the mismatch, or accept the transaction as is.

- **Resolve**

- o Navigate to required transaction.
- o Click **R: Resolve**, and enter the tax value in **As per transaction** column of the voucher. The **Exception Resolution** screen appears as shown below:

Exception Resolution National Enterprises Ctrl + H										
Update Tax Amount to Resolve Mismatch 1-Jul-2017 to 31-Jul-2017										
Sl. No.	Date	Particulars	Vch Type	Vch No.	Amount	Taxable Value	Name of Duty Ledger	Tax Amount		Difference
								(As per calculation)	(As per transaction)	
1	2-7-2017	Lotus Traders	Sales	75	1,110.00				110.00	(-)110.00
		Sales Non-Taxable				1,000.00	Not Applicable		110.00	(-)110.00

Note: Select line item to accept as is or revert to value as per calculation.

- o Press **Ctrl+A** to accept. Similarly, resolve the required vouchers.
- **Accept as is**
- o Navigate to required transaction.
- o Select the required voucher and click **A: Accept as is**. A message is displayed as shown below:

Exception Resolution										
National Enterprises										
Update Tax Amount to Resolve Mismatch										
1-Jul-2017 to 31-Jul-2017										
Sl. No.	Date	Particulars	Vch Type	Vch No.	Amount	Taxable Value	Name of Duty Ledger	Tax Amount		Difference
								(As per calculation)	(As per transaction)	
1	1-7-2017	Foran and Co	Sales	74	1,110.00	1,000.00	Not Applicable	110.00	110.00	(-110.00)
		Sales Non-Taxable						110.00	110.00	(-110.00)
2	2-7-2017	Lotus Traders	Sales	75	1,110.00	1,000.00	Not Applicable	110.00	110.00	(-110.00)
		Sales Non-Taxable						110.00	110.00	(-110.00)
3	3-7-2017	Lotus Traders	Sales	76	1,510.00	1,000.00	CGST	110.00	510.00	(-400.00)
		Sales Taxable (Central Tax @ 5%)						50.00	250.00	(-200.00)
		Sales Taxable (State Tax @ 5%)						50.00	250.00	(-200.00)
		Sales Taxable (Cess @ 1%)						10.00	10.00	
4	4-7-2017	US and Sons	Sales	77			Not Applicable	110.00	110.00	(-110.00)
		Sales Non-Taxable						110.00	110.00	(-110.00)
5	4-7-2017	Lotus Traders	Sales	70			CGST	110.00	200.00	(-90.00)
		Sales Taxable (Central Tax @ 1%)						50.00	100.00	(-50.00)
		Sales Taxable (State Tax @ 5%)						50.00	100.00	(-50.00)
		Sales Taxable (Cess @ 1%)						10.00	10.00	
6	3-7-2017	Lotus Traders	Sales	50			Not Applicable	55.00	55.00	(-55.00)
		Sales Non-Taxable						55.00	55.00	(-55.00)
7	3-7-2017	Lotus Traders	Sales	53			CGST	1,100.00	2,200.00	(-1,100.00)
		Sales Taxable (Central Tax @ 5%)						500.00	1,000.00	(-500.00)
		Sales Taxable (State Tax @ 5%)						500.00	1,000.00	(-500.00)
		Sales Taxable (Cess @ 1%)						100.00	200.00	(-100.00)
8	14-7-2017	Page Twelve	Sales	96	1,000.00	1,000.00	CGST	110.00	110.00	
		Sales Taxable (Central Tax @ 5%)						50.00	50.00	
		Sales Taxable (State Tax @ 5%)						50.00	50.00	
		Sales Taxable (Cess @ 1%)						10.00	10.00	
9	21-7-2017	IT	Sales	105	1,110.00	1,000.00	Not Applicable	110.00	110.00	(-110.00)
		Sales Non-Taxable						110.00	110.00	(-110.00)
10	25-7-2017	Lotus Traders	Sales	100	1,110.00	1,000.00	Not Applicable	110.00	110.00	(-110.00)
		Sales Non-Taxable						110.00	110.00	(-110.00)



- o Press **Enter** to accept. Similarly, accept the required vouchers.
- **Recompute**
- o Navigate to required transaction and press **Enter**.
- o Click **F5: Recompute** to recalculate the tax amount.

Exception Resolution										
National Enterprises										
Update Tax Amount to Resolve Mismatch										
1-Jul-2017 to 31-Jul-2017										
Sl. No.	Date	Particulars	Vch Type	Vch No.	Amount	Taxable Value	Name of Duty Ledger	Tax Amount		Difference
								(As per calculation)	(As per transaction)	
1	1-7-2017	Foran and Co	Sales	74	1,110.00	1,000.00	Not Applicable	110.00	110.00	(-110.00)
		Sales Non-Taxable						110.00	110.00	(-110.00)

Note: Select line item to accept as is or revert to value as per calculation.

- o Press **Ctrl+A** to accept. Similarly, recompute the required vouchers.

## 8. Voucher with incomplete/incorrect adjustment details

Displays the count of journal transactions in which **Nature of adjustment** is not selected.

### To resolve this exception



1. Select the exception **Voucher with incomplete/incorrect adjustment details**.
2. Press **Enter**. All transactions are displayed of a particular exception are listed, as shown below:

Exception Resolution Tax @ Company Level Ctrl + H									
Specify Nature of Adjustment 1-Jul-2017 to 31-Jul-2017									
Sl. No.	Date	Particulars	Vch.Type	Vch.No.	Debit	Credit	Nature of Adjustment	Additional Details	Type of Exception
1	26-Jul-2017	Expense	Journal	1	1,000.00		Increase of Input Tax Credit	ITCS Adjustment	Vouchers with Incorrect Adjustment Details
2	20-Jul-2017	Local Party	Journal	2	1,000.00				Vouchers with Incorrect Adjustment Details
3	31-Jul-2017	Expense	Journal	3	1,000.00				Vouchers with Incorrect Adjustment Details

List of Nature of Adjustments									
Decrease of Tax Liability									
Increase of Input Tax Credit									
Increase of Tax Liability									
Increase of Tax Liability & Input Tax Credit									
Opening Balance									
Refund									
Reversal of Input Tax Credit									
Reversal of Tax Liability									
Reversal of Tax Liability & Input Tax Credit									

3. Select the **Nature of adjustment** and **Additional details** for each voucher.
4. Press **Ctrl+A** to accept.

## 9. Information required for generating table-wise details not provided

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

### To resolve all exceptions without having to go from one exception type to another

1. Select **Information required for generating table-wise details not provided**.
2. Press **Enter** to display **Exception Resolution** screen with list of vouchers with mismatch/incomplete information.

Exception Resolution National Enterprises Ctrl + H											
Specify information required for generating table-wise details 1-Jul-2017 to 31-Jul-2017											
S. I. N o.	Vch. Date	Vch.No.	Particulars	Taxable Value	Integrat-ed Tax Amount	Central Tax Amount	State Tax Amount	Cess Amount	Total Amount	No. of exce-p.	Type of exception
1	01/07/2017	73	Forlan and Co	1,000.00					1,000.00	1	HSN/SAC not specified
2	01/07/2017	74	Forlan and Co	1,000.00					1,000.00	1	HSN/SAC not specified
3	14/07/2017	96	Page Twente	1,000.00					1,000.00	2	GSTIN/UIN is not specified /invalid, State Name not specified

*Note: Specify the required information for each line item.*

3. Select any voucher and press **Enter** to display the **Table-wise exceptions(s)** screen, as shown below:

Exception Type	Particulars	Validation Rules
HSN code		HSN/SAC Code Should Not Be Blank and Should Contain 8 Digits.

4. Enter the missing information or update the incorrect details, and press **Enter** to return to the **Exception Resolution** screen.
5. Select the next voucher to update the required details and continue.

## 10. Exception Types

Using this option you can resolve exceptions from a common screen by grouping all table-wise related exceptions into two buckets **Party Ledger level Corrections** and **Configuration Level Corrections**. Exceptions in each group can be resolved from a single screen without having to move voucher by voucher.

### To resolve all party ledger level exceptions

1. Select **Information required for generating table-wise details not provided**.
2. Press **Enter** to display Exception Resolution screen with list of vouchers with mismatch/incomplete information.
3. Press **Ctrl+E**.

Vch. No.	Particulars	Total amount	No. of exce. (p)	Type of exception
73	Forlan and Co	1,000.00	1	HSN/SAC not specified
74	Forlan and Co	1,000.00	1	HSN/SAC not specified
99	Page Taxista	1,000.00	2	GSTIN/IRN is not specified /Invalid_State Name not specified

4. Select **Party Ledger Level Corrections** in the **Select Exception Resolution Type** screen.
5. Select the **State Name**, **State Code** and enter party **GTIN** number for the listed parties in the **Party Ledger Level correction** screen, as shown below:

Particulars	Name of Group	HSN/SAC code
Ledgers		
Sales Export 2	Sales Accounts	
Export Taxable 3	Sales Accounts	

6. Press **Ctrl+A** to accept.

### To resolve all configuration level exceptions

1. Select **Information required for generating table-wise not provided**.
2. Press **Enter** to display **Exception Resolution** screen with list of vouchers with mismatch/incomplete information.
3. Press **Ctrl+E**.

Select Exception Resolution Type					National Enterprises		Ctrl + E
Specify information required for generating t							1-Jul-2017 to 31-Jul-2017
S. No.	Vch. No.	Vch. No.	Particulars	Total amount	No. of exceptions	Type of exception	
1	101072017	73	Foran and Co	1,000.00	1	HSN/SAC not specified	
2	201072017	74	Foran and Co	1,000.00	1	HSN/SAC not specified	
3	314072017	90	Page Twenty	1,000.00	2	GSTIN/IRN is not specified Invalid State Name not specified	

4. Select **Configuration Level Corrections** in the **Select Exception Resolution Type** screen.

Configuration Level Exception Corrections			National Enterprises		Ctrl + E
Vouchers with Table-Wise Exception					1-Jul-2017 to 31-Jul-2017
Particulars	Name of Group	HSN/SAC code			
<b>Ledgers</b>					
Sales Export 2	Sales Accounts				
Export Taxable 3	Sales Accounts				

5. Enter **HSN/SAC code** for the listed vouchers.
6. Press **Ctrl+A** to accept.

Drill-down from any row and resolve the respective exceptions to include the vouchers in return.

## 11. Filter for Item level and Ledger level exceptions

By default, the list of exceptions displays incomplete/mismatch information details voucher-wise. However, the button options provided in the report allow you to view the exceptions item master-wise or ledger-wise. In item master-wise view, all exceptions caused by an item can be resolved by updating missing or incorrect information from a single screen. This will result in resolving multiple voucher exceptions caused by the particular master. Similarly, all exceptions caused by a particular ledger can be resolved from ledger-wise exceptions list.

### 11.1. Item Exceptions

Click **I: Item Exceptions** to alter view of **Vouchers with incomplete/mismatch in information** report to display vouchers with incomplete/mismatch of information in item master. The vouchers with exceptions are displayed against different exception types in 2 columns:

#### Total Masters

Drill down from this column to view information missing/mismatch in item at master level. You can provide the required details at stock group level to update all items in the group or at individual item level. By providing required information at item master level, all voucher level exceptions resulting from that item are resolved.

### To update the information and resolve exception at master level

1. Click **I: Item Exceptions**.

National Enterprises		
Vouchers with incomplete/mismatch in information		1-Jul-2017 to 31-Jul-2017
List of Exceptions	Total Masters	Total Vouchers
No. of vouchers with incomplete/mismatch in information at Stock Item level	1	19
Tax rate/tax type not specified	1	19

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

2. Navigate to required exception type and press **Enter** from **Total Masters** column to display **Multi Stock Alteration** screen.

3. Select the **Classification**.

The **Multi Stock Alteration** screen appears as shown below:

National Enterprises									
Specify Tax Rate/ Tax Type									1-Jul-2017 to 31-Jul-2017
Particulars	Classification/ Nature of Transaction	HSN/SAC Name	HSN/SAC	Integrated Tax Rate	Central Tax Rate	State Tax Rate	Cess Rate	Cess Rate Per	Taxability Effective Date
Primary Item									

*Note: Enter tax rate for stock group or items*

4. Enter **HSN/SAC**, and tax rate.

5. Select **Taxability** and enter the **Effective date**.

6. Press **Ctrl+A** to accept.

### Total Vouchers

Drill down from this column to view information missing/mismatch in the items at voucher level. You can provide the required details for each transaction.

## To update the information and resolve voucher exception at voucher level

1. Click **I: Item Exceptions**.

National Enterprises		
Vouchers with incomplete/mismatch in information		1-Jul-2017 to 31-Jul-2017
List of Exceptions	Total Masters	Total Vouchers
No. of vouchers with incomplete/mismatch in information at Stock Item level	1	19
Tax rate/tax type not specified	1	19

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

2. Navigate to required exception type and press **Enter** from **Total Masters** column to display **Exception Resolution** screen, as shown below:



Exception Resolution										National Enterprises					Ctrl + H	
Specify Tax Rate/ Tax Type															1-Jul-2017 to 31-Jul-2017	
Sl.No.	Date	Particulars	Vch.Type	Vch.No.	Amount	Nature Of Transaction	Rate									
							Integrated Tax	Central Tax	State Tax	Cess	Ges Rate Per					
1	1-Jul-2017	Forlan and Co	Sales	72												
		Item	(Sales)		1,000.00											
2	1-Jul-2017	Pyarelal and Sons	Sales	80												
		Item	(Sales)													
3	1-Jul-2017	Lotus Traders	Sales	81												
		Item	(Sales)													
4	1-Jul-2017	Lotus Traders	Sales	82												
		Item	(Sales)													
5	1-Jul-2017	Pradeep Traders	Sales	84												
		Item	(Sales)													
6	1-Jul-2017	Lotus Traders	Sales	86												
		Item	(Sales)													
7	1-Jul-2017	Lotus Traders	Sales	88												
		Item	(Sales)													
8	1-Jul-2017	Lotus Traders	Sales	89												
		Item	(Sales)													
9	1-Jul-2017	Lotus Traders	Sales	94												
		Item	(Sales)													
10	1-Jul-2017	Lotus Traders	Sales	99												
		Item	(Sales)													
11	1-Jul-2017	Forlan and Co	Sales	101												
		Item	(Sales)													
12	1-Jul-2017	Party with LT	Sales	102												
		Item	(Sales)													
13	1-Jul-2017	Party W/o Country3	Sales	103												
		Item	(Sales)													
14	1-Jul-2017	Pyramid Exports	Sales	104												
		Item	(Sales)													

Note: Select the nature of transaction and enter tax rate for each line item.

3. Select **Nature of transaction**.
4. Enter **Rate**.
5. Press **Ctrl+A** to accept.

## 11.2. Ledger Exceptions

Click **L: Ledger Exceptions** to view of **Vouchers with incomplete/mismatch in information** report displays vouchers with missing/mismatch of information in ledger master. The vouchers with exceptions are displayed against different exception types in 2 columns:

### Total Masters

Drill down from this column to view information missing/mismatch at ledger master level. You can provide the required details at ledger group level to update all ledgers in the group or at individual ledger level. By providing required information at ledger master level, all voucher level exceptions resulting from that ledger are resolved.

### To update the information and resolve exception at master level

1. Click **L: Ledger Exceptions**.

GSTR-1			National Enterprises		Ctrl + H	
Vouchers with incomplete/mismatch in information					1-Jul-2017 to 31-Jul-2017	
List of Exceptions			Total Masters	Total Vouchers		
No. of vouchers with incomplete/mismatch in information at Ledger level			2	20		
Tax rate/tax type not specified			2	20		

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

2. Navigate to required exception type and press **Enter** from **Total Masters** column to display **Multi Ledger Alteration** screen, as shown below:

Multi Ledger Alteration										National Enterprises		Ctrl + H	
Specify Tax Rate/ Tax Type										1-Jul-2017 to 31-Jul-2017			
Particulars	GST Applicable	Classification/ Nature of Transaction	HSN/SAC Name	HSN/SAC	Integrated Tax Rate	Central Tax Rate	State Tax Rate	Tax Cess Rate	Cess Rate Per	Taxability	Effective Date		
Sales Accounts													
Sales													
Sales No Rate	Applicable	Undefined	Desc	AB						Taxable	1-4-2017		

*Note: Select the nature of transaction and enter tax rate for Group or Ledgers*

3. Enter **HSN/SAC**, and tax rate.
4. Select **Taxability** and enter the **Effective date**.
5. Press **Ctrl+A** to accept.

### Total Vouchers

Drill down from this column to view information missing/mismatch in the ledger at voucher level. You can provide the required details for each transaction.

### To update the information and resolve voucher exception at voucher level

1. Click **L: Ledger Exceptions**.

GSTR-1			National Enterprises		Ctrl + H	
Vouchers with incomplete/mismatch in information			1-Jul-2017 to 31-Jul-2017			
List of Exceptions	Total Masters	Total Vouchers				
No. of vouchers with incomplete/mismatch in information at Ledger level	2	20				
Tax rate/tax type not specified	2	20				

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

2. Navigate to required exception type and press **Enter** from **Total Vouchers** column to display **Exception Resolution** screen, as shown below:



S.No.		Date	Particulars	Vch.Type	Vch.No.	Amount	Nature Of Transaction	Rate					
								Integrated Tax	Central Tax	State Tax	Cess	Gen Rate Per	
1	1-Jul-2017		Forlan and Co	Sales	72								
			Item	(Sales)		1,000.00							
2	6-Jul-2017		Pyarelal and Sons	Sales	80								
			Item	(Sales)									
3	6-Jul-2017		Lotus Traders	Sales	81								
			Item	(Sales)									
4	6-Jul-2017		Lotus Traders	Sales	82								
			Item	(Sales)									
5	9-Jul-2017		Pradeep Traders	Sales	84								
			Item	(Sales)									
6	9-Jul-2017		Lotus Traders	Sales	86								
			Item	(Sales)									
7	9-Jul-2017		Lotus Traders	Sales	88								
			Item	(Sales)									
8	9-Jul-2017		Lotus Traders	Sales	89								
			Item	(Sales)									
9	11-Jul-2017		Lotus Traders	Sales	94								
			Item	(Sales)									
10	12-Jul-2017		Lotus Traders	Sales	95								
			Item	(Sales)									
11	17-Jul-2017		Lotus Traders	Sales	99								
			Item	(Sales)									
12	26-Jul-2017		Forlan and Co	Sales	101								
			Item	(Sales)									
13	21-Jul-2017		Party with LT	Sales	102								
			Item	(Sales)									
14	21-Jul-2017		Party W/o Country3	Sales	103								
			Item	(Sales)									

Note: Select the nature of transaction and enter tax rate for each line item.

3. Select **Nature of transaction** and enter rate.
4. Press **Ctrl+A** to accept.

## Resolving Incomplete/Mismatch in Information (GSTR-1) in Tally.ERP9

If a voucher has multiple exceptions, on resolving one exception it will move to the next exception category until all exceptions are resolved and entries moved to **Included in Returns**.

### To resolve all exceptions

1. Drill down on **No. of voucher with incomplete/mismatch in information**.



CSTR-1 National Enterprises Ctrl + H	
Vouchers with incomplete/mismatch in information 1-Jul-2017 to 31-Jul-2017	
List of Exceptions	Total Vouchers
<b>No. of vouchers with incomplete/mismatch in information 45</b>	
UoM(s) not mapped to Unit Quantity Code(UQC)	2
Country, state and dealer type not specified	1
Tax rate/tax type not specified	20
Nature of transaction, Taxable value, rate of tax modified in voucher	3
Incorrect tax type selected in tax ledger	6
Mismatch due to tax amount modified in voucher	13
Information required for generating table-wise details not provided	3

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

The **Exception Resolution** screen appears as shown below:

Exception Resolution National Enterprises Ctrl + H							
List of vouchers with incomplete/mismatch in information 1-Jul-2017 to 31-Jul-2017							
Sl. No.	Date	Particulars	Vch Type	Vch No.	Amount	No. of exceptions	Type of mismatch/incomplete info.
1	1-7-2017	Forlan and Co	Sales	72	1,000.00	1	Tax rate/tax type not specified
2	1-7-2017	Forlan and Co	Sales	73	1,000.00	1	Information required for generating table-wise details not provided
3	1-7-2017	Forlan and Co	Sales	74	1,110.00	2	Mismatch due to tax amount modified in voucher, Information required for generating table-wise details not provided
4	2-7-2017	Lotus Traders	Sales	75	1,110.00	1	Mismatch due to tax amount modified in voucher
5	3-7-2017	Lotus Traders	Sales	76	1,510.00	1	Mismatch due to tax amount modified in voucher
6	4-7-2017	JS and Sons	Sales	77	1,110.00	1	Mismatch due to tax amount modified in voucher
7	4-7-2017	Lotus Traders	Sales	78	1,200.00	1	Mismatch due to tax amount modified in voucher
8	6-7-2017	Pyarelal and Sons	Sales	80	1,220.00	1	Tax rate/tax type not specified
9	6-7-2017	Lotus Traders	Sales	81	1,340.00	1	Tax rate/tax type not specified
10	6-7-2017	Lotus Traders	Sales	82	1,220.00	1	Tax rate/tax type not specified
11	6-7-2017	Lotus Traders	Sales	79	1,440.00	1	Incorrect tax type selected in tax ledger
12	7-7-2017	Lotus Traders	Sales	83	1,440.00	1	Incorrect tax type selected in tax ledger
13	9-7-2017	Pradeep Traders	Sales	84	1,220.00	1	Tax rate/tax type not specified
14	9-7-2017	Lotus Traders	Sales	86	1,220.00	1	Tax rate/tax type not specified

**29 more ...**

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

2. Select any transaction and press **Enter**.





Voucher Details Alteration		National Enterprises		Ctrl + H	
<b>Sales</b> No. 74				1-Jul-2017 Saturday	
Ref :					
Party's A/c Name : Forlan and Co	Party's Address :	Total Invoice Value :	1,110.00		
1. Information required for generating table-wise details not provided					
Exception Type	Particulars	Validation Rule(s)			
Provide Commodity Details :					
Particulars	Name of Group	HSN/SAC code			
Ledgers					
Export Taxable 3	Sales Accounts				
2. Mismatch due to tax amount modified in voucher					
Particulars	Taxable Value	Name of Duty Ledger	Tax Amount (As per calculation)	Tax Amount (As per transaction)	Difference
Sales Non-Taxable	1,000.00	Not Applicable		110.00	(-110.00)

3. Select or enter required information for the first exception type. Further, you can click **F5: Recompute** or **A: Accept as** is to recompute or accept the details, respectively.

4. Repeat steps 1, 2, and 3, until all exceptions are resolved.

**Note:** Click **X: Exclude Vouchers** in the **Exception Resolution** screen to exclude the voucher from GSTR-1 return.

### To resolve the exception: UoM not mapped to Unit Quantity Code (UQC)

1. Select the exception **UoM not mapped to Unit Quantity Code (UQC)**.

Exception Resolution		National Enterprises		Ctrl + M
<b>Map UoM to UQC (Unit Quantity Code)</b>				1-Jul-2017 to 31-Jul-2017
(Total number of vouchers: 33)				
UoM Symbol	UoM Formal Name	Unit Quantity Code		
Kgs	Kilograms			<input checked="" type="checkbox"/> Exclude from Summary
Nos	Numbers			<input checked="" type="checkbox"/> Map to UQC
Pks	Packets			
Note: Click <b>X: Exclude from Summary</b> to exclude the corresponding transactions from HSN/SAC Summary, and include in other relevant sections of GSTR-1.				

2. Select the **UoM Symbol**.

- **Exclude from Summary**

- o Click **X: Exclude from Summary** to exclude the transactions involving these unit of measurements from the **HSN/SAC Summary** report.

- o These transactions will appear under the **Not included in HSN/SAC Summary (UQC not available)** section of **HSN/SAC Summary** report.

- o The transactions will get included in the relevant sections of the GST return.

- **Mapping with UQC from the report**

- o Click **S: Map with UQC**, select the **UQC**, and press **Enter**.

Exception Resolution			National Enterprises	Ctrl + M
Map UoM(s) to Unit Quantity Code(UQC)				UQCs
(Total number of vouchers: 2)				[ Not Applicable
UoM Symbol	UoM Formal Name	Unit Quantity Code		
Nos	Numbers		BAG-BAG BGS-BAGS BKL-BUCKLES BOU-BOU BOX-BOX BTL-BOTTLES BUN-BUNCHES CBM-CUBIC METER CCM-CUBIC CENTIMETER CIN-CUBIC INCHES CMS-CENTIMETER CQM-CUBIC METERS CTN-CARTON DOZ-DOZEN DRM-DRUM FTS-FEET GGR-GREAT GROSS GMS-GRAMS GRS-GROSS GYD-GROSS YARDS HKS-HANKS INC-INCHES KGS-Kilograms KLR-KILOLITER KME-KILOMETERS LBS-POUNDS LOT-LOTS LTR-LITERS MGS-MILLI GRAMS MTR-METER MTS-METRIC TON NOS-Numbers ODD-ODDS 21 more ...	

- **Selecting UQC in the stock item master**
  - o Press **Enter** on the selected **UoM Symbol**, and select the **Unit Quantity Code (UQC)**.

ATTITUDE TALLY

Unit Alteration (Secondary)		National Enterprises
Type	: <b>Simple</b>	UQCs
Symbol	: <b>Nos</b>	Not Applicable
Formal name	: Numbers	BAG-BAG
Unit Quantity Code (UQC):	<b>NOS-Numbers</b>	BGS-BAGS
Number of decimal places:	<b>0</b>	BKL-BUCKLES
		BOU-BOU
		BOX-BOX
		BTL-BOTTLES
		BUN-BUNCHES
		CBM-CUBIC METER
		CCM-CUBIC CENTIMETER
		CIN-CUBIC INCHES
		CMS-CENTIMETER
		CQM-CUBIC METERS
		CTN-CARTON
		DOZ-DOZEN
		DRM-DRUM
		FTS-FEET
		GGR-GREAT GROSS
		GMS-GRAMS
		GRS-GROSS
		GYD-GROSS YARDS
		HKS-HANKS
		INC-INCHES
		KGS-Kilograms
		KLR-KILOLITER
		KME-KILOMETERS
		LBS-POUNDS
		LOT-LOTS
		LTR-LITERS
		MGS-MILLI GRAMS
		MTR-METER
		MTS-METRIC TON
		<b>NOS-Numbers</b>
		ODD-ODDS
		<b>21 more ... ↓</b>

o Press **Enter** to save.

### To resolve the exception: Country, state and dealer type not specified

Displays the count of transactions where,

- Country/state is not selected in the party ledger master,
- State selected in transaction and party ledger are different, or
- Nature of transaction is not derived.

1. Select the exception **Country, state and dealer type not specified**.
2. Press **Enter**. All the transactions of the exception type are displayed. The **Exception Resolution** screen appears.

3. Select the state, specify the GSTIN and select dealer type for each transaction.

Exception Resolution		National Enterprises							Ctrl + H
Specify Country, State and Dealer Type								1-Jul-2017 to 31-Jul-2017	
Sl. No.	Date	Particulars	Vch Type	Vch No.	Amount	Country	State	GSTIN/UIN	Dealer Type
1	14-Jul-2017	Party No State 20	Sales	120	1,000.00	India			

Note: Select the country, state and dealer type for each line item.

4. Press **Ctrl+A** to accept.

**Note:** Click **X: Exclude Vouchers** to exclude the voucher from GSTR-1 return.

### To resolve the exception: Tax rate/tax type not specified

Displays the count of transactions for which the rate or tax type is not selected in the item/ledger master.

1. Select the exception **Tax rate/tax type not specified**, and press **Enter**.

Exception Resolution		National Enterprises							Ctrl + H				
Specify Tax Rate/ Tax Type								1-Jul-2017 to 31-Jul-2017					
Sl.No.	Date	Particulars	Vch.Type	Vch.No.	Amount	Nature Of Transaction	Rate						
							Integrated Tax	Central Tax	State Tax	Cess	Gst Rate Per		
1	14-Jul-2017	Forlan and Co Item	(Sales)	72	1,000.00								
2	5-Jul-2017	Pyarelal and Sons Item	(Sales)	80									
3	5-Jul-2017	Lotus Traders Item	(Sales)	81									
4	5-Jul-2017	Lotus Traders Item	(Sales)	82									
5	5-Jul-2017	Pradeep Traders Item	(Sales)	84									
6	5-Jul-2017	Lotus Traders Item	(Sales)	86									
7	5-Jul-2017	Lotus Traders Item	(Sales)	88									
8	5-Jul-2017	Lotus Traders Item	(Sales)	89									
9	15-Jul-2017	Lotus Traders Item	(Sales)	94									
10	12-Jul-2017	Lotus Traders Sales No Rate	(Sales)	95									
11	17-Jul-2017	Lotus Traders Item	(Sales)	99									
12	20-Jul-2017	Forlan and Co Item	(Sales)	101									
13	21-Jul-2017	Party with LT Item	(Sales)	102									
14	21-Jul-2017	Party W/o Country3 Item	(Sales)	103									

Note: Select the nature of transaction and enter tax rate for each line item.

2. Select the **Nature of transaction**, if not provided.

3. Enter **Rate**, as required for each transaction.

4. Press **Enter** to save.

**Note:** Click **X: Exclude Vouchers** to exclude the voucher from GSTR-1 return.

### To resolve the exception: Nature of transaction, taxable value, rate of tax modified in voucher

Displays count of transactions in which the Nature of transaction, taxable value or rate of tax defined in the ledger master has been changed in the transaction.



1. Select the exception **Nature of transaction, taxable value, rate of tax modified in voucher**, and press **Enter**.

Exception Resolution													National Enterprises				Ctrl + H		
Specify nature of transaction, Taxable value and tax rate													1-Jul-2017 to 31-Jul-2017						
Sl. N. o.	Date	Particulars	Vch type	Vch No.	Amount	As per master/inference					As per transaction								
						Nature of transaction	Taxable value	Rate of tax				Nature of transaction	Taxable value	Rate of tax					
								Int-eg-	Ce-nt-	St-ate	Cess			Int-eg-	Ce-nt-	St-ate	Cess		
1	28/7/2017	Lotus Traders Sales	Sales	112	1,220.00	Sales Taxable	1,000.00	10%	5%	5%	1%	Sales Taxable	1,000.00	20%	10%	10%	2%		
2	28/7/2017	Lotus Traders /Item	Sales	113	1,220.00	Sales Taxable	1,000.00					Sales Taxable	1,000.00	20%	10%	10%	2%		
3	28/7/2017	Lotus Traders /Item	Sales	114	1,220.00	Sales Taxable	1,000.00					Sales Taxable	1,000.00	20%	10%	10%	2%		

Note: Specify the required information or accept as is for each line item.

2. Select the required voucher.
3. Click **R: Resolve** to select **Nature of transaction** and enter other details manually, or click **A: Accept as is**. A message is displayed as shown below:

Exception Resolution													National Enterprises				Ctrl + H		
Specify nature of transaction, Taxable value and tax rate													1-Jul-2017 to 31-Jul-2017						
Sl. N. o.	Date	Particulars	Vch type	Vch No.	Amount	As per master/inference					As per transaction								
						Nature of transaction	Taxable value	Rate of tax				Nature of transaction	Taxable value	Rate of tax					
								Int-eg-	Ce-nt-	St-ate	Cess			Int-eg-	Ce-nt-	St-ate	Cess		
1	28/7/2017	Lotus Traders Sales	Sales	112	1,220.00	Sales Taxable	1,000.00	10%	5%	5%	1%	Sales Taxable	1,000.00	20%	10%	10%	2%		
2	28/7/2017	Lotus Traders /Item	Sales	113	1,220.00	Sales Taxable	1,000.00					Sales Taxable	1,000.00	20%	10%	10%	2%		
3	28/7/2017	Lotus Traders /Item	Sales	114	1,220.00	Sales Taxable	1,000.00					Sales Taxable	1,000.00	20%	10%	10%	2%		

Do you want to accept this voucher as is?

Yes or No

Note: Specify the required information or accept as is for each line item.

4. Press **Enter** to accept.
5. Similarly, accept the required vouchers.
6. Press **Ctrl+A** to accept.

### To resolve the exception: Incorrect tax type selected in tax ledger

Displays count of transactions in which type of duty is invalid.

1. Select the exception **Incorrect tax type selected in tax ledger**, and press **Enter**.

Exception Resolution										National Enterprises			Ctrl + H		
Select Duty Ledger and Tax Type										1-Jul-2017 to 31-Jul-2017					
Sl. No.	Date	Particulars	Vch Type	Vch No.	Taxable Value	Tax Amount	Type of Duty Ledger (Expected)	Duty Ledger (As Per Transaction)							
								Integrated Tax	Central Tax	State Tax					
1	6-Jul-2017	Lotus Traders	Sales	79	1,000.00	400.00	Central Tax & State Tax								
2	7-Jul-2017	Lotus Traders	Sales	83	1,000.00	400.00	Central Tax & State Tax								
3	9-Jul-2017	Lotus Traders	Sales	87	1,000.00	400.00	Central Tax & State Tax								
4	9-Jul-2017	Lotus Traders	Sales	92	1,000.00	200.00	Central Tax & State Tax								
5	15-Jul-2017	Lotus Traders	Sales	97	1,000.00	200.00	Central Tax & State Tax								
6	16-Jul-2017	Lotus Traders	Sales	98	1,000.00	200.00	Central Tax & State Tax								

2. Select the tax type for each transaction.
3. Press **Enter** to save.

### To resolve the exception: Mismatch due to tax amount modified in voucher

Displays the count of transactions in which difference is found between the calculated and entered tax amount. The mismatch due to modified value can be resolved by following one of the options.

1. Select the exception **Mismatch due to tax amount modified in voucher**, and press **Enter**. Based on your accounting requirements, you can resolve the mismatch, accept the transaction as is, or recompute the tax values.
2. Navigate to the required transaction, and do one of the following:
  - o Click **R: Resolve**, enter the tax value in **As per transaction** column of the voucher, and press **Ctrl+A** to accept.

Exception Resolution										National Enterprises			Ctrl + H		
Update Tax Amount to Resolve Mismatch										1-Jul-2017 to 31-Jul-2017					
Sl. No.	Date	Particulars	Vch Type	Vch No.	Amount	Taxable Value	Name of Duty Ledger	Tax Amount		Difference					
								(As per calculation)	(As per transaction)						
1	2-7-2017	Lotus Traders	Sales	75	1,110.00				110.00	(-)110.00					
		Sales Non-Taxable				1,000.00	Not Applicable		110.00	(-)110.00					

Note: Select line item to accept as is or revert to value as per calculation.

- o Click **A: Accept as is**, and press **Enter** to confirm acceptance.



Exception Resolution										
National Enterprises										
Update Tax Amount to Resolve Mismatch										
1-Jul-2017 to 31-Jul-2017										
Sl. No.	Date	Particulars	Vch Type	Vch No.	Amount	Taxable Value	Name of Duty Ledger	Tax Amount		Difference
								(As per calculation)	(As per transaction)	
1	1-7-2017	Foran and Co	Sales	74	1,110.00				110.00	(-110.00)
		Sales Non-Taxable				1,000.00	Not Applicable		110.00	(-110.00)
2	2-7-2017	Lotus Traders	Sales	75	1,110.00				110.00	(-110.00)
		Sales Non-Taxable				1,000.00	Not Applicable		110.00	(-110.00)
3	3-7-2017	Lotus Traders	Sales	76	1,910.00			110.00	510.00	(-400.00)
		Sales Taxable (Central Tax @ 5%)				1,000.00	CGST	50.00	250.00	(-200.00)
		Sales Taxable (State Tax @ 5%)					CGST	50.00	250.00	(-200.00)
		Sales Taxable (Cess @ 1%)					Cess	10.00	10.00	
4	4-7-2017	US and Sons	Sales	77					110.00	(-110.00)
		Sales Non-Taxable					Not Applicable		110.00	(-110.00)
5	4-7-2017	Lotus Traders	Sales	78				110.00	200.00	(-90.00)
		Sales Taxable (Central Tax @ 5%)					CGST	50.00	100.00	(-50.00)
		Sales Taxable (State Tax @ 5%)					CGST	50.00	100.00	(-50.00)
		Sales Taxable (Cess @ 1%)					Cess	10.00	10.00	
6	9-7-2017	Lotus Traders	Sales	90					55.00	(-55.00)
		Sales Non-Taxable					Not Applicable		55.00	(-55.00)
7	9-7-2017	Lotus Traders	Sales	93				1,100.00	2,200.00	(-1,100.00)
		Sales Taxable (Central Tax @ 5%)					CGST	500.00	1,000.00	(-500.00)
		Sales Taxable (State Tax @ 5%)					CGST	500.00	1,000.00	(-500.00)
		Sales Taxable (Cess @ 1%)				10,000.00	Cess	100.00	200.00	(-100.00)
8	14-7-2017	Page Twente	Sales	96	1,000.00				110.00	110.00
		Sales Taxable (Central Tax @ 5%)				1,000.00		50.00	50.00	
		Sales Taxable (State Tax @ 5%)				1,000.00		50.00	50.00	
		Sales Taxable (Cess @ 1%)				1,000.00		10.00	10.00	
9	21-7-2017	T7	Sales	100	1,110.00				110.00	(-110.00)
		Sales Non-Taxable				1,000.00	Not Applicable		110.00	(-110.00)
10	25-7-2017	Lotus Traders	Sales	100	1,110.00				110.00	(-110.00)
		Sales Non-Taxable				1,000.00	Not Applicable		110.00	(-110.00)

Do you want to accept this voucher as is?  
Yes or No

o Click **F5: Recompute** to recalculate the tax amount, and press **Ctrl+A** to accept.

Exception Resolution										
National Enterprises										
Update Tax Amount to Resolve Mismatch										
1-Jul-2017 to 31-Jul-2017										
Sl. No.	Date	Particulars	Vch Type	Vch No.	Amount	Taxable Value	Name of Duty Ledger	Tax Amount		Difference
								(As per calculation)	(As per transaction)	
1	1-7-2017	Foran and Co	Sales	74	1,110.00				110.00	(-110.00)
		Sales Non-Taxable				1,000.00	Not Applicable		110.00	(-110.00)

F5: Recompute  
X: Exclude Vouchers

Note: Select line item to accept as is or revert to value as per calculation.

## To resolve the exception: Voucher with incomplete/incorrect adjustment details

Displays the count of journal transactions in which **Nature of adjustment** is not selected.

1. Select the exception **Voucher with incomplete/incorrect adjustment details**, and press **Enter**.

Exception Resolution									
Tax @ Company Level									
Specify Nature of Adjustment									
1-Jul-2017 to 31-Jul-2017									
Sl. No.	Date	Particulars	Vch.Type	Vch.No.	Debit	Credit	Nature of Adjustment	Additional Details	Type of Exception
1	20-Jul-2017	Expense	Journal	1	1,000.00		Increase of Input Tax Credit	TCS Adjustment	Vouchers with Incorrect Adjustment Details
2	20-Jul-2017	Local Party	Journal	2	1,000.00				Vouchers with Incorrect Adjustment Details
3	31-Jul-2017	Expense	Journal	3	1,000.00				Vouchers with Incorrect Adjustment Details

List of Nature of Adjustments

- Decrease of Tax Liability
- Increase of Input Tax Credit
- Increase of Tax Liability
- Increase of Tax Liability & Input Tax Credit
- Opening Balance
- Refund
- Reversal of Input Tax Credit
- Reversal of Tax Liability
- Reversal of Tax Liability & Input Tax Credit

2. Select the **Nature of adjustment** and **Additional details** for each voucher.
3. Press **Ctrl+A** to accept.

### To resolve the exception: Information required for generating table-wise details not provided

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

1. Select **Information required for generating table-wise details not provided**, and press **Enter**.

Exception Resolution											
Specify information required for generating table-wise details											1-Jul-2017 to 31-Jul-2017
S. No.	Vch. Date	Vch.No.	Particulars	Taxable Value	Integrat-ed Tax Amount	Central Tax Amount	State Tax Amount	Cess Amount	Total Amount	No. of exce-p.	Type of exception
1	01/07/2017	73	Forlan and Co	1,000.00					1,000.00	1	HSN/SAC not specified
2	01/07/2017	74	Forlan and Co	1,000.00					1,000.00	1	HSN/SAC not specified
3	14/07/2017	96	Page Twente	1,000.00					1,000.00	2	GSTIN/UIN is not specified /invalid, State Name not specified

Note: Specify the required information for each line item.

2. Select any voucher and press **Enter** to display the **Table-wise exceptions(s)** screen.

Table-wise exceptions(s)								
Specify information required for generating table-wise details		1-Jul-2017 to 31-Jul-2017						
S. No.	Vch. Date	Particulars						
1	01/07/2017	73 Forlan and Co						
<table border="1"> <thead> <tr> <th>Exception Type</th> <th>Particulars</th> <th>Validation Rules</th> </tr> </thead> <tbody> <tr> <td>HSN code</td> <td></td> <td>HSN/SAC Code Should Not Be Blank and Should Contain 8 Digits.</td> </tr> </tbody> </table>			Exception Type	Particulars	Validation Rules	HSN code		HSN/SAC Code Should Not Be Blank and Should Contain 8 Digits.
Exception Type	Particulars	Validation Rules						
HSN code		HSN/SAC Code Should Not Be Blank and Should Contain 8 Digits.						

Note: Specify the required information for each line item.

3. Enter the missing information or update the incorrect details, and press **Enter** to return to the **Exception Resolution** screen.
4. Repeat step 3 for all the required vouchers.

### Exception Types

Using this option you can resolve exceptions from a common screen by grouping all table-wise related exceptions into two buckets **Party Ledger level Corrections** and **Configuration Level Corrections**.

### To resolve all party ledger level exceptions

1. Select **Information required for generating table-wise details not provided**, and press **Enter**.
2. Press **Ctrl+E**.



Select Exception Resolution Type		National Enterprises				Ctrl + H	
Specify information required for generating t		Select Exception Resolution Type				1-Jul-2017 to 31-Jul-2017	
S. No.	Vch. Date	Vch.No.	Particulars	Total amount	No. of excep-	Type of exception	
1	10/07/2017	73	Foran and Co	1,000.00	1	HSN/SAC not specified	
2	20/07/2017	74	Foran and Co	1,000.00	1	HSN/SAC not specified	
3	31/07/2017	99	Page Twente	1,000.00	2	GSTIN/BN is not specified Invalid,State Name not specified	

3. Select **Party Ledger Level Corrections** in the **Select Exception Resolution Type** screen.
4. Enter party **GSTIN** number for the listed parties in the **Party Ledger Level correction** screen.

Party Ledger level correction		National Enterprises				Ctrl + M			
Vouchers with Table-Wise Exception		1-Aug-2017 to 31-Aug-2017							
S. No.	Particulars	Contact person	Phone number	Mobile number	E-mail	Address	State Name	State code	Party GSTIN
1	RK E-Commerce Solutions	Ravi Raj	29191991	9911111000	rkecm@ecom.in	5th Cross, Hulimavu, Off Bannerghatta Road, Bangalore	Karnataka	29	

**Note:** The **Contact person**, **Phone number**, **Mobile number** and **E-mail** columns will appear as per the details provided in the party ledger (by enabling the option **Provide contact details** in configuration screen of party ledger).

5. Press **Ctrl+A** to accept.

## To resolve all configuration level exceptions

1. Select **Information required for generating table-wise not provided**, and press **Enter**.
2. Press **Ctrl+E**.

Select Exception Resolution Type		National Enterprises				Ctrl + H	
Specify information required for generating t		Select Exception Resolution Type				1-Jul-2017 to 31-Jul-2017	
S. No.	Vch. Date	Vch.No.	Particulars	Total amount	No. of excep-	Type of exception	
1	10/07/2017	73	Foran and Co	1,000.00	1	HSN/SAC not specified	
2	20/07/2017	74	Foran and Co	1,000.00	1	HSN/SAC not specified	
3	31/07/2017	99	Page Twente	1,000.00	2	GSTIN/BN is not specified Invalid,State Name not specified	

3. Select **Configuration Level Corrections** in the **Select Exception Resolution Type** screen.

Configuration Level Exception Corrections		National Enterprises		Ctrl + H	
Vouchers with Table-Wise Exception		1-Jul-2017 to 31-Jul-2017			
Particulars	Name of Group	HSN/SAC code			
<b>Ledgers</b>					
Sales Export 2	Sales Accounts				
Export Taxable 3	Sales Accounts				

4. Enter **HSN/SAC code** for the listed vouchers.
5. Press **Ctrl+A** to accept.

Drill-down from any row and resolve the respective exceptions to include the vouchers in return.

## Data Captured in GSTR-1 e-Return in Tally.ERP9

GSTR-1 return can be exported in the e-return format for any given period. All the transactions that are displayed under **Included in returns** section in **GSTR-1** report will be exported.

The e-return created on export of GSTR-1 is in line with the format prescribed by the department. The file can be imported to the offline utility tool. This tool then creates the JSON file that can be uploaded on the GST portal. Click here for the complete procedure on [filing GSTR-1](#).

**Note:** The e-Return file has provision to capture the taxable value and tax rate but not the tax amount. Hence, the tax amount is not exported to the e-Return file. Tax value is automatically calculated after upload to the portal based on rate, taxable value and place of supply.

The description of the sheet and columns in the exported file is given below:

Worksheet and column names	Description
----------------------------	-------------

ATTITUDE TALLY

<b>b2b</b>	<p>Displays the details of <b>1 B2B invoices - 4A, 4B, 4C, 6B, 6C</b> table of <b>GSTR-1</b> report.</p> <p>Taxable sales made to regular and composite dealers are captured here. If your tax invoice had exempt and nil rated items along with taxable items, then the total invoice value is captured here.</p> <p>If you want to capture the values of only the taxable items as a <b>B2B invoice</b>, as per GST rules record separate invoices for taxable items. Use separate invoices (bill of supply) for sales of exempt/nil rated items.</p> <p>Displays the value of sales recorded with:</p> <p><b>Nature of transaction as</b></p> <ul style="list-style-type: none"><li>● Sales Taxable</li><li>● Interstate Sales Taxable</li><li>● Sales Exempt</li><li>● Interstate Sales Exempt</li><li>● Sales Nil Rated</li><li>● Interstate Sales Nil Rated</li><li>● Sales to SEZ - Exempt</li><li>● Sales to SEZ - LUT/Bond</li><li>● Sales to SEZ - Taxable</li><li>● Deemed Exports Exempt</li><li>● Deemed Exports Taxable</li></ul> <p><b>Taxability as</b></p> <ul style="list-style-type: none"><li>● Taxable</li><li>● Exempt</li><li>● Nil Rated</li></ul> <p><b>Registration type as</b></p> <ul style="list-style-type: none"><li>● Regular</li><li>● Composite</li></ul>
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GSTIN/UIT Recipient	of Displays the following: <ul style="list-style-type: none"> <li>• The <b>GSTIN/UIT</b> predefined for party ledgers, or entered in the <b>Party Details</b> screen of the voucher.</li> <li>• The <b>GSTIN/UIT</b> entered for the buyer in the <b>Buyer's Details</b> section of the <b>Party Details</b> screen when consignee and buyer details are provided.</li> <li>• The <b>GSTIN/UIT</b> entered in the <b>Party Details</b> screen of receipt voucher, when a sales transaction is recorded in receipt voucher.</li> </ul>
Invoice Number	Displays the voucher number of the outward supply transactions. Special characters other than "-" and "/" in the voucher number are not exported. If the length of the voucher number is more than 16 characters, including the special characters, offline tool will display a validation error.
Invoice date	Displays the voucher date of the sales transaction.
Invoice Value	Displays the total value of the voucher including tax and cess.
Place Of Supply	Displays the <b>State Name</b> and state <b>Code</b> based on the <b>Place of Supply</b> of the buyer in the <b>Party Details</b> screen of the voucher.
Reverse Charge	Displays <b>Y</b> if it is a reverse charge transaction, else <b>N</b> .

ATTITUDE



Invoice Type	<p>Displays <b>Regular</b> for vouchers recorded with the following <b>Nature of transaction</b>:</p> <ul style="list-style-type: none"> <li>● Sales Taxable</li> <li>● Interstate Sales Taxable</li> <li>● Sales Exempt</li> <li>● Interstate Sales Exempt</li> <li>● Sales Nil Rated</li> <li>● Interstate Sales Nil Rated</li> </ul> <p>Displays <b>SEZ supplies with payment</b> for vouchers recorded with <b>Sales to SEZ - Taxable</b> as the nature of transaction.</p> <p>Displays <b>SEZ supplies without payment</b> for vouchers recorded with the following <b>Nature of transaction</b>:</p> <ul style="list-style-type: none"> <li>● Sales to SEZ - Exempt</li> <li>● Sales to SEZ - LUT/Bond</li> </ul> <p>Displays <b>Deemed Exp</b> for vouchers recorded with the following nature of transactions:</p> <ul style="list-style-type: none"> <li>● Deemed Exports Taxable</li> <li>● Deemed Exports Exempt</li> </ul>
E-Commerce GSTIN	<p>Displays the GSTIN/UIN of the e-commerce operator party selected in the voucher.</p> <p>Displays the GSTIN/UIN of the buyer selected in the <b>Party Details</b> screen of the voucher, in the <b>GSTIN/UIN of Recipient</b> column of this worksheet.</p> <p><b>Note:</b> The <b>GSTIN/UIN</b> of the e-commerce operator party selected in the voucher, and the <b>GSTIN/UIN</b> entered in <b>Party Details</b> screen of the voucher should be different.</p>
Rate	<p>Displays the integrated tax rate with decimal places.</p> <p>If the stock item is nil rated or exempt, the tax rate appears as <b>0.00</b>.</p>
Taxable Value	<p>Displays the assessable value entered for each tax rate.</p>
Cess Amount	<p>Displays the cess amount of the voucher.</p>

<b>b2c1</b>	<p>Displays the details of table <b>2 B2C(Large) Invoices - 5A, 5B</b> of <b>GSTR-1</b> report.</p> <p>Displays the value of sales recorded with:</p> <ul style="list-style-type: none"> <li>● <b>Nature of transaction</b> <ul style="list-style-type: none"> <li>○ Interstate Sales Taxable</li> <li>○ Interstate Sales Exempt</li> <li>○ Interstate Sales Nil Rated</li> </ul> </li> <li>● <b>Registration Type as</b> <ul style="list-style-type: none"> <li>○ Unregistered</li> <li>○ Consumer</li> </ul> </li> <li>● Unregistered party selected in the <b>Party Details</b> screen for sales made by selecting e-commerce operator in the <b>Party's A/c Name</b> field.</li> <li>● When the taxable stock item is selected along with exempted or nil-rated goods, then the values are captured here. If only exempted or nil rated goods are selected, it will appear under the <b>Nil Rated Invoices</b> table of <b>GSTR-1</b> report.</li> <li>● Interstate sales of more than Rs. 2,50,000 to unregistered dealers and consumers are captured here.</li> </ul>
Invoice Number	<p>Displays the voucher number of the outward supply transaction.</p> <p>Special characters other than "-" and "/" in the voucher number are not exported.</p> <p>If the length of the voucher number is more than 16 characters, including the special characters, the offline tool will display a validation error.</p>
Invoice date	Displays the voucher date of the sales transaction.
Invoice Value	Displays the total value in the invoice including tax and cess.
Place Of Supply	Displays the <b>State Name</b> and state <b>Code</b> based on the <b>Place of Supply</b> of the buyer in the <b>Party Details</b> screen of the voucher.
Rate	<p>Displays the integrated tax rate with decimal places.</p> <p>If the stock item is nil rated or exempt, the tax rate appears as <b>0.00</b>.</p>
Taxable Value	Displays the assessable value entered for each tax rate.
Cess Amount	Displays the cess amount of the voucher.

E-Commerce GSTIN	Displays the GSTIN/UIN of the e-commerce operator party selected in the voucher.
<b>b2cs</b>	<p>Displays the details of table <b>3 B2C(Small) Invoices - 7</b> of <b>GSTR-1</b> report.</p> <p>Displays the net values of sales, for transactions recorded with:</p> <ul style="list-style-type: none"> <li>• <b>Nature of transaction</b> as:             <ul style="list-style-type: none"> <li>o Sales Taxable</li> <li>o Sales to Consumer – Taxable</li> <li>o Sales to Consumer – Exempt</li> <li>o Sales Nil Rated</li> <li>o Interstate Sales Nil Rated</li> <li>o Sales Exempt</li> <li>o Interstate Sales Exempt</li> <li>o Interstate Sales Taxable</li> </ul> </li> <li>• <b>Taxability</b> as:             <ul style="list-style-type: none"> <li>o Taxable</li> <li>o Exempt</li> <li>o Nil Rated</li> </ul> </li> <li>• <b>Registration Type</b> as:             <ul style="list-style-type: none"> <li>o Unregistered</li> <li>o Consumer</li> </ul> </li> </ul> <ul style="list-style-type: none"> <li>• Unregistered party selected in the <b>Party Details</b> screen for sales made by selecting e-commerce operator in the <b>Party's A/c Name</b> field.</li> <li>• Interstate sales of equal to or less than Rs. 2,50,000 to unregistered dealers and consumers are captured here.</li> </ul>
Type	Displays <b>E</b> for e-commerce party and <b>OE</b> for others.
Place Of Supply	Displays the <b>State Name</b> and state <b>Code</b> based on the <b>Place of Supply</b> of the buyer in the <b>Party Details</b> screen of the voucher.
Rate	<p>Displays the integrated tax rate with decimal places.</p> <p>If the stock item is nil rated or exempt, the tax rate appears as <b>0.00</b>.</p>
Taxable Value	Displays the assessable value entered for each tax rate.
Cess Amount	Displays the cess amount of the voucher.

E-Commerce GSTIN	Displays the GSTIN/UIN of the e-commerce operator party selected in the voucher.
cdnr	<p>Displays the details of table 4 <b>Credit/Debit Notes (Registered) - 9B</b> of <b>GSTR-1</b> report.</p> <p>Displays the values of credit and debit notes recorded in the reporting period with the following details:</p> <p><b>Nature of transaction as:</b></p> <ul style="list-style-type: none"> <li>• Sales Taxable</li> <li>• Interstate Sales Taxable</li> <li>• Sales Exempt</li> <li>• Interstate Sales Exempt</li> <li>• Sales Nil Rated</li> <li>• Interstate Sales Nil Rated</li> <li>• Sales to SEZ - Taxable</li> <li>• Sales to SEZ - Exempt</li> <li>• Sales to SEZ - LUT/Bond</li> <li>• Deemed Exports Taxable</li> <li>• Deemed Exports Exempt</li> </ul> <p><b>Taxability as:</b></p> <ul style="list-style-type: none"> <li>• Taxable</li> <li>• Exempt</li> <li>• Nil Rated</li> </ul> <p>Journal voucher recorded by debiting GST ledgers with:</p> <ul style="list-style-type: none"> <li>• Nature of Adjustment- <b>Decrease of Tax Liability</b></li> <li>• Additional Details - <b>Cancellation of Advance Receipts or Cancellation of Advance Receipts for Exports/SEZ sales</b></li> </ul>
GSTIN/UIN Recipient	<p>of Displays the <b>GSTIN/UIN</b> entered in the <b>Party Details</b> screen of the debit/credit note.</p> <p>Displays the GSTIN/UIN entered in the <b>Statutory Details</b> screen of the journal voucher recorded for the cancellation of advance receipt.</p>

Invoice/Advance Receipt Number	<p>Displays the <b>Original invoice no.</b> entered in the debit/credit note.</p> <p>Displays the <b>Advance Receipt Number</b> entered in the <b>Statutory Details</b> screen of the journal voucher recorded for the cancellation of advance receipt.</p> <p>Special characters other than "-" and "/" in the <b>Original invoice no.</b> or <b>Advance Receipt Number</b> are not exported.</p> <p>If the length of the <b>Original invoice no.</b> or <b>Advance Receipt Number</b> is more than 16 characters, including special characters, the offline tool will display validation error.</p>
Invoice/Advance Receipt date	<p>Displays the <b>Original Invoice Dt.</b> of debit/credit note.</p> <p>Displays the <b>Advance Receipt Date</b> entered in the journal voucher recorded for the cancellation of advance receipt.</p>
Note/Refund Voucher Number	<p>Displays the voucher number of debit/credit note.</p> <p>Displays the <b>Refund Voucher Number</b> entered in the journal voucher recorded for the cancellation of advance receipt.</p>
Note/Refund Voucher date	<p>Displays the debit/credit note date.</p> <p>Displays the <b>Refund Voucher Date</b> entered in the journal voucher recorded for the cancellation of advance receipt.</p>
Document Type	<p>Displays the document type based on the voucher type:</p> <ul style="list-style-type: none"> <li>● <b>C</b> for Credit Note</li> <li>● <b>D</b> for Debit Note</li> <li>● <b>R</b> for journal voucher</li> </ul>
Reason For Issuing document	<p>Displays the <b>Nature of Return</b> selected in the <b>Statutory Details</b> screen of credit note and debit note.</p> <p>When the transaction is recorded in journal voucher, the reason appears as <b>07-Others</b>.</p>
Place Of Supply	<p>Displays the <b>State Name</b> and state <b>Code</b> based on the <b>Place of Supply</b> of the buyer in the <b>Party Details</b> screen of the voucher.</p> <p>Displays the <b>Place of Supply</b> entered in the <b>Statutory Details</b> screen of the journal voucher recorded for the cancellation of advance receipt.</p>
Note/Refund Voucher Value	<p>Displays the total value of the voucher.</p>

Rate	Displays the integrated tax rate with decimal places. If the stock item is nil rated or exempt, the tax rate appears as <b>0.00</b> .
Taxable Value	Displays the assessable value entered for each tax rate.
Cess Amount	Displays the cess amount of the voucher.
Pre GST	Displays <b>Y</b> if the <b>Original Invoice Dt.</b> entered is prior to 1-Jul-2017, else <b>N</b> .
<b>cdnur</b>	<p>Displays the details of table <b>5 Credit/Debit Notes (Unregistered) - 9B</b> of <b>GSTR-1</b> report.</p> <p>Displays the values of credit and debit notes, recorded in the reporting period with the following details:</p> <p><b>Nature of transaction as</b></p> <ul style="list-style-type: none"> <li>● <b>Interstate Sales Taxable and Interstate Sales Exempt</b> - sales returns made against <b>2 B2C(Large) Invoices - 5A, 5B table</b></li> <li>● Exports Taxable</li> <li>● Exports LUT/Bond</li> <li>● Exports Exempt</li> </ul> <p>Journal voucher recorded by debiting GST ledgers with:</p> <ul style="list-style-type: none"> <li>● Nature of Adjustment - <b>Decrease of Tax Liability</b></li> <li>● Additional Details - <b>Cancellation of Advance Receipts or Cancellation of Advance Receipts for Exports/SEZ sales</b></li> </ul>
UR Type	<p>Displays:</p> <ul style="list-style-type: none"> <li>● <b>B2CL</b> if the nature of transaction is of interstate sales.</li> <li>● <b>EXPWP</b>, if the nature of transaction is selected as <b>Exports Taxable and Exports Exempt</b>.</li> <li>● <b>EXPWOP</b>, if the nature of transaction is selected as <b>Exports LUT/Bond</b>.</li> </ul>

Note/Refund Voucher Number	<p>Displays the voucher number of payment, debit note, and credit note.</p> <p>Displays the <b>Refund Voucher Number</b> entered in the journal voucher.</p> <p>Special characters other than "-" and "/" in the <b>Original invoice no.</b> are not exported.</p> <p>If the length of the <b>Original invoice no.</b> is more than 16 characters, including special characters, the offline tool will display a validation error.</p>
Note/Refund Voucher date	<p>Displays the voucher date of payment, debit note, and credit note.</p> <p>Displays the <b>Refund Voucher Date</b> entered in the journal voucher.</p> <p>The voucher number entered in the <b>GST Details</b> screen of journal voucher appears here.</p>
Document Type	<p>Displays the document type based on the voucher type:</p> <ul style="list-style-type: none"> <li>• <b>C</b> for Credit Note</li> <li>• <b>D</b> for Debit Note</li> <li>• <b>R</b> for journal voucher</li> </ul>
Invoice/Advance Receipt Number	<p>Displays the original invoice number of sales or advance receipt linked to credit note and debit note.</p> <p>Displays the <b>Advance Receipt Number</b> entered in the <b>Statutory Details</b> screen of journal voucher.</p> <p>Special characters other than "-" and "/" in the <b>Original invoice no.</b> are not exported.</p> <p>If the length of the <b>Original invoice no.</b> is more than 16 characters, including special characters, the offline tool will display a validation error.</p>
Invoice/Advance Receipt date	<p>Displays the original voucher date of sales or advance receipt linked to credit note and debit note.</p> <p>Displays the <b>Advance Receipt Date</b> entered in the journal voucher.</p>
Reason for Issuing document	<p>Displays the <b>Nature of Return</b> selected in the <b>Statutory Details</b> screen of credit note and debit note.</p> <p>When the transaction is recorded in journal voucher, the reason appears as <b>07-Others</b>.</p>

Place Of Supply	<p>Displays the <b>State Name</b> and state <b>Code</b> based on the <b>Place of Supply</b> of the buyer in the <b>Party Details</b> screen of the voucher.</p> <p>For transactions recorded with <b>Exports Taxable, Exports Exempt</b>, and <b>Exports LUT/Bond</b>, the place of supply is captured as <b>97-Other Territory</b>.</p>
Note/Refund Voucher Value	Displays the total value in the voucher.
Rate	Displays the integrated tax rate with decimal places. If the stock item is exempt, the tax rate appears as <b>0.00</b> .
Taxable Value	Displays the assessable value entered for each tax rate.
Cess Amount	Displays the cess amount of the voucher.
Pre GST	Displays <b>Y</b> if the <b>Original Invoice Dt.</b> entered is prior to 1-Jul-2017, else <b>N</b> .
<b>exp</b>	<p>Displays the details of table <b>6 Exports Invoices - 6A</b> of <b>GSTR-1</b> report.</p> <p>displays the values of export sales recorded in the reporting period with the following details:</p> <p><b>Nature of transaction as</b></p> <ul style="list-style-type: none"> <li>● Exports Taxable</li> <li>● Exports - LUT/Bond</li> <li>● Exports Exempt</li> </ul>
Export Type	<p>Displays the export type as:</p> <ul style="list-style-type: none"> <li>● <b>WPAY</b> for sales recorded with <b>Exports Taxable</b> or <b>Export Exempt</b> as the nature of transaction.</li> <li>● <b>WOPAY</b> for sales recorded with <b>Exports LUT/Bond</b> as the nature of transaction.</li> </ul>



Invoice Number	<p>Displays the sales voucher number entered in the transaction.</p> <p>Special characters other than "-" and "/" in the voucher number are not exported.</p> <p>If the length of voucher number is more than 16 characters, including the special characters, the offline tool will display a validation error.</p>
Invoice date	Displays the sales voucher date of the transaction.
Invoice Value	Displays the total value of the sales voucher based on tax rates.
Port Code	Displays the <b>Port Code</b> of 6 characters entered in the <b>Statutory Details</b> screen of the sales invoice. If the length of <b>Port Code</b> is more than 6 characters, the offline tool will display validation error.
Shipping Bill Number	Displays the <b>Shipping bill no.</b> entered in the <b>Statutory Details</b> screen of the sales invoice.
Shipping Bill Date	Displays the shipping bill <b>Date</b> entered in the <b>Statutory Details</b> screen of the sales invoice.
Rate	<p>Displays the integrated tax rate with decimal places.</p> <p>If the nature of transaction selected is <b>Exports Exemptor Exports LUT/Bond</b>, the tax rate appears as <b>0.00</b>.</p>
Taxable Value	Displays the assessable value entered for each tax rate.
at	<p>Displays the details of table 7 <b>Tax Liability (Advances received) - 11A(1), 11A(2)</b> of <b>GSTR-1</b> report.</p> <p>Displays the credit values of tax entered in journal voucher recorded with the following details:</p> <p><b>Nature of Adjustment - Increase of Tax Liability</b></p> <p><b>Additional Details</b></p> <ul style="list-style-type: none"> <li>• On Account of Advance Receipts</li> <li>• Advance Receipts for Export/SEZ sales</li> </ul>

Place Of Supply	Displays the <b>State Name</b> and state <b>Code</b> based on the <b>Place of Supply</b> of the buyer in the <b>Party Details</b> screen of the voucher.
Rate	Displays the integrated tax rate with decimal places. If the stock item is nil rated or exempt, the tax rate appears as <b>0.00</b> .
Gross Advance Received	Displays the assessable value entered for each tax rate.
Cess Amount	Displays the cess amount of the voucher.
<b>atadj</b>	<p>Displays the details of table <b>8 Adjustment of Advances - 11B(1), 11B(2)</b> of <b>GSTR-1</b> report.</p> <p>Displays the debit values of tax entered in journal voucher recorded with the following details:</p> <p><b>Nature of Adjustment - Decrease of Tax Liability</b></p> <p><b>Additional Details</b></p> <ul style="list-style-type: none"> <li>• Sales against Advance Receipts</li> <li>• Sales against Advance Receipts for Export/SEZ sales</li> </ul>
Place Of Supply	<p>Displays the <b>State Name</b> and state <b>Code</b> based on the <b>Place of Supply</b> of the buyer in <b>Party Details</b> screen of the voucher.</p> <p>Displays the <b>Place of supply</b> entered in the <b>Statutory Details</b> screen of journal voucher.</p>
Rate	Displays the integrated tax rate with decimal places. If the stock item is nil rated or exempt, the tax rate appears as <b>0.00</b> .
Gross Advance Adjusted	Displays the assessable value entered for each tax rate.
Cess Amount	Displays the cess amount of the voucher.
<b>exemp</b>	<p>Displays the details of table <b>9 Nil Rated Invoices</b> of <b>GSTR-1</b> report.</p> <p>Displays the net values of nil rated, exempt, and non-GST outward supplies made to registered and unregistered dealers within and outside the state.</p>

Description	Displays the description as: <ul style="list-style-type: none"> <li>• Inter-State supplies to registered/unregistered persons</li> <li>• Intra-State supplies to registered/unregistered persons</li> </ul>
Nil Rated Supplies	Displays the net sale value of nil rated supplies made to registered or unregistered dealers within or outside the state.
Exempted (other than nil rated/non GST supply)	Displays the net sale value of exempt supplies made to registered or unregistered dealers within or outside the state.
Non-GST supplies	Displays the net sale value of non-GST goods sold to registered or unregistered dealers within or outside the state.
<b>hsn</b>	Displays the details of table <b>10 HSN wise Summary - 12</b> of <b>GSTR-1</b> report. Displays the HSN of stock items/groups.
HSN	Displays the <b>HSN/SAC</b> predefined for the ledger, stock group, or stock item selected in the voucher.
Description	Displays the <b>Description</b> of the HSN/SAC predefined for the ledger, stock group, or stock item selected in the voucher. If HSN or HSN description is not defined for stock items and ledgers, the name of the stock items and ledgers are displayed.
UQC	Displays the <b>Unit Quantity Code (UQC)</b> predefined for the unit of measure linked to the stock item selected in the voucher. Displays the UQC as <b>OTHERS-OTH</b> for services.
Total Quantity	Displays the total quantity based on HSN/SAC and UQC.
Total Value	Displays the voucher value based on HSN/SAC and UQC.
Taxable Value	Displays the assessable value based on HSN/SAC and UQC.
Integrated Tax Amount	Displays the integrated tax amount based on HSN/SAC and UQC.

Central Tax Amount	Displays the central tax amount based on HSN/SAC and UQC.
State/UT Tax Amount	Displays the state tax amount based on HSN/SAC and UQC.
Cess Amount	Displays the cess amount based on HSN/SAC and UQC.
<b>docs</b>	Displays the details of the <a href="#">Document Summary</a> report
Nature of Document	Displays the transaction count of voucher type used for each nature of documents recorded during the return period.
Sr. No. From	Displays the first voucher number of the voucher type recorded for each nature of document during the return period.
Sr. No. To	Displays the last voucher number of the voucher type recorded for each nature of document during the return period.
Total Number	Displays the number of vouchers as per each nature of document recorded during the return period.
Cancelled	Displays the number of vouchers cancelled during the return period.

## File GSTR-1 Returns using Tally.ERP9

Time to file GSTR-1? With Tally.ERP 9, file your GSTR-1 in four simple steps. Also, watch our video on this page to learn more.

### Steps for filing GSTR-1

1. [Download and install the GST Offline Tool](#)
2. [Export GSTR-1 data from Tally.ERP 9](#)
3. [Generate the JSON file](#)
4. [File returns on the GST portal](#)

### Prerequisites for filing GSTR-1

- Internet connectivity: This is required for downloading the offline tool and filing returns.
- Microsoft Office: For exporting data to MS Excel, GSTN recommends MS Excel 2007 or later.

**Note:** You can use the GST Offline Tool either on the same computer where Tally.ERP 9 runs, or on a different computer.

## Download and Install the GST Offline Tool

## 1. To download and install the GST Offline Tool

1. Go to the GST portal > **Downloads**.
2. Click **Returns Offline Tool**. A **.zip** file containing the **GST Offline Tool** will be downloaded. This zip file also contains a detailed document on using the offline tool. Some important information about the tool, and the system requirements for using the tool are also available on the download page.



3. Extract the offline tool from the **.zip** file and install it.

If you are using an older version of the **GST Offline Tool**, you have to uninstall it and install the latest version.

To uninstall:

- ◆ On your computer, go to **Control Panel > Programs and Features**.
- ◆ Right click **GST Offline Tool**, and click **Uninstall** and proceed.
- ◆ Similarly, uninstall the **Node.js** application.
- ◆ Delete the installation folder of the older version.
- ◆ Restart your computer. Now you can download and install the latest version of the **GST Offline Tool**.

## 2. Export GSTR-1

You can export your GSTR-1 data either in MS Excel or CSV format. Before exporting GSTR-1, resolve the exceptions in your transactions by going to the Summary of Exceptions (GSTR-1).

**Note:** The requirement to pay tax on advance receipts from customers has been withdrawn for businesses with annual aggregate turnover up to Rs. 1.5 crores. To support this, calculation of tax liability on advance receipts from customer has been disabled by default in Release 6.1.1.

The value from transactions recorded for tax liability on advance receipt from customers will not be included in the GSTR-1 returns by default. Such transactions will be under **Not relevant for returns** in the **GSTR-1** report. The businesses with turnover above Rs. 1.5 crores can enable the same by setting the option **Enable tax liability on advance receipts** to **Yes** in the **Company GST Details** screen.

### To Export GSTR-1

1. Go to **Gateway of Tally > Display > Statutory Reports > GST > GSTR-1**.

2. Select the period for which returns need to be filed.
3. Press **Ctrl+E**.

**Note:** The **Format** is set to **Excel (Spreadsheet)** by default. To change the format, select **CSV (Comma delimited)** on the **Export Report** screen.

4. Specify the **Export Location** and **Output File Name**.
5. Set **Export HSN/SAC details even if UQC is not available?** to **Yes** to export the transactions having stock items not mapped to UQC. Do the required conversion in the MS Excel before importing the file into the offline tool or directly enter it on the portal.
6. Set **Export HSN/SAC details not included for other reasons?** to **Yes** to export the transactions which are not included in **HSN/SAC Summary** for other reasons. Enter this data on the portal.
7. Set **Export document summary?** to **Yes** to generate the worksheet with relevant information of document summary.
8. In **Allow Export of** select **All Vouchers** to generate the MS Excel file with all the transactions. If you have already filed data for a few days in the period, on GSTN portal, select **Only New Vouchers** to export the transactions that are not filed on GSTN portal. Ensure that you use a different MS Excel file name, to avoid overwriting the existing files with the new transactions.
9. Press **Enter** to export.

If you have selected the CSV format, Tally.ERP 9 will create separate CSV files for each table in GSTR-1. These files need to be imported into the offline tool.

**Note:** If the data exported to MS Excel has \$ symbol in place of transaction details, or if the values are not appearing, generate CSV file and import it into the offline tool. If you wish to continue with MS Excel, you have to modify the **Trust Center Settings** in MS Excel, and add the location where Tally.ERP 9 is installed on your computer. [Click here for more information.](#)

For more details on the information captured in each column of the e-return template, [click here](#).

- The GST department has not issued GSTIN/UIN for e-commerce operators. Currently, when data is exported from Tally.ERP 9 to MS Excel or CSV files, the GSTIN/UIN entered in the e-commerce party ledger is captured as **E-Commerce GSTIN** in **b2b**, **b2cl**, and **b2cs** worksheets. After exporting data to MS Excel or CSV files:

1. Delete the GSTIN/UIN captured in the column **E-Commerce GSTIN**.
2. Set the **Type** as **OE** in **b2cs** worksheet.
3. Generate the JSON file.

- The list of Unit Quantity Code provided by the department does not have the representative code for brass, carats, litres, running foot, and so on. To handle this situation:

1. Based on your business requirement, map the unit to the related UQC and export it to MS Excel or CSV files. For example, you can map litres to KLR-KILOLITRE.
2. In the **hsn** worksheet of the template or CSV file, convert the quantity as per the mapped UQC. For example, if litre is mapped to KLR-KILOLITRE, multiply the quantity by 0.001 in the **hsn** worksheet of the template or CSV file to convert litre to kilolitre.
3. Upload the modified MS Excel template or CSV file to the GST Offline tool.
4. Generate the JSON file.

Examples of mapping units to the related UQCs with the conversion factors are given below:

Unit of Measure	Nearest UQC	Conversion of Quantity in Template
Litres	KLR-KILOLITRE	Multiply by 0.001
	MLT-MILILITRE	Multiply by 1000
Carat	KGS-KILOGRAMS	Multiply by 0.0002
	GMS-GRAMMES	Multiply by 0.2
Brass	SQF-SQUARE FEET	Multiply by 100
	CBM-CUBIC METERS	Multiply by 2.835
Running foot	MTR-METERS	Multiply by 0.3048
Cubic inches	MLT-MILILITRE	Multiply by 16.3871
Hanks	YDS-YARDS	For cotton, multiply by 840
		For woolen, multiply by 560
Inches	MTR-METERS	Multiply by 0.0254
	CMS-CENTIMETERS	Multiply by 2.54
Pounds	TON-TONNES	Multiply by 0.000453592
	KGS-KILOGRAMS	Multiply by 0.453592
	GMS-GRAMMES	Multiply by 453.592
Lots	TON-TONNES	Multiply by 0.0000128
	KGS-KILOGRAMS	Multiply by 0.0128
	GMS-GRAMMES	Multiply by 12.8
Milligrams	GMS-GRAMMES	Multiply by 0.001
Decameter square	SQY-SQUARE YARDS	Multiply by 119.599



	SQF-SQUARE FEET	Multiply by 1076.39
Square inches	SQM-SQUARE METERS	Multiply by 0.00064516
	SQY-SQUARE YARDS	Multiply by 0.000771605
	SQF-SQUARE FEET	Multiply by 0.00694444
Tola	GMS-GRAMMES	Multiply by 11.6638125

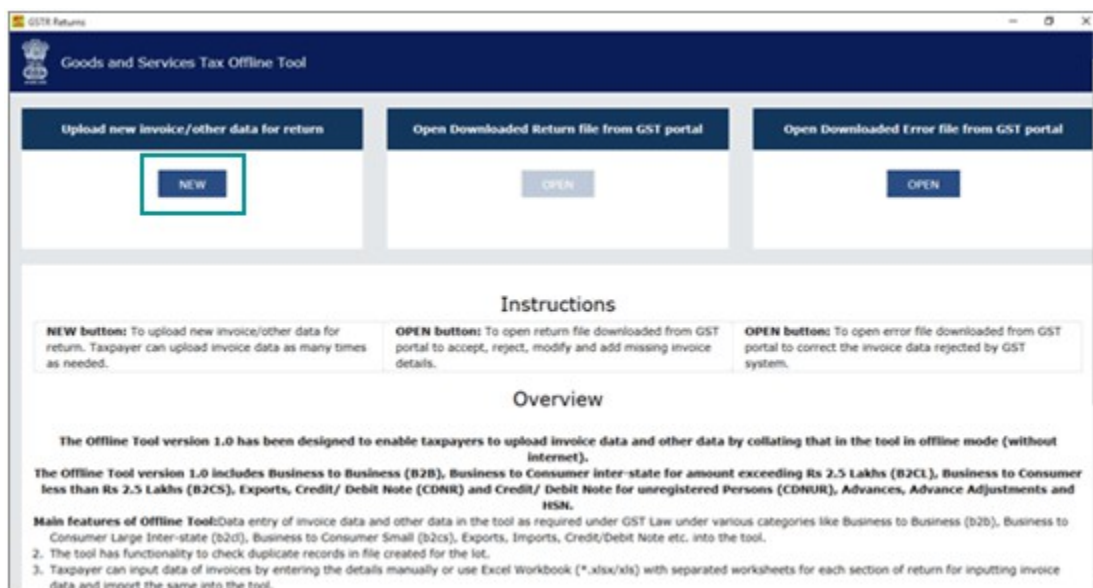
**Note:** The e-Return file has provision to capture the taxable value and tax rate but not the tax amount. Hence, the tax amount is not exported to the e-Return file. Tax value is automatically calculated after upload to the portal based on rate, taxable value and place of supply.

## Generate JSON File

Now you need to import your data (either in MS Excel or CSV format) to the GST Offline Tool, and generate the JSON file.

### 3. To import data and generate the JSON file

1. Open the **GST Offline Tool**.
2. Click **NEW**.

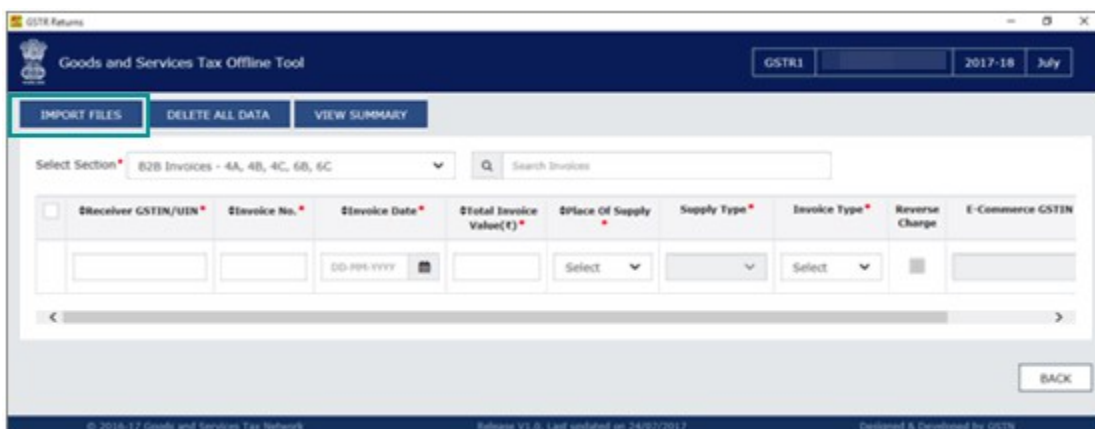


3. Provide the required details, and click **PROCEED**.

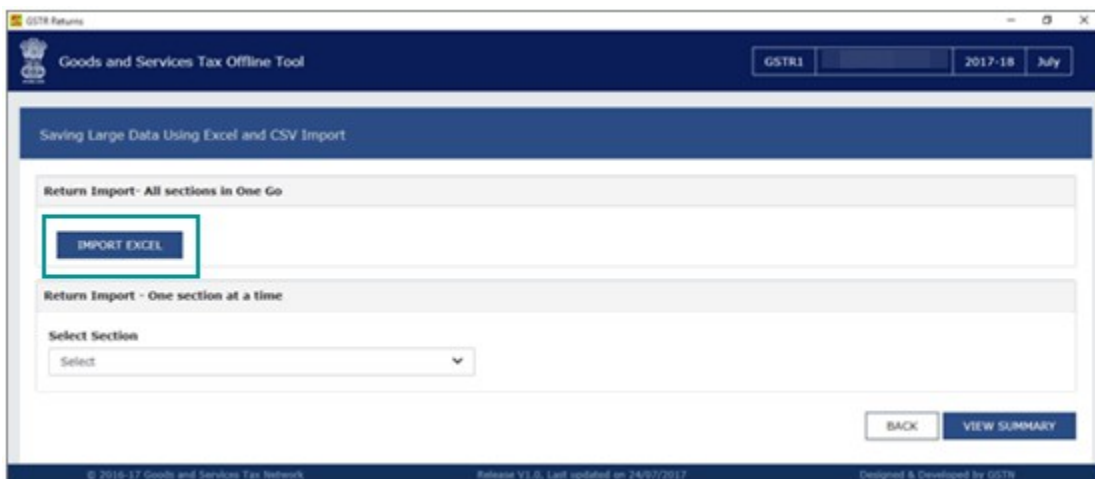




4. Click **IMPORT FILES**.



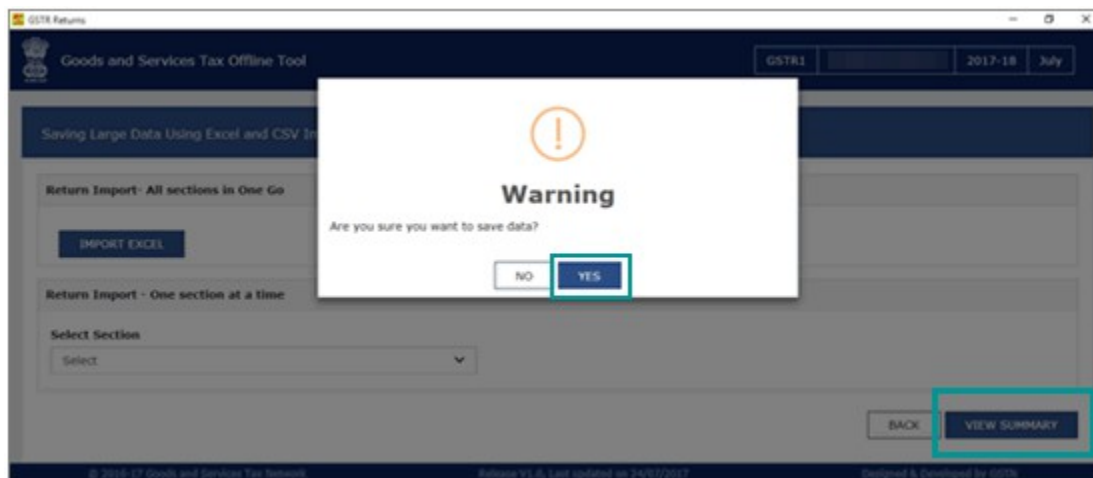
5. Click **IMPORT EXCEL**, and select your file.



**Note:** If the tool shows a warning that some invoices contain invalid input, you can ignore it and proceed. This happens when you do not have transactions in the given sections.

To export the return details in the CSV format, select the name of the table in **Select Section** under **Return Import – One section at a time**, and click **Import CSV**. You have to individually import files for each section.

6. Click **YES** on the warning message, and click **VIEW SUMMARY**.



7. Click **GENERATE FILE**.

Section Name	No. Of Invoices	Total Central Tax Amount(₹)	Total State/UT Tax Amount(₹)	Total Integrated Tax Amount(₹)	Total CESS
B2B Invoices - 4A, 4B, 4C, 6B, 6C	6	63,670.00	63,670.00	63,000.00	375.00
B2C(Large) Invoices - 5A, 5B	1	0.00	0.00	81,000.00	0.00
B2C(Small) Details - 7	2	-3,900.00	-3,900.00	0.00	0.00
Credit/Debit Notes(Registered) - 9B	3	-42,900.00	-42,900.00	0.00	0.00
Credit/Debit Notes(Unregistered) - 9B	1	0.00	0.00	-48,600.00	0.00
Exports Invoices - 6A	1	0.00	0.00	2,02,500.00	0.00
Tax Liability(Advances Received) - 11A(1), 11A(2)	1	900.00	900.00	0.00	0.00
Adjustment of Advances - 11B(1), 11B(2)	1	0.00	0.00	3,600.00	0.00
HSN-wise Summary of Outward Supplies - 12	7	63,820.00	63,820.00	3,46,500.00	0.00

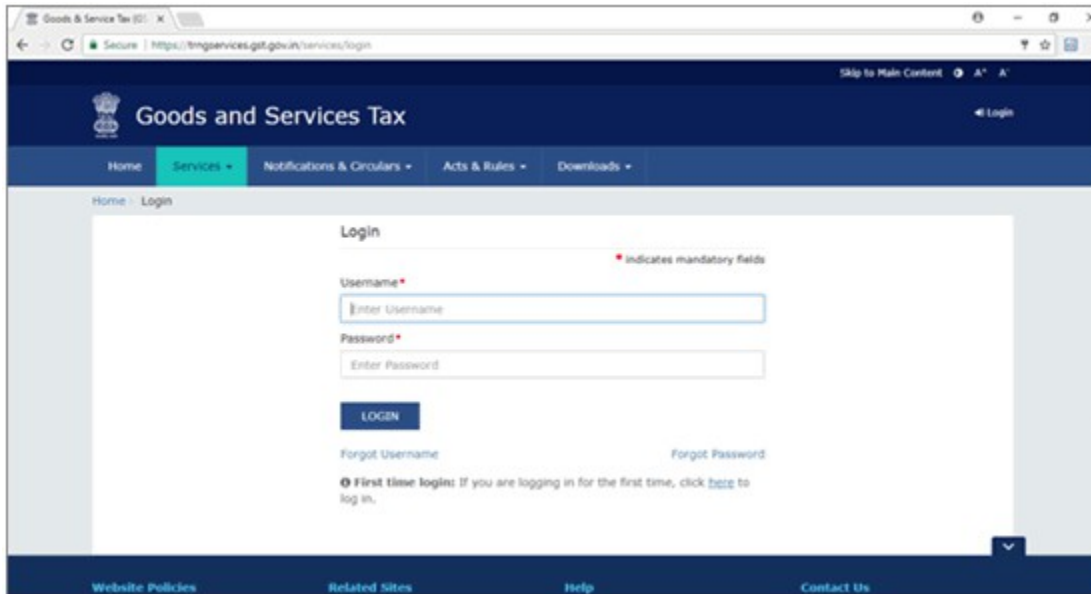
The offline tool generates a JSON file that has to be uploaded on the GST portal.

## File Returns on the GST portal

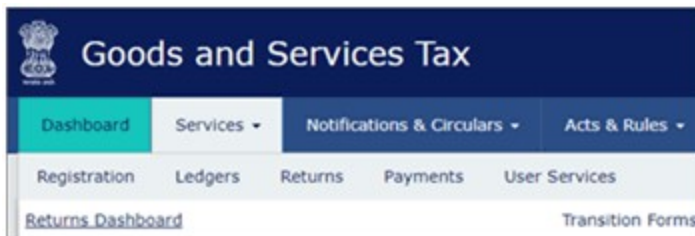
### 4. To file GSTR-1 returns

1. Log in to the GST portal.

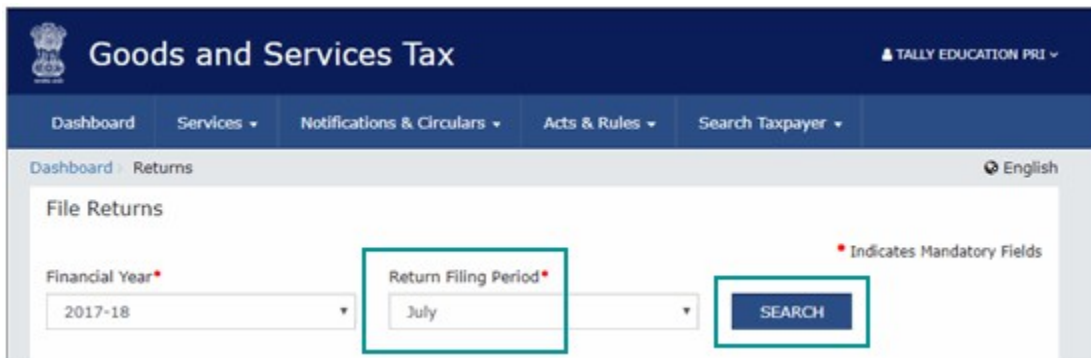




2. Click **Services** > **Returns** > **Returns Dashboard**.

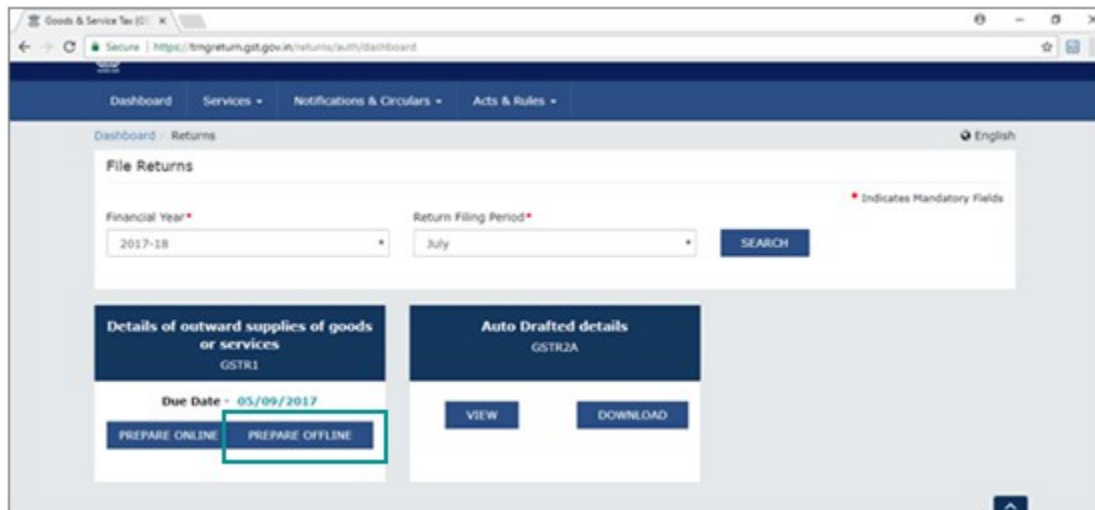


3. Select the **Return Filing Period**, and click **Search**.

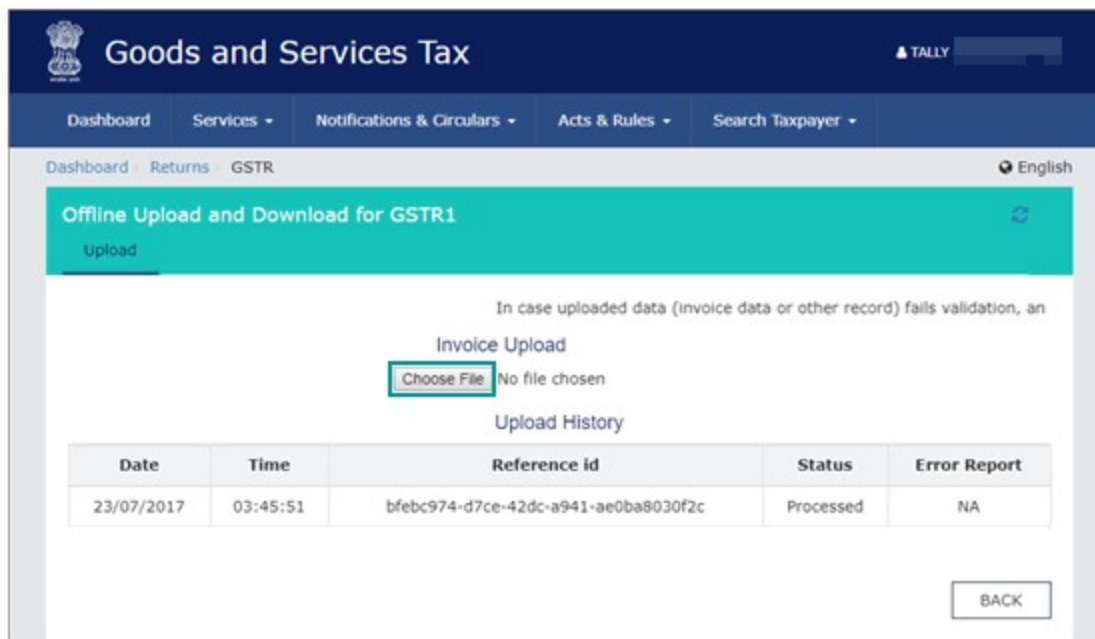


4. Click **PREPARE OFFLINE**.



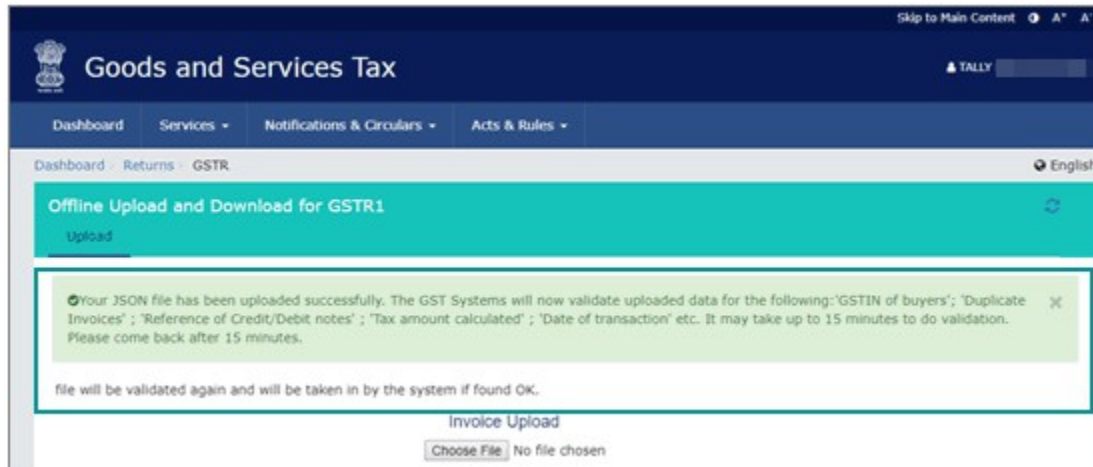


5. Click **Choose File** to import the JSON file.



Once your JSON file is uploaded successfully, you will be notified by a message.

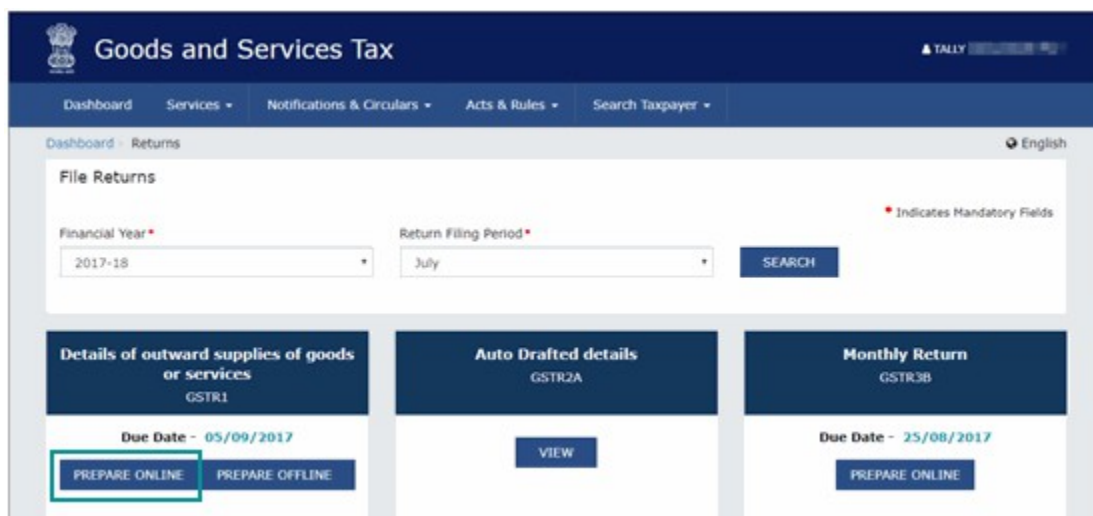




6. Verify the uploaded details after the time specified in the **GSTR** screen.

You have to manually enter the details for **Nil Rated Supplies** and **Documents Issued** by referring to the table-wise format of GSTR-1, because these details do not get directly uploaded to the portal.

7. Go to **Services > Returns > Returns Dashboard**, and click **Prepare Online**.



8. Go to the **8A, 8B, 8C, 8D - Nil Rated Supplies** page, and enter the details.



Description	Nil Rated Supplies (₹)	Exempted (Other than Nil rated/non-GST supply) (₹)	Non-GST Supplies (₹)
Inter-state supplies to registered person	₹0.00	₹0.00	₹0.00
Inter-state supplies to unregistered person	₹0.00	₹0.00	₹0.00
Intra-state supplies to registered person	₹0.00	₹0.00	₹0.00
Intra-state supplies to unregistered person	₹0.00	₹0.00	₹0.00

9. Go to the **13 - Documents Issued** page, and enter the details.

13 - Documents Issued <b>0</b>	
Total Docs	0
Cancelled Docs	0
Net Issued Docs	0

10. Submit your returns and e-sign.

## GSTR 1- Filing, Format and Due Dates

### GSTR1 Introduction

As per the guidelines set by the **GST** Council, a registered taxable person is to follow a standard return filing process, involving 3 forms – outward supplies details in GSTR 1 form by 10th of the following month, corrections (if any) in GSTR 2 form by the 15th and finally the auto-populated GSTR 3 form for final submission and payment, by the 20th.

With the government interested to bring in a smooth transition to GST, the return filing dates are slightly different for the first two months of July and August. While one can file an interim return in **GSTR 3B** for the months of July and August, one will need to ultimately file detailed returns via all 3 forms, as per the following revised return filing last dates -



Revised Return Filing Due Dates			
Month	GSTR-1	GSTR-2	GSTR-3
July, 2017	1st-5th September, 2017	6th-10th September, 2017	11th -15th September, 2017
August, 2017	16th-20th September, 2017	21st-25th September, 2017	26th-30th September, 2017

## What is GSTR-1 Form?

Form GSTR-1 is a statement in which a regular dealer needs to capture all the outward supplies made during the month. Broadly, the GSTR 1 format requires - all the outward supplies made to registered businesses (B2B) to be captured at invoice level, and supplies made to unregistered business or end consumers to be captured at rate-wise level. However, in certain exceptional scenarios, even B2C transactions are required to be captured at invoice level.

## How to file GSTR-1 Form?

Form GSTR-1 contains 13 tables in which the outward supplies details needs to be captured. Based on the nature of business and the nature of supplies effected during the month, only the relevant tables are applicable, not all. The GSTR-1 format is as follows:

- **Table 1, 2 & 3:** Details of GSTIN and aggregate turnover in preceding year.
- **Table 4:** Taxable outward supplies made to registered persons (including UIN-holders) other than Zero rated supplies and Deemed Exports.
- **Table 5:** Taxable outward inter-State supplies to un-registered persons where the invoice value is more than INR 2.5 Lakh.
- **Table 6:** Details of Zero rate supplies and Deemed Exports.
- **Table 7:** Details of Taxable supplies (Net of debit notes and credit notes) to unregistered persons other than the supplies covered in Table 5.
- **Table 8:** Details of Nil rated, exempted and non GST outward supplies.
- **Table 9:** Details of debit notes, credit notes, refund vouchers issued during current period and any amendments to taxable outward supply details furnished in the GSTR1 returns for earlier tax periods in Table 4, 5 & 6.
- **Table 10:** Details of debit note and credit note issued to unregistered person.
- **Table 11:** Details of Advances Received/Advance adjusted in the current tax period or Amendments of information furnished in earlier tax period.
- **Table 12:** HSN-wise summary of outward supplies.
- **Table 13:** Documents issued during the tax period.

Click here to view the tables and understand the **GSTR 1 format**.

## When can one start filing GSTR 1 Form?

As a step towards early preparation and to ease the GSTR1 returns filing, the option for creation and

saving of Form GSTR-1 are available on the GST portal from **24<sup>th</sup> July, 2017**.

## What is GSTR 1A Form?

The corrections (addition, modification and deletion) by the recipient in Form GSTR-2 will be made available to supplier in Form GSTR-1A. The supplier has to accept or reject the adjustments made by the recipient. The Form GSTR-1 will be amended according to the extent of correction accepted by supplier.

## Guide to File GSTR-1

With the filing of GSTR-3B right around the corner on 20th August, 2017, businesses are in full swing gearing up to meet the deadline. Having said in our earlier blog '[How to File Form GSTR-3B](#)', Form GSTR-3B is an interim return which needs to be filed for first 6 months: July to December, 2017 (Revised ). However, this does not mean that the businesses are not required to file GSTR-1, Form GSTR-2 and Form GSTR-3. It means, only the deadline to file GSTR-1, GSTR-2 and GSTR-3 are extended, and the businesses still need to file these return as per revised dates mentioned below:

### Due date to file GSTR-1, GSTR-2 and GSTR-3

Due Dates to file GST Return			
Month	GSTR-1	GSTR-2	GSTR-3
July, 2017	10th October, 2017	31st October, 2017	10th November, 2017

The above dates are only for July 2017 returns. The dates for August and subsequent month's returns will be notified at a later date.

As a step towards early preparation and to ease the GSTR-1 filing, the option for creation and saving of Form GSTR-1 are available on the [GST](#) portal from 24th July, 2017. Subsequently, as recipient of goods or services, the option to view the data uploaded by your suppliers is available in Form GSTR-2A. In this blog, we will be discussing on How to File GSTR-1. From September onwards, the due date to file GSTR-1 is 20th August, 2017.

Before we start discussing on how to file GSTR-1, let us understand what is Form GSTR-1 is all about.

### What is GSTR-1

Form GSTR-1 is a statement in which a regular dealer needs to capture all the outward supplies made during the month. Broadly, all the outward supplies made to registered businesses (B2B) are required to be captured at invoice level, and supplies made to unregistered business or end consumers are required to be captured at rate-wise. However, in certain exceptional scenario, even B2C transactions are required to be captured at invoice level.





**4. Taxable outward supplies made to registered persons (including UIN-holders) other than supplies covered by Table 6**

(Amount in Rs. for all Tables)

GSTIN/ UIN	Invoice details			Rate	Taxable value	Amount				Place of Supply (Name of State/UT)
	No.	Date	Value			Integrated Tax	Central Tax	State / UT Tax	Cess	
1	2	3	4	5	6	7	8	9	10	11
<b>4A. Supplies other than those (i) attracting reverse charge and (ii) supplies made through e-commerce operator</b>										
<b>4B. Supplies attracting tax on reverse charge basis</b>										
<b>4C. Supplies made through e-commerce operator attracting TCS (operator wise, rate wise)</b>										
GSTIN of e-commerce operator										

In the above table, all B2B supplies (outward supplies made to a registered person) both inter-State and intra-State outward supplies should be captured at invoice level rate-wise details. This table has 3 sections: 4A, all the outward supplies except those attracting reverse charge and supplies made through e-commerce operator; supplies attracting reverse charge should be captured rate-wise in 4B, and those effected through e-commerce operator attracting collection of tax at source should be captured operator wise and rate-wise in 4C respectively.

3. Taxable outward inter-state supplies to un-registered persons where the invoice value is more than Rs 2.5 Lakh.

**5. Taxable outward inter-State supplies to un-registered persons where the invoice value is more than Rs 2.5 lakh**

Place of Supply (State/UT)	Invoice details			Rate	Taxable Value	Amount	
	No.	Date	Value			Integrated Tax	Cess
1	2	3	4	5	6	7	8
<b>5A. Outward supplies (other than supplies made through e-commerce operator, rate wise)</b>							
<b>5B. Supplies made through e-commerce operator attracting TCS (operator wise, rate wise)</b>							
GSTIN of e-commerce operator							

In above table, all inter-State B2C supplies (supplies made to unregistered dealer or end consumer), where invoice value is more than Rs. 2,50,000, you need to upload the invoice-wise and rate-wise details. Similar to table 4, you need to capture the supplies effected through e-commerce operator separately in 5B and all other interstate supplies having invoice value more than Rs. 2,50,000 to be captured in 5A. This type of supplies are referred as B2C Large.

4. Details of Zero Rate supplies and Deemed Exports

6. Zero rated supplies and Deemed Exports								
GSTIN of recipient	Invoice details			Shipping bill/ Bill of export		Integrated Tax		
	No.	Date	Value	No.	Date	Rate	Taxable value	Amt.
1	2	3	4	5	6	7	8	9
<b>6A. Exports</b>								
<b>6B. Supplies made to SEZ unit or SEZ Developer</b>								
<b>6C. Deemed exports</b>								

In the above table 6, the information related to exports out of India to be captured in 6A, supplies to SEZ unit or SEZ developer in 6 B, and deemed exports in 6C. The details of these supplies need to be captured at invoice-wise and rate-wise. In declaring these details, the following points needs to be taken care of:

- Shipping bill and its date.** The details of Shipping Bill shall be furnished in 13 digits capturing port code (six digits) followed by unique reference number of shipping bill and its date. If the shipping bill details are not available at the time of filing GSTR-1, the same can be left blank and can be updated as amendment in Table 9 in the next tax period in which the details are available but before claiming any refund/rebate related to the said invoice.
- Any supply made by SEZ to Domestic Tariff Area (DTA), without the cover of a Bill of Entry is required to be reported by SEZ unit in GSTR-1. The supplies made by SEZ on cover of a Bill of Entry shall be reported by DTA unit in its GSTR-2 as Imports in GSTR- 2.
- In case of export transactions, GSTIN of recipient will not be applicable and it needs to be left blank.
- Export transactions effected without payment of IGST (under Bond/Letter of Undertaking (LUT)) needs to be reported as "0" under tax amount heading in Table 6A and 6B.

5. Details of taxable supplies (Net of debit notes and credit notes) to unregistered persons other than the supplies covered in table 5



**7. Taxable supplies (Net of debit notes and credit notes) to unregistered persons other than the supplies covered in Table 5**

Rate of tax	Total Taxable value	Amount			
		Integrated	Central	State Tax/UT Tax	Cess
1	2	3	4	5	6
<b>7A. Intra-State supplies</b>					
<b>7A (1). Consolidated rate wise outward supplies [including supplies made through e-commerce operator attracting TCS]</b>					
<b>7A (2). Out of supplies mentioned at 7A(1), value of supplies made through e-Commerce Operators attracting TCS (operator wise, rate wise)</b>					
<b>GSTIN of e-commerce operator</b>					
<b>7B. Inter-State Supplies where invoice value is upto Rs 2.5 Lakh [Rate wise]</b>					
<b>7B (1). Place of Supply (Name of State)</b>					
<b>7B (2). Out of the supplies mentioned in 7B (1), the supplies made through e-Commerce Operators (operator wise, rate wise)</b>					
<b>GSTIN of e-commerce operator</b>					

In the earlier table, that is, no. 5, the taxable person had declared only the interstate outward supplies made to unregistered person (B2C Large) having invoice value more than Rs. 2.5 Lakh. In the this table, that is, Table 7, you need to capture all other supplies made to unregistered person, that is, all intra-state supplies in 7A and inter-state supplies having invoice value up to Rs. 2.5 Lakh made to unregistered dealer in 7B. In Table 7A(1), you need to capture consolidated rate-wise details of all intrastate outward supplies made to unregistered persons, including the supplies made through e-commerce operator. In 7A (2), you need to show separately the details of supplies made through e-commerce operator attracting collection of tax-at-source out of gross supplies reported in 7A (1).

Similarly, the details of inter-state outward supplies having invoice value up to Rs 2.5 Lakh need to be captured state-wise and rate-wise in 7B (1). In 7B (2), you need to separately show the details of supplies made through e-commerce operator attracting collection of tax-at-source out of gross supplies reported in 7B (1).

Please note, all the above values should be net of **debit note and credit note**. If there are any debit note or credit note pertaining to above mentioned supplies, ensure to adjust such values and declare only the net taxable value and corresponding tax.

6. Details of nil rated, exempted and non GST outward supplies



**8. Nil rated, exempted and non GST outward supplies**

Description	Nil Rated Supplies	Exempted (Other than Nil rated/non-GST supply)	Non-GST supplies
1	2	3	4
8A. Inter-State supplies to registered persons			
8B. Intra- State supplies to registered persons			
8C. Inter-State supplies to unregistered persons			
8D. Intra-State supplies to unregistered persons			

In the above Table 8, you need to capture the nil rated, exempted and Non GST outward supplies made during the period. These details needs to be categorized as intra-State supplies to registered person, and inter-State supplies to unregistered person in 8A to 8D as shown in the above table.

7. Details of debit notes, credit notes, refund vouchers issued during current period and any amendment to GSTR-1 filed for earlier tax periods in Table 4, 5 and 6.

**9. Amendments to taxable outward supply details furnished in returns for earlier tax periods in Table 4, 5 and 6 [including debit notes, credit notes, refund vouchers issued during current period and amendments thereof]**

Details of original document			Revised details of document or details of original Debit/Credit Notes or refund vouchers						Rate	Taxable Value	Amount				Place of supply
GSTIN	Inv. No.	Inv. Date	GSTIN	Invoice		Shipping bill		Value			Integrated Tax	Central Tax	State / UT Tax	Cess	
				No	Date	No.	Date								
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
9A. If the invoice/Shipping bill details furnished earlier were incorrect															
9B. Debit Notes/Credit Notes/Refund voucher [original]															
9C. Debit Notes/Credit Notes/Refund voucher [amendments thereof]															

In the above table, you need to capture the details of debit note, credit note and refund voucher (return of advance received) issued against the supplies already reported in:

- **B2B supplies** reported in Table 4,
- **B2C Large supplies** reported in Table 5,
- Supplies involving **exports/SEZ unit or SEZ developer/deemed exports** reported in Table 6.

These details needs to be capture rate-wise along with the original invoice number against the debit note or credit note issued. In the first three columns, you need to mention the details of original invoice, followed by the rate-wise details of credit note/debit note/refund voucher issued during the return period.

In table 9A, if shipping bill number and date was not declared in your earlier returns due to non-availability, you can furnish such details pertaining to export transactions effected during earlier return as amendments. If the export transactions are related to current month, the shipping details should be entered in Table 6.

In Table 9B, rate-wise details of credit note/debit note/refund voucher issued during the return period need to be captured and in table 9C, the details of amendments made through credit note/debit note/refund voucher against the invoice/advance receipt pertaining to pervious return period. Also, any debit/credit note pertaining to invoices issued before the appointed day must also to be reported in this table.

8. Details of debit note and credit note issued to unregistered person

<b>10. Amendments to taxable outward supplies to unregistered persons furnished in returns for earlier tax periods in Table 7</b>					
Rate of tax	Total Taxable value	Amount			
		Integrated	Central	State/UT Tax	Cess
1	2	3	4	5	6
<b>Tax period for which the details are being revised</b>		<Month>			
<b>10A. Intra-State Supplies [including supplies made through e-commerce operator attracting TCS] [Rate wise]</b>					
10A (1). Out of supplies mentioned at 10A, value of supplies made through e-Commerce Operators attracting TCS (operator wise, rate wise)					
GSTIN of e-commerce operator					
<b>10B. Inter-State Supplies [including supplies made through e-commerce operator attracting TCS] [Rate wise]</b>					
Place of Supply (Name of State)					
10B (1). Out of supplies mentioned at 10B, value of supplies made through e-Commerce Operators attracting TCS (operator wise, rate wise)					
GSTIN of e-commerce operator					

In the above table, you need to capture the consolidated rate-wise details of debit note/credit note issued against the intra-State supplies made to unregistered person and inter-State supplies having invoice value less than Rs. 2.5 Lakhs made to unregistered person in previous return period. This is an amendment to the details declared in Table 7 of earlier return. In Table 10A and 10B, you need to capture the rate-wise details of intra-State supplies and inter-State supplies respectively. Out of the value captured in table 10A and 10B, you need to separately capture the details of supplies made through e-commerce operator in 10A (1) for intra-State and 10B (1) for inter-State supplies.

9. Details of Advances Received/Advance adjusted in the current tax period or Amendment to GSTR-1 furnished in earlier tax period

<b>11. Consolidated Statement of Advances Received/Advance adjusted in the current tax period/ Amendments of information furnished in earlier tax period</b>											
Rate	Gross Advance Received/adjusted	Place of supply	Amount								
			Integrated	Central	State/UT	Cess					
1	2	3	4	5	6	7					
<b>I Information for the current tax period</b>											
11A. Advance amount received in the tax period for which invoice has not been issued (tax amount to be added to output tax liability)											
11A (1). Intra-State supplies (Rate Wise)											
11A (2). Inter-State Supplies (Rate Wise)											
11B. Advance amount received in earlier tax period and adjusted against the supplies being shown in this tax period in Table Nos. 4, 5, 6 and 7											
11B (1). Intra-State Supplies (Rate Wise)											
11B (2). Inter-State Supplies (Rate Wise)											
<b>II Amendment of information furnished in Table No. 11[1] in GSTR-1 statement for earlier tax periods [Furnish revised information]</b>											
Month							Amendment relating to information furnished in S. No.(select)	11A(1)	11A(2)	11B(1)	11B(2)

In the above table 11, you need to provide consolidated state-wise and rate-wise details related to advances received in the current period, and also the details of advances received in earlier period but adjusted in the current period. In Table 11A, capture the details of advance received for which the invoice has not been issued. These details are need to be categorised into intra-State supplies in table 11A (1) and inter-State supplies in table 11A (2).

You also need to include information in table 11B related to adjustment of tax paid on advance received and reported in earlier tax periods against invoices issued in the current tax period. Similar to 11A, these details are also required to be categorised into intra-State supplies in Table 11B (1) and inter-State supplies in table 11B (2).

If there are any changes pertaining to details declared in table 11A to 11B in earlier return, it can be amended by furnishing the changes in Part II of Table 11.

Please note, the details relating to advances received to be submitted only if the invoice has not been issued in the same tax period in which the advance was received. If the advance and invoice is issued in the same month, the details need not be captured in table 11.

10. HSN-wise summary of outward supplies

<b>12. HSN-wise summary of outward supplies</b>										
Sr. No.	HSN	Description (Optional if HSN is provided)	UQC	Total Quantity	Total value	Total Taxable Value	Amount			
							Integrated Tax	Central Tax	State/UT Tax	Cess
1	2	3	4	5	6	7	8	9	10	11

In the above table, that is, Table 12, summary of supplies effected against a particular HSN code

must be reported. It will be optional for taxpayers having annual turnover up to Rs. 1.50 Crore. However, description of goods is mandatory.

It is mandatory to report HSN code at two-digit level for taxpayers having annual turnover in the preceding year above Rs. 1.5 Cr. but up to Rs. 5 Cr., and at four-digit level for taxpayers having annual turnover above Rs. 5 Cr.

The fourth column **UQC** refers to unit quantity code and only the prescribed unit of measure (UOM) will be accepted by the portal. Therefore, irrespective of the UOM maintained by the tax payer, the quantity details need to be furnished using the prescribed UQC listed below:

<b>List of UQC</b>			
BAG-BAGS	CTN-CARTONS	MTS-METRIC TON	TGM-TEN GROSS
BAL-BALE	DOZ-DOZENS	NOS-NUMBERS	THD-THOUSANDS
BDL-BUNDLES	DRM-DRUMS	PAC-PACKS	TON-TONNES
BKL-BUCKLES	GGK-GREAT GROSS	PCS-PIECES	TUB-TUBES
BOU-BILLION OF UNITS	GMS-GRAMMES	PRS-PAIRS	UGS-US GALLONS
BOX-BOX	GRS-GROSS	QTL-QUINTAL	UNT-UNITS
BTL-BOTTLES	GYD-GROSS YARDS	ROL-ROLLS	YDS-YARDS
BUN-BUNCHES	KGS-KILOGRAMS	SET-SETS	OTH-OTHERS
CAN-CANS	KLR-KILOLITRE	SQF-SQUARE FEET	
CBM-CUBIC METERS	KME-KILOMETRE	SQM-SQUARE METERS	
CCM-CUBIC CENTIMETERS	MLT-MILILITRE	SQY-SQUARE YARDS	
CMS-CENTIMETERS	MTR-METERS	TBS-TABLETS	

11. Documents issued during the tax period





**13. Documents issued during the tax period**

Sr. No.	Nature of document	Sr. No.		Total number	Cancelled	Net issued
		From	To			
1	2	3	4	5	6	7
1	Invoices for outward supply					
2	Invoices for inward supply from unregistered person					
3	Revised Invoice					
4	Debit Note					
5	Credit Note					
6	Receipt voucher					
7	Payment Voucher					
8	Refund voucher					
9	Delivery Challan for job work					
10	Delivery Challan for supply on approval					
11	Delivery Challan in case of liquid gas					
12	Delivery Challan in cases other than by way of supply (excluding at S no. 9 to 11)					

In the above table, you need to capture the details of documents issued during the return, along with the starting and ending number of the document, cancelled document and net issued.

