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(ADVANCED ACCOUNTANCY)
SEMESTER - I
REVISED SYLLABUS AS PER NEP 2020

ADVANCED TRENDS
IN ACCOUNTING - I

Prof. Ravindra Kulkarni
Vice Chancellor
University of Mumbai, Mumbai

Prin. (Dr.) Ajay Bhamare
Pro Vice-Chancellor,
University of Mumbai

Professor Shivaji Sargar
Director,
CDOE, University of Mumbai

Programme Co-ordinator : **Dr. Rajashri Pandit, Ph.D.**
Assistant Professor (Economics)
CDOE, University of Mumbai,
Vidyanagari, Santacruz (E), Mumbai.

Course Co-ordinator : **Mr. Vinayak Vijay Joshi,**
Course Editor Assistant Professor (Accountancy),
Department of Commerce,
CDOE, University of Mumbai,
Vidyanagari, Santacruz (E), Mumbai.

Course Writers : **Mr. Rajesh Mane**
V G Vaze College,
Mulund (E), Mumbai - 400081

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M.COM
(Advanced Accountancy)
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SYLLABUS

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Programme Name: M.Com (Advanced Accountancy)
Course Name : Advanced Trends in Accounting - I

TotalCredits:02

Universityassessment:25

TotalMarks:50

Collegeassessment:25

Prerequisite:

MODULE I: (2CREDITS)

Unit1: User Interface and Company Management

- A) Introduction to Tally Software: Tally ERP9, Account Types, Accounting Rules, Accounting Principles, Double Entry System**
- B) Gateway of Tally and User Interface: How to functionalise Tally ERP 9 and Company related to F 11 : Features , F 12 : Configurations and Setting up Accounts and Creating, Altering and Deleting a Company : Create or Set Up a company in Tally . and Security Control**

Unit2: Masters- Ledgers

- A) Understanding Default Vouchers : Accounting Vouchers , Classification of Vouchers, Supporting Documents, Purchase Order Processing: Meaning , Procedure ,Recording of Purchase Order and Purchase Invoice, Sales Order Processing : Meaning , Procedure ,Recording of Sales Order and Sales Invoice**
- B) Debit Note and Credit Note : Meaning , Accounting and Purpose, Bank Reconciliation Statement : Cash Book , Bank Book, Accounting and Purpose**

References:

- **Official Guide To Financial Accounting Using TALLY.ERP 9 3rd Revised And Updated Edition Book, Tally Education Pvt Ltd**
- **Implementing Tally ERP 9 Book, Asok k Nadhani**
- **Tally Erp 9 Power Of Simplicity Book, Shraddha Singh Navneet Mehra**
- **Comdex Tally 9 Course Kit Book, Namrata Agrawal**
- **Basic Computer Programmes for Business – Sternberg C – New Jersey Hayden**
- **Fundamentals of Computers – Rajaram V – Prentice Hall**
- **Computer today (3rd edition) – Sanders, Donald H – McGraw Hill**
- **Computers and Common sense – Hunt, Roger and Shelly John – Prentice Hall**
- **Computers – Subramaniam N – Wheeler**
- **Introduction to Computers – Xavier C. – New Age**
- **Computer in Business – Sanders D – McGraw Hill**
- **Computers and Information Management – S C Bhatnagar & V Ramant – Prentice Hall**
- **Internet for Business – Brummer, Lavrej – Cambridge**
- **E-mail for Everyone – Leon Alexis & Leon – Methews**

USER INTERFACE AND COMPANY MANAGEMENT

Unit Structure:

- 1.0 Learning Objectives
- 1.1 Introduction to Tally Software
- 1.2 Company Features in Tally
- 1.3 Configuration
- 1.4 Exercise

1.0 LEARNING OBJECTIVES

After learning this unit, learner will be able to

- Understand the Tally ERP. 9 Software
- Understand Uses of Tally software and versions of tally Software
- Set company features in tally as per the needs
- Configure Tally as per the accounting needs

1.1 INTRODUCTION TO TALLY SOFTWARE

Tally is developed by Tally Solutions Pvt. Ltd. It is an accounting software which is used for various financial applications. It has user- friendly interface and comprehensive features due to which it is popular among small and medium-sized businesses. Some Fundamental aspects of Tally are Book Keeping, Inventory Management, Tax Compliance, Payroll Management, Multi-Currency Support, Data Security and Backup, Integration and customization.

1.1.1 Tally Versions:

1. Tally 4.5 – 1990 – Based on MS-Dos.
2. Tally 5.4 – 1996 – Graphic Interface Version
3. Tally 6.3 – 2001 – Based on Windows, includes VAT (Value Added Tax) and printing feature.
4. Tally 7.2 – 2005 – Statutory Complimentary Version and included VAT rules as per state wise.
5. Tally 8.1 – 2006 – New Feature of Point of Sale (POS) and Payroll.
6. Tally 9.0 – 2006 – TDS, FBT, Payroll, E-TDS Filling.
7. Tally ERP 9 -2009- GST

1.1.2 Tally ERP 9

The ERP in Tally ERP 9 stands for Enterprise Resource Planning. It is one of the most popular business management software for Small & Medium enterprise in India.

It includes Accounting, Finance, Costing, Inventory, Purchase, Point of Sales, Sales, Payroll, Branch Management, Excise, TDS, TCS, GST, Generating Reports, etc.

Tally ERP 9 follows accounting rules, Principles and Double entry System. It classifies transaction into accounts types like assets, liabilities, equity, revenue and expenses.

It complies with Generally Accepted Accounting Principles (GAAP) and follows regulatory standards. Double entry system is followed in Tally ERP 9 i.e. every transaction affects at least two accounts – a debit entry and a credit entry. The software adheres to the fundamental accounting equation: assets equal liabilities plus equity. Tally efficiently generates corresponding entries for each transaction, safeguarding the accuracy of financial records.

1.1.3 Uses of Tally ERP 9

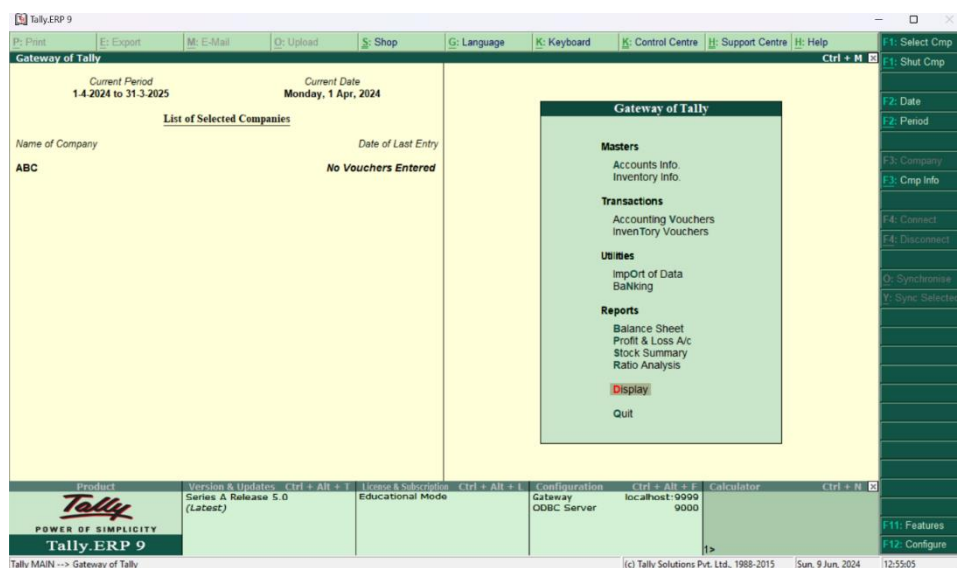
- 1) **Accounts** - It generates Financial Statements & offers comprehensive features like book keeping, bill- wise/ date wise details, cost allocation, payables & receivable, bank reconciliations.
- 2) **Taxation** – It Includes modules of GST (Goods & Service Tax), Tax Deducted at Source (TDS), Tax Collected at Source (TCS), Value Added Tax (VAT), Central Sales Tax (CST), Excise & Service tax
- 3) **Banking** – It provides features of e-payment processing and reporting, Cost Centre management, reconciliation, payment advice generation & cheque management.
- 4) **Sales management** – It provides accurate sales related information like sales order, stock groups, stock query, price, discounts, credit note, etc.
- 5) **Purchase management** – It provides accurate purchase related information like purchase order, item details, Cost, expenses, debit note, etc.
- 6) **Payroll management** – this feature in tally is used to get details of salary & payslip, employee profile, payroll reports, PF/ ESI Calculation.
- 7) **Manufacturing & job work** – It provides information related to raw material, finished goods, WIP products, multi-bill of material, Warehouse, Godown, Manufacturing Journal.
- 8) **Inventory** – It includes batch processing, measuring units, Inventory Classification, Bill of materials.

- 9) **Internet** – It provides E-mails and knowledge base Support.
- 10) **Data exchange & security** – Tally provides data synchronization, Multiple format report, xml compatibility, Secure storage & transmission, etc.

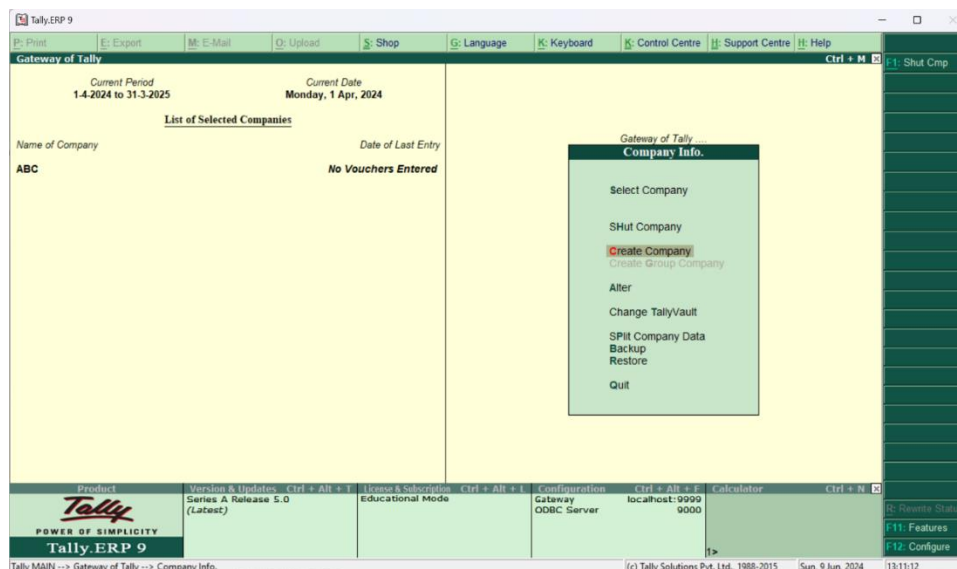
1.1.4 Gateway to Tally & User interface

Creating a company in Tally ERP 9 is the first essential step towards effectively managing your business transaction. Following Steps to help you get started with Tally-

1. Access to Tally: Open software on your Machine (Computer)
2. Gateway of Tally: Upon launching Tally ERP 9, you will see the main screen of Tally, which can be called as the Gateway of Tally.



3. Company Setup: Navigate to Company Info menu by pressing F3 or by clicking on Company Info from Gateway of Tally Screen.



4. New Company: Choose Create Company option within the Company Info. This will open a form where you can put the company's details.

5. Enter Company Information: Provide with essential details such as company name, mailing details, contact details, books & financial year details, Security control, Base Currency Information and other relevant information accurately. Save the Company details by pressing Ctrl + A or selecting the Accept Option.

After you create company, the name of company will appear under list of companies in Gateway of Tally Screen in bold.

You can create many companies under Tally and manage the business transaction entries under each of the companies separately.

If you want to provide summarized reports to the Auditor for auditing purpose, you can use the Group Company Feature in Company Info.

Gateway of Tally > Alt+F3 or Click on Company Info > Create Group Company > Provide necessary information – name, address, contact details, members (select companies which you want to group) & accept.

1.2 COMPANY FEATURES IN TALLY

When you create a company in Tally, the default setting caters to fundamental business transaction recording. However, you can change these setting to match the business specific needs through Business Features in Tally.

To go through feature press F11. On this page you will get following options

- ❖ Accounting Features
- ❖ Inventory Features
- ❖ Statutory & Taxation
- ❖ TSS Features
- ❖ Audit Features
- ❖ Add-Ons



1.2.1 Select Accounting Features and press enter (F11 > F1 - Accounts)

In this page the following details you can get

Company: <u>ABC</u>			
<u>Accounting Features</u>			
General			
Maintain accounts only	? No	Invoicing	Allow invoicing ? Yes
Integrate accounts and inventory	? No		Record purchases in invoice format ? Yes
Income & Expense A/c instead of Profit & Loss A/c	? No		Use debit/credit notes ? No
Allow multi-currency	? No		Use invoice mode for credit notes ? No
			Use invoice mode for debit notes ? No
Outstandings Management			
Maintain bill-wise details	? Yes	Budgets and Scenario Management	Maintain budgets and controls ? No
(for non-trading A/cs also)	? No		Use reversing journals and optional vouchers ? No
Activate interest calculation	? No	Banking Features	Enable cheque printing ? Yes
(use advanced parameters)	? No		(Use banking configuration in bank ledger master for cheque printing configuration)
Cost/Profit Centres Management			
Maintain payroll	? No		Alter banking features ? No
Maintain cost centres	? No		Set/alter post-dated transaction features ? No
Use cost centre for job costing	? No	Other Features	Allow zero valued entries ? No
More than ONE Payroll / Cost Category	? No		Maintain multiple mailing details for company & ledgers ? No
Use pre-defined cost centre allocations in transactions	? No		Set/alter company mailing details ? No
Show opening balance for revenue items in reports	? No		Enable company logo ? No
F1: Accounts F2: Inventory F3: Statutory F6: Add-Ons			

- ❖ General
- ❖ Outstandings Management
- ❖ Cost/ Profit Centres Management
- ❖ Invoicing
- ❖ Budgets and Scenario Management
- ❖ Banking Features
- ❖ Other Features

1.2.1a General

- **Maintain accounts only** – if you do not want to maintain inventory then type yes against maintain accounts only. To use inventory features then set the option Maintain accounts only to No.
- **Integrate accounts and inventory** – if you set this to Yes then stock and inventory can be maintained along with accounts.

If set as Yes then

P: Print		E: Export		M: E-Mail		O: Upload		S: Shop		G: Language		K: Keyboard		K: Control Centre		H: Support Centre		H: Help			
Profit & Loss A/c										ABC										Ctrl + M	
Particulars										ABC										ABC	
For 1-Apr-2024										For 1-Apr-2024										Fer 1-Apr-2024	
Opening Stock										Closing Stock										250.00	
Purchase Accounts										250.00											
Gross Profit c/o																					
										250.00										250.00	
Nett Profit										Gross Profit b/f											

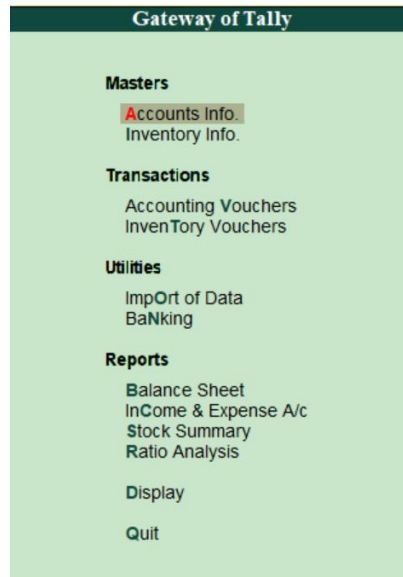
If set as No then

P: Print		E: Export		M: E-Mail		O: Upload		S: Shop		G: Language		K: Keyboard		K: Control Centre		H: Support Centre		H: Help					
Profit & Loss A/c										ABC										Ctrl + M		X	
Particulars										ABC													
For 1-Apr-2024										For 1-Apr-2024													
Purchase Accounts										250.00										Gross Loss c/o		250.00	
										250.00												250.00	
Gross Loss b/f										250.00										Nett Loss		250.00	

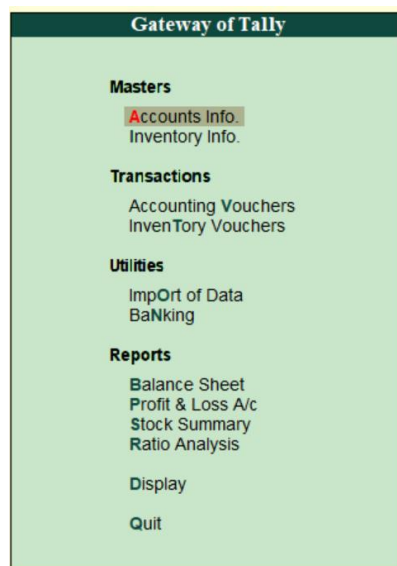
Note: If Integrate accounts and inventory is set as Yes in Accounting Features then it will change to Yes in Inventory Features

- **Income & Expense A/c instead of Profit & Loss A/c**

If set as Yes then Income & Expense A/c is display in Gateway of Tally



If set as No then Profit & Loss A/c is display in Gateway of Tally



- **Allow multi-currency**

When your transaction is in other currency other than the base or currency set for your company.

1.2.1b Outstandings Management

- **Maintain bill-wise details**

If this option is used to maintain balances bill by bill created under sundry debtors and sundry creditors. Bill-wise option gets started when you pass details of sales and purchases.

- **Activate interest calculation**

This option if opted enables to calculate interest automatically based on interest rates specified from time to time.

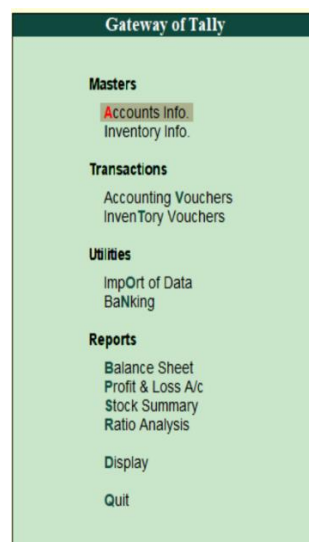
1.2.1c Cost/ Profit Centres Management

- **Maintain payroll**

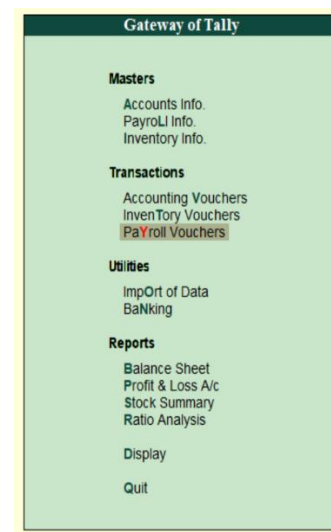
This feature helps to maintain employee payment record under payroll system.

F11 > Accounting Features > Maintain payroll – Yes > Accept

When you enable payroll in Tally your Gateway of Tally will show the changes which is shown in the following figures.

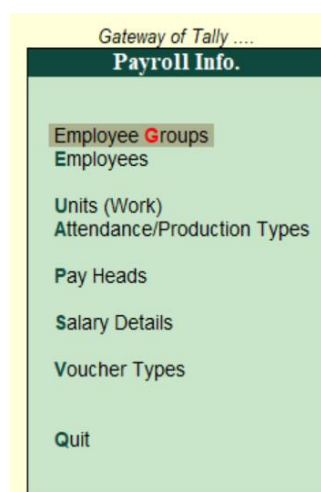


Payroll – No



Payroll – Yes

Now under Payroll Info you will get the following options



First you need to create the Pay Heads (Salary component to be created under Pay Heads i.e. Salary, DA, Medical expenses, allowances, etc.)

After Pay Heads you need to create Employee Groups i.e. Departments – Admin, Sales, Production, Accounts & Finance, Marketing, HR, etc.

Then you can enter the name and other details of employees under Employees.

A detailed salary structure can be entered under payroll information

Once the above process is done now a salary payment entry can be passed through Payroll Voucher as shown in the following figure

User Interface and
Company Management

Particulars	Amount
A	
Salary	10,000.00 Dr
Dearness Allowance	1,000.00 Dr
House Rent Allowance	1,500.00 Dr
B	
Salary	9,000.00 Dr
Dearness Allowance	1,500.00 Dr
House Rent Allowance	2,000.00 Dr
C	
Salary	5,000.00 Dr
Dearness Allowance	1,000.00 Dr
House Rent Allowance	1,000.00 Dr
D	
Salary	10,000.00 Dr
Dearness Allowance	1,000.00 Dr
House Rent Allowance	1,500.00 Dr
Total	44,500.00 Cr

You can also pass autofill entry by following the steps

Gateway of Tally > Payroll Vouchers > Press Alt + A > fill the details and accepts

You will get the following screen.

- Maintain cost centres & cost category

Gateway of Tally > press F11 > Accounting Features > Cost/ Profit Centres Management > Maintain cost centres – Yes & Cost Category – Yes

Gateway of Tally Accounts Info. Groups Ledgers Voucher Types Statutory Info. Quit Cost Centres – No	Gateway of Tally Accounts Info. Groups Ledgers Cost Centres Voucher Types Statutory Info. Quit Cost Centres - Yes	Gateway of Tally Accounts Info. Groups Ledgers Cost Categories Cost Centres Voucher Types Statutory Info. Quit Cost Centres & Cost Categories - Yes
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Example: Company has given salaries to the employees.

In this employee will be Centres and Salary is an expense, so expense will be cost category.

To create cost category, go to

Gateway of Tally > Accounting Info > Cost Categories > Insert Salary under Name and accept

Tally.ERP 9

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

Cost Category Creation

Name : **Salary**

(alias) :

Allocate Revenue Items ? **Yes**

Allocate Non-revenue items ? **No**

Cost category of Salary is created.

To create Cost Centres, go to

Gateway of Tally > Accounting Info > Cost Centres > Category – Salary > Name – Enter name of employee (Aman, Rakesh, Siddhi) and accept

Tally.ERP 9

P: Print E: Export M: E-Mail

Cost Centre Creation

Category : **Salary**

Name : **Siddhi**

(alias) :

Under : **Primary**

As we have created cost centre and category now, we can pass the salary payment entry.

To pass the entry, go to

Gateway of Tally > Accounting Vouchers > Under payment – Account – Cash / Bank > If salary ledger is created then select salary **OR** to create salary ledger press Alt + C > Name – Salary, Under – Indirect Expenses, Cost centres are applicable? – Yes.

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 Ctrl + M

Accounting Voucher Creation

Payment No. 1 1-Apr-2024 Monday

Account : **Cash**
Cur Bal: 1,00,000.00 Cr

Particulars Amount

Salary Account 1,00,000.00
Cur Bal: 1,00,000.00 Dr

Narration: 1,00,000.00

Once details are entered in Payment Voucher press enter Cost allocation will open. Enter cost category as salary > Name of cost centre as name of employees with respective salary amount as show in the following figure.

Tally.ERP 9

P: Print E: Export M: E-Mail

Cost Centre Allocations

Payment No. 1

Account : **Cash**
Cur Bal: 1,00,000.00 Cr

Cost Allocations for : **Salary Account**
Upto: ₹ 1,00,000.00 Dr

Cost Category	Name of Cost Centre	Amount
Salary	Aman	25,000.00
	Rakesh	35,000.00
	Siddhi	40,000.00
		1,00,000.00

Press Enter

Accounting Voucher Creation		Cost Centre & Category	Ctrl + M
Payment No. 1			1-Apr-2024 Monday
Account : Cash			
Cur Bal: 1,00,000.00 Cr			
Particulars		Amount	
Salary Account		1,00,000.00	
Cur Bal: 1,00,000.00 Dr			
Salary			
Aman	25,000.00 Dr		
Rakesh	35,000.00 Dr		
Siddhi	40,000.00 Dr		
Narration:			
			1,00,000.00

Accept the entry. (As there is no cash balance before the entry the cash balance will be negative after entry)

To view the cost category summary, go to –

Gateway of Tally > Display > Statement of Accounts > Cost Centres > Category Summary

Cost Category Summary				Cost Centre & Category	Ctrl + M
Particulars	Transactions		Closing Balance	Cost Centre & Category For 1-Apr-2024	
	Debit	Credit			
Salary	1,00,000.00		1,00,000.00 Dr		
Aman	25,000.00		25,000.00 Dr		
Rakesh	35,000.00		35,000.00 Dr		
Siddhi	40,000.00		40,000.00 Dr		

1.2.1d Invoicing

This allows sales and purchase voucher in the invoice format.

To enable go to –

F11 > Accounting Features > Invoicing – Allow invoicing – Yes

Company: **Cost Centre & Category**

Accounting Features

General		Invoicing	
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	? No
Allow multi-currency	? No	Use invoice mode for credit notes	? No
		Use invoice mode for debit notes	? No
Outstandings Management		Budgets and Scenario Management	
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		
Cost/Profit Centres Management		Banking Features	
Maintain payroll	? No	Enable cheque printing	? Yes
Maintain cost centres	? Yes	(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	? Yes	Set/alter post-dated transaction features	? No
Use pre-defined cost centre allocations in transactions	? No		
Show opening balance for revenue items in reports	? Yes		
		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

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

Enable the invoicing option and accept. This will change the purchase voucher to invoice format as shown in the following figures.

If allow invoicing option – No

Accounting Voucher creation Cost Centre & Category CUF + M

Purchase No. 1 1-Apr-2024
Supplier Invoice No. : Date : Monday

Particulars	Debit	Credit
Cr		

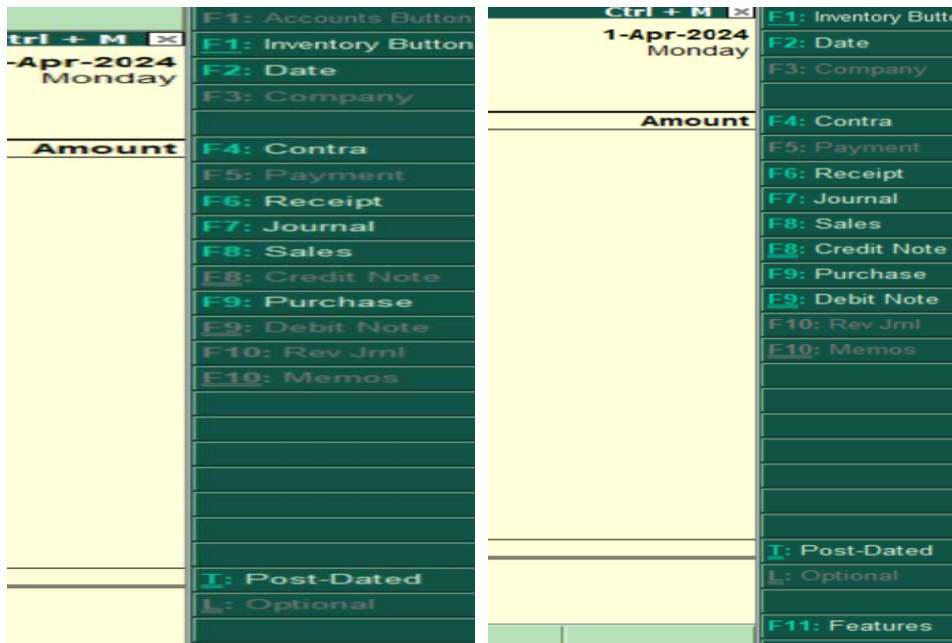
Narration: _____

If anyone wants to pass the Debit note (Purchase Return) and Credit note (Sales Return) entry one has to enable the option of Use debit/ credit notes by –

<u>Company: Cost Centre & Category</u>			
<u>Accounting Features</u>			
<u>General</u>			
Maintain accounts only	? No	Allow invoicing	? No
Integrate accounts and inventory	? Yes	Record purchases in invoice format	? No
Income & Expense A/c instead of Profit & Loss A/c	? No	Use debit/credit notes	? Yes
Allow multi-currency	? No	Use invoice mode for credit notes	? No
		Use invoice mode for debit notes	? No
<u>Outstandings Management</u>			
Maintain bill-wise details	? Yes	<u>Budgets and Scenario Management</u>	
(for non-trading A/cs also)	? No	Maintain budgets and controls	? No
Activate interest calculation	? No	Use reversing journals and optional vouchers	? No
(use advanced parameters)	? No		
<u>Cost/Profit Centres Management</u>			
Maintain payroll	? No	<u>Banking Features</u>	
Maintain cost centres	? Yes	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	? Yes	Alter banking features	? No
Use pre-defined cost centre allocations in transactions	? No	Set/alter post-dated transaction features	? No
Show opening balance for revenue items in reports	? Yes	<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

Once you enable Use debit/credit notes then your accounting voucher will change as shown in the figure below which enables the debit note and credit note button



Use invoice mode for credit notes – Yes

Use invoice mode for debit notes – Yes

This will change the debit / credit note voucher in invoice format.

1.2.1e Budgets and Scenario Management

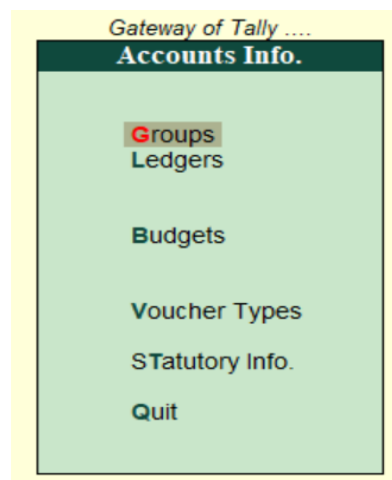
- **Maintain budgets and control**

To enable this feature, got to

F11 > Accounting Features > Budgets and Scenario Management > Maintain budgets and control – Yes

Now go to Gateway of Tally > Accounts Info > Budget

Accounts Info screen will change as shown in figure below enable the Budgets button



To create budget for your organization, go to

Gateway of Tally > Accounts Info > Budgets > Create

Example create budget for indirect expenses

Got to Budgets > Create > enter Name : Expenses > Under : Primary > Period of Budget (Set the Period for which you wants to create the budget) Ex: 1month – May > Set Budget of Group – Yes > Account Name – Indirect Expenses > Type of Budget – On Net Transactions > Amount – Type the amount (Ex: 100000).

Now

Set Budget of Ledgers – Yes > Account Name – Ex: Salary, Rent > Type of Budget – On Net Transactions > Amount – Type the amount (Ex: 65000, 35000) > Accept

A budget of salary of Rs. 65000 and Rent of Rs. 35000 for the month of May 2024 is created.

Now let's suppose your actual expenses for May 2024 is Salary is Rs. 50000 and Rent is Rs. 20000 and you have passed the entry in payment voucher for these.

To view the Budget variance, go to –

Gateway of Tally > Display > Trial balance > Select Indirect Expenses and press enter > You will see the rent and salary expenses on screen > Press Alt + B or press Budget Variance button on right side of screen > Select expenses > Press F2 to change the date from 1-5-24 to 31-5-24 > enter you will get the following Budget variance screen

Tally ERP 9

P: PrintE: ExportM: E-MailO: UploadS: ShopG: LanguageK: KeyboardK: Control CentreH: Support CentreH: Help

Group SummaryABC

Ctrl + M

Particulars	Indirect Expenses ABC 1-May-2024 to 31-May-2024 Expenses		Indirect Expenses ABC 1-May-2024 to 31-May-2024 Actuals		Indirect Expenses ABC 1-May-2024 to 31-May-2024 Expenses Variance	
	Closing Balance		Closing Balance		Closing Balance	
	Debit	Credit	Debit	Credit	Debit	Credit
	Rent	35,000.00		20,000.00	57.14%	15,000.00
Salary	65,000.00		50,000.00	76.92%	15,000.00	23.07%
Grand Total	1,00,000.00		70,000.00	70.00%	30,000.00	

Q: QuitR: Remove LineU: Restore LineU: Restore AllSpace: Select

F1: DetailedF2: PeriodF3: CompanyF4: GroupF5: Led-wiseF6: MonthlyF7: VouchersF8: Related RepF9: Inv RepF10: Acc RepF11: FeaturesF12: ConfigureF13: RangeF14: Values

You can see columns of Budget, Actual Expenses and Expenses variance as seen in above figure.

- **Use reversing journals and optional vouchers**

This option in Accounting Features used to enable the Scenario option in Accounts Info menu and allows to create and alter scenarios.

F11 > Accounting Features > Budgets and Scenario Management > Use reversing journals and optional vouchers – Yes.

Now go to,

Gateway of Tally > Accounts Info > Scenarios (**only if Budget and Scenario Management is Enable**) > Create > Name: Provision > include Actuals? – Yes > Include: select Reversing Journal > Accept

Ex: Cash Purchase – Rs. 100000, Sales – Rs. 200000, Rent – Rs. 20000 and Salary Rs. 50000 so as per this your profit will be Net Profit Rs. 30000 as shown in the following figure

Profit & Loss A/c		ABC		Ctrl + M	
Particulars	ABC 1-Apr-2024 to 1-Jun-2024	Particulars	ABC 1-Apr-2024 to 1-Jun-2024		
Purchase Accounts	1,00,000.00	Sales Accounts	2,00,000.00		
Direct Expenses					
Gross Profit c/o	1,00,000.00				
	<u>2,00,000.00</u>		<u>2,00,000.00</u>		
Indirect Expenses	70,000.00	Gross Profit b/f	1,00,000.00		
Net Profit	30,000.00				
Total	1,00,000.00	Total	1,00,000.00		

Let's suppose you have to pay salary of Rs. 50000 and rent Rs. 20000 on 1/6/24 which is provision.

Go to Gateway of Tally > Accounting Vouchers > Press F10 or Select Rev Jrnal Button on right side > pass entry salary dr. 50000, rent dr. 20000, cash cr. 70000 on 1-Jun-2024 > Accept

Now got to Gateway of Tally > Profit & Loss A/c > Alt + C > From 1/4/24 to 1/6/24 > Types of Value to show: Select Provision Scenario and enter you will see the following screen

Tally.ERP 9			ABC			Ctrl + M		
P: Print	E: Export	M: E-Mail	O: Upload	S: Shop	G: Language	K: Keyboard	K: Control Centre	H: Support Centre
Profit & Loss A/c			ABC			Ctrl + M		
Particulars			ABC			ABC		
			Actuals			Provision		
			1-Apr-2024 to 1-Jun-2024			1-Apr-2024 to 1-Jun-2024		
Trading Account :								
Sales Accounts			2,00,000.00			2,00,000.00		
Cost of Sales :			1,00,000.00			1,00,000.00		
Purchase Accounts			1,00,000.00			1,00,000.00		
Direct Expenses								
Gross Profit :			1,00,000.00			1,00,000.00		
Income Statement :								
Indirect Expenses			70,000.00			1,40,000.00		
Nett Profit :			30,000.00			(-)40,000.00		

Here your Actual Net Profit will be Rs. 30000 whereas your Provision Net Profit will be (-) 40000.

1.2.1f Banking Features

- **Enable cheque printing**

Instead of giving a manual cheque to the party of the organization one can give a printed cheque from tally. To enable this feature, go to

F11 > Accounting Features > Banking Features > Enable cheque printing – Yes > Accept

Now create a bank ledger by using the following steps

Gateway of Tally > Accounts Info > Create > Name: Enter Bank Name (SBI) > Under: Bank Accounts > Set Effective Date For Reconciliation > Set/ Alter Bank Details: Yes > Select Your Bank > Alter Cheque Book: Yes > Give Cheque Number from – to > enter Cheque Book Name and press enter > Alter Cheque Printing Configuration – Yes > Enter details of Cheque Dimensions, Cross Cheque, Cheque Date, Party's/ Payee Name, Amount in Words, Amount in Figures, Company Signatory Details as show in figure below > Enter > Print Yes

Following details are taken for example:

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

Cheque Dimensions **Cost Centre & Category** **Ctrl + M**

Name (alias) SBI

Select your Bank (Note: Need Internet)

Under

Cost centre Effective After Cheque Book Set/After Set Cheque Printer

Cheque Printing Configuration for : SBI
(All Dimensions in mm only)

Cheque Dimension		Amount in Words	
Width of Cheque	: 204	(A) Distance of 2nd Line from Top Edge	: 44
Height of Cheque	: 93	(B) Height (gap) between 2nd and 1st Line	: 8
Cross Cheque		Distance of 1st Line from Top Edge (A - B)	: 36
Starting Location from Left Edge	: 50	Starting Location of 1st Line from Left Edge	: 36
Starting Location from Top Edge	: 12	Starting Location of 2nd Line from Left Edge	: 15
Cheque Date		Width area	: 120
Distance of Line from Top Edge	: 12	Print currency formal name	? No
Starting Location from Left Edge	: 159	Amount in Figures	
Style of Date	: d d m m y y y y	Distance from Top Edge	: 40
Distance between Characters	: 2.90	Starting Location from Left Edge	: 161
Party's / Payee Name		Width area	: 40
Distance of Line from Top Edge	: 24	Print Currency Symbol	? No
Starting Location from Left Edge	: 21		
Width area	: 135		
Company Signatory Details			
Company Name on Cheque	: ABCD		
Print Company Name on Cheque	? Yes		
Salutation of 1st Signatory (if 2 signatories)	: Partner 1		
Salutation of 2nd or Single Signatory	: Partner 2		
Distance from Top Edge	: 65		
Starting Location from Left Edge	: 145		
Width of Signature area	: 50		
Height of Signature area	: 10		

(To Preview the settings press Alt+P)

Q: Quit

Ctrl + N

Example – payment to Rohit Sharma Traders through cheque

Gateway of Tally > Accounting Vouchers > F5 (Payment Voucher) > Dr. - Rohit Sharma Traders – 2000 > Cr. SBI – 2000 & press enter > Enter Favouring Name – Rohit Sharma Traders > Transaction Type – Cheque > Amount – 2000 > Inst. No. – 000001 (Chq. No.) > Inst. Date – Chq. Date > Cross using – A/c Payee > Enter Narration and Accept

Cheque will be printed in the following format

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21

1 A/c Payee 0 1 0 4 2 0 2 4

2 Rohit Sharma Traders

3 Two Thous and Only

4 **2,000.00

5 for ABCD

6 Partner 1 Partner 2

7

8

9

10

In this way you can print cheques in Tally.

1.2.1g Other Features

- To pass entries with zero value transaction in voucher – allow zero valued entries – Yes
- To maintain multiple address and mailing details for company and ledgers change it to Yes
- To enter company logo in tally – Enable company logo – Yes & Select Location of Logo and Accept

1.2.2 Inventory Features

Just like Accounting, maintaining inventory is a one of the important aspects in Business. To meet this need of business Tally has added Inventory Features in it.

F11 > Inventory Features,

Company: ABC			
Inventory Features			
General		Invoicing	
Integrate accounts and inventory	? No	Allow invoicing	? Yes
Allow zero valued entries	? No	Record purchases in invoice format	? Yes
Storage and Classification		Purchase Management	
Maintain Multiple Godowns	? Yes	Use debit/credit notes	? No
Maintain stock categories	? Yes	Use invoice mode for credit notes	? No
Maintain batch-wise details (set expiry dates for batches)	? No	Use invoice mode for debit notes	? No
Use different actual and billed qty	? No	Separate discount column in invoices	? No
Order Processing		Sales Management	
Allow purchase order processing	? Yes	Track additional costs of purchases	? No
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	Other Features	
		Use tracking numbers (delivery/receipt notes)	? Yes
		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

- ❖ General
- ❖ Storage and Classification
- ❖ Order Processing
- ❖ Invoicing
- ❖ Purchase Management
- ❖ Sales Management
- ❖ Other Features

1.2.2a General

- **Integrate accounts and inventory**

Same as in Accounting Features. Explanation on Page no 8 and 9.

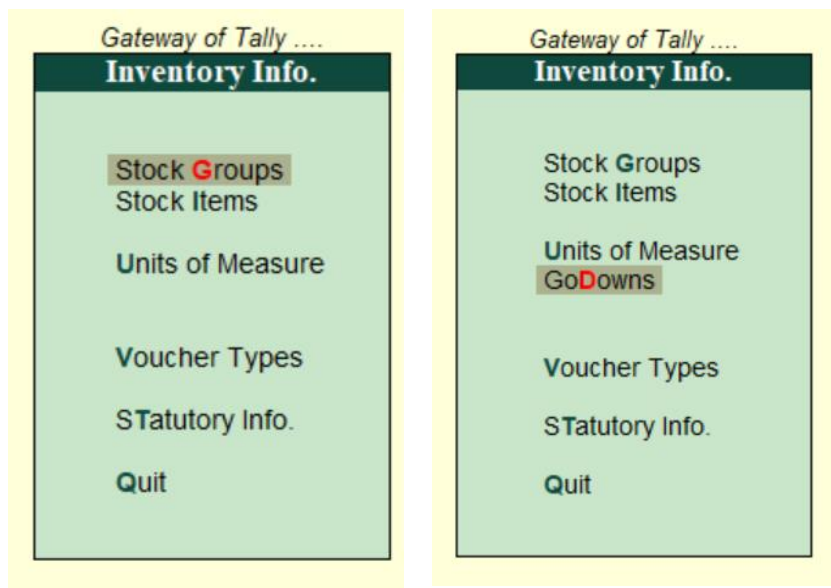
- **Allow zero valued entries**

To pass entries with zero value transaction in inventory – allow zero valued entries – Yes

1.2.2b Storage and Classification

- **Maintain Multiple Godowns**

If the business has multiple godowns in different location and wants to track the inventory in these godowns then in tally under inventory features set Maintain Multiple Godowns option to Yes.



Create Godowns in Tally

Gateway of Tally > Inventory Info. > Godowns > Create > Name: Godown name (Mumbai) > Accept.

You can create multiple godowns by following the above procedure

Create East, West, South and North Godowns.

Ex: - Purchase Table of 30 qty on cash basis and allot in Godowns –

East 10 qty

North 5 qty

South 10 qty

West 5 qty

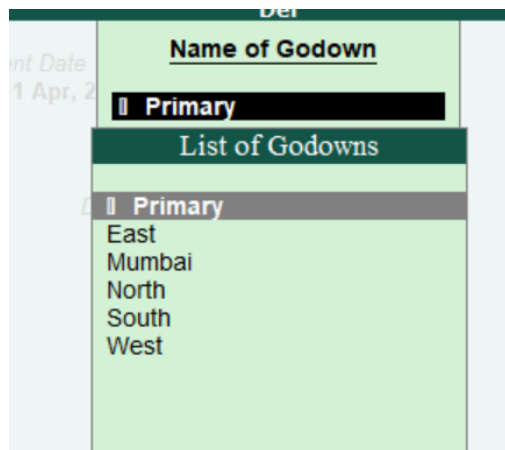
To allot this and pass purchase entry, go to

Gateway of Tally > Accounting Voucher > Press F9 for Purchase Voucher > Enter date > Suppliers Invoice No > Invoice date > Party's A/c Name: Cash (as it is a cash transaction) > Purchase Ledger: Purchase > Enter Name of the Item: Table and press enter > new page of Item Allocations for: Table will be opened > Enter Godown name, Qty, Rate, amount and Enter

Accept your purchase transaction

To See the Entry, go to

Gateway of Tally > Display > Statements of Inventory > Godowns



You can go to the respective Godown and see the inventory available in it.

If you select Name of Godowns – Primary then inventory available in all godowns.

Godown Summary			
Particulars		Def	
		For 1-Apr-2024	
		Closing Balance	
		Quantity	Value
East	10 Qty	200.00	2,000.00
North	5 Qty	200.00	1,000.00
South	10 Qty	200.00	2,000.00
West	5 Qty	200.00	1,000.00
Grand Total		30 Qty	6,000.00

User Interface and Company Management

Accept your Sales Transaction.

Gateway of Tally > Display > Statements of Inventory > Godowns

If you select Name of Godowns – Primary then inventory available in all godowns.

You can select any one godown and see the Inward and outward transaction in the godown

		Stock details for : Nett Stock					
		Inwards		Outwards		Closing Balance	
		Quantity	Value	Quantity	Value	Quantity	Value
Opening Balance							
April		10 Qty	2,000.00	5 Qty	2,000.00	5 Qty	1,000.00
Grand Total		10 Qty	2,000.00	5 Qty	2,000.00	5 Qty	1,000.00

Month	Value
Apr	10
Apr	5

- **Maintain stock categories**

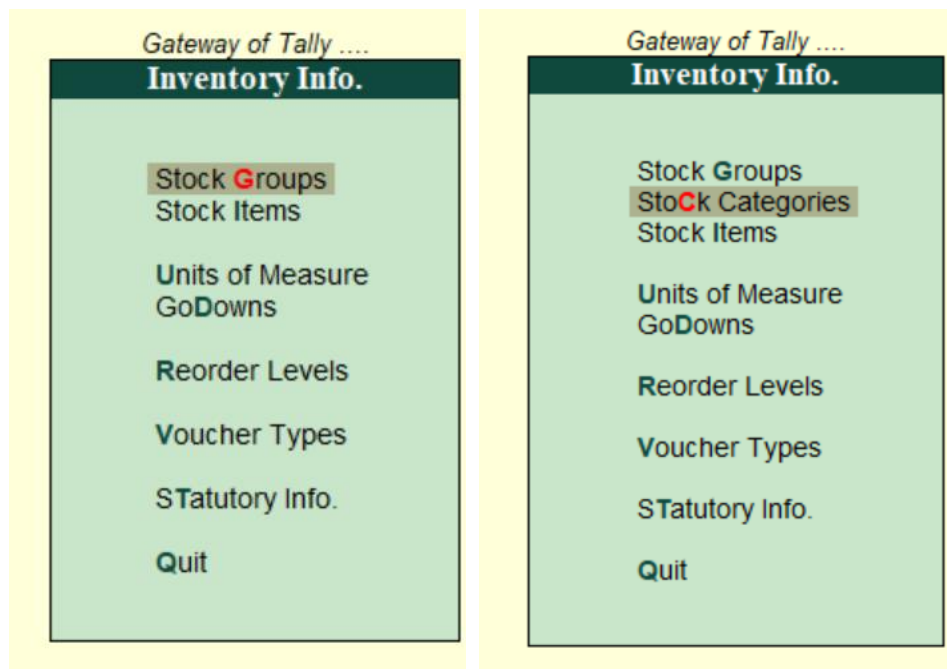
This feature allows user to maintain stock categories in Tally.

To enable the feature, go to

F11 > Inventory Features > Storage and Classification > Maintain stock category – Yes > Accept

Example: A trading company has a stock of mobile in the inventory. Company wants to maintain the stock as per the brand (category) – VIVO, OPPO, Samsung, Apple.

After you set Maintain stock category to Yes you will able to see Stock Categories Option under Inventory Info.

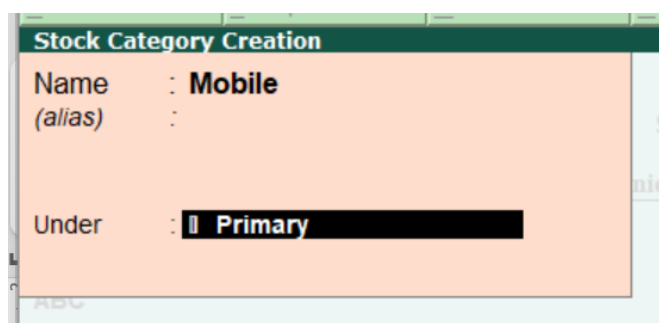


Maintain Stock Categories – NO

Maintain Stock Categories – Yes

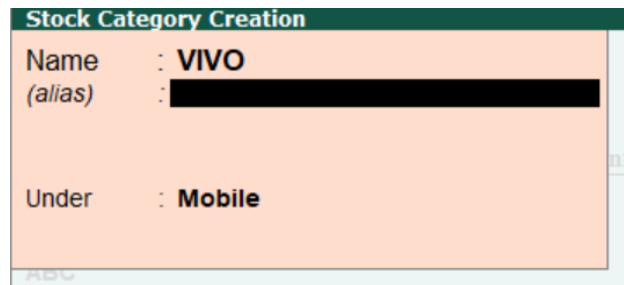
Go to,

Gateway of Tally > Inventory Info. > Stock Categories > Create > Name: Mobile, Under: Primary > Accept



We have created a main stock category of mobile in tally. Follow the same path and create the sub category under mobile

Gateway of Tally > Inventory Info. > Stock Categories > Create > Name: Enter name of the mobile brand (VIVO, OPPO, Samsung, Apple) > Under: Mobile > Accept



Now create stock item under each brand

Go to,

Gateway of Tally > Inventory Info > Stock Items > Create > Name: enter series number of item under each brand > Under: Primary > Category: Name of the Brand > Units: enter the units of the item > Accept

Once the Stock category is created now you can pass the entry in accounting voucher

Example:

Purchase the following item from different companies

Company (Brand)	Stock Item	Qty	Rate per qty
Vivo	V21	10	25000
Vivo	V23	5	30000
Samsung	Galaxy S23	5	40000
Samsung	Galaxy S24 Ultra	2	150000
Apple	Iphone 15	1	100000
Apple	Iphone 15 Pro	1	150000

Go to,

Gateway of Tally > Accounting Vouchers > F9 (Purchase) > Enter Party's Name, Purchase under purchase ledger > Enter name of Stock item, qty, rate > Accept

Gateway of Tally > Display > Statement of Inventory > Categories

Stock Category Summary		Mobile Traders		Ctrl + M	
Particulars	Mobile Traders For 1-Apr-2024 Stock details for : Neff Stock				
	Closing Balance				
	Quantity	Rate	Value		
Mobile	24 pcs	47,916.67	11,50,000.00		
Grand Total		24 pcs		11,50,000.00	

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Stock Category Summary		Mobile Traders		Ctrl + M
Particulars		Mobile Mobile Traders For 1-Apr-2024 Stock details for : Netf Stock		
		Closing Balance		
		Quantity	Rate	Value
Apple		2 pcs	1,25,000.00	2,50,000.00
Samsung		7 pcs	71,428.57	5,00,000.00
Vivo		15 pcs	26,666.67	4,00,000.00
Grand Total		24 pcs		11,50,000.00

If you select any one brand – you are able to see total qty under different stock item (series) available under that selected brand

Example selected brand is Apple

Stock Category Summary		Mobile Traders		Ctrl + M
Particulars		Apple Mobile Traders For 1-Apr-2024 Stock details for : Netf Stock		
		Closing Balance		
		Quantity	Rate	Value
15		1 pcs	1,00,000.00	1,00,000.00
15 Pro		1 pcs	1,50,000.00	1,50,000.00
Grand Total		2 pcs		2,50,000.00

- **Maintain Batch-wise details**

In some business where the product expiry is important for the company (Ex: Medicine) there we can use the maintain batch-wise details feature in tally. This enable the businessmen to know the expiry of the manufactured or purchase product and accordingly the product could be dispatch first to avoid expiry of it. This can be done by keeping the inventory batch wise.

To enable this feature, go to

Gateway of Tally > F11 > Inventory Features > Storage and Classification > maintain Batch-wise details – Yes > set expiry dates for batches – Yes > Accept

Company: Mobile Traders			
Inventory Features			
General		Invoicing	
Integrate accounts and inventory	? Yes	Allow invoicing	? Yes
Allow zero valued entries	? No	Record purchases in invoice format	? Yes
Storage and Classification		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)	? Yes	Separate discount column in invoices	? No
Use different actual and billed qty	? No	Purchase Management	
Order Processing		Track additional costs of purchases	? No
Allow purchase order processing	? Yes	Sales Management	
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	Other Features	
		Use tracking numbers (delivery/receipt notes)	? Yes
		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

Example: A biscuit was purchase by the company for resale. The expiry date of the purchase biscuit batch is 120 days. Pass a cash purchase entry.

To pass the entry you need to create Stock item in Inventory info.

To create stock item, go to

Gateway of Tally > Inventory Info. > Stock Items > Create > Name: Biscuits, Under: Primary, Units: pcs, Maintain in Batches – Yes, Track Date of Mfg – Yes, Use expiry dates – Yes > Accept

Stock Item Display			
Name	:	Biscuits	
Under	:	Primary	
Units	:	pcs	
Maintain in Batches	? Yes		
Track Date of Mfg	? Yes		
Use expiry dates	? Yes		
		Quantity	Rate per
			Value
Opening Balance	:		

Item Allocations for : Biscuits				
Batch / Lot No.		Quantity	Rate per	Amount
Mfg Dt.	Expiry Date			
Tracking No. : ☐ Not Applicable Order No.: ☐ Not Applicable				
1234		10 pcs	40.00 pcs	400.00
Apr-2024	120 Days			
		10 pcs		400.00

Gateway of Tally > Display > Inventory Books > Batch > Select Name of Item – Biscuits > Name of the Batch – 1234 and enter you can see the transaction shown in the following figure

Batch Vouchers

Mobile Traders

Ctrl + M E

Stock Item : Biscuits

Mfg Date : 1-Apr-2024

Expiry Date : 120 Days

1-Apr-2024 to 30-Apr-2024

Batch Name : 1234

Stock details for : **Nett Stock**

Date	Particulars	Vch Type	Vch No.	Inwards		Outwards		Closing	
				Quantity	Value	Quantity	Value	Quantity	Value
1-4-2024	Cash	Purchase	4	10 pcs	400.00			10 pcs	400.00

Sometime we purchase or sale a material with additional free qty of material. In this case the actual qty we get is more than the billed qty and to make this difference or to make actual and billed qty entry in tally, go to

29

Company: **Actual & Bill Qty Co.**

Inventory Features

General		Invoicing	
Integrate accounts and inventory	? Yes	Allow invoicing	? Yes
Allow zero valued entries	? No	Record purchases in invoice format	? Yes
Storage and Classification		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 in invoices	? No
Use different actual and billed qty	? Yes	Purchase Management	
Order Processing		Track additional costs of purchases	? No
Allow purchase order processing	? Yes	Sales Management	
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	Other Features	
		Use tracking numbers (delivery/receipt notes)	? Yes
		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

Example: Cash sale 10 pcs of product (Perfume) at Rs. 20 each and 2 pcs is given free on sale of every 10 pcs.

Gateway of Tally > Accounting Vouchers > F8 (Sales) > Enter Party's A/c Name: Cash, Sales Ledger: Sales > Name of Item: Perfume, Actual qty: 12 pcs, Billed qty: 10 pcs, Rate: Rs. 20 per pcs., Amount – 2000 > Accept

Note: Purchase entry of 100 pcs of perfume at Rs. 15 each on cash basis is already passed

Accounting Voucher Alteration (Secondary) Actual & Bill Qty Co. Ctrl + M

Ref. : Sales No. 1 8-Apr-2024 Monday

Party's A/c Name : Cash
Current Balance : 500.00 Dr
Sales Ledger : Sales

Name of Item	Quantity		Rate per	Amount
	Actual	Billed		
Perfume	12 pcs	10 pcs	200.00 pcs	2,000.00
Narration:				
	12 pcs	10 pcs		2,000.00

To view the transaction, go to

Gateway of Tally > Stock Summary > Select Item (Perfume) > Select the month and enter > Select Sales entry and enter.

Stock Vouchers		Actual & Bill Qty Co.				Ctrl + M			
Stock Item : Perfume		1-Apr-2024 to 30-Apr-2024							
Stock details for : Nett Stock									
Date	Particulars	Vch Type	Vch No.	Inwards		Outwards		Closing	
				Quantity	Value	Quantity	Value	Quantity	Value
1-4-2024	Cash	Sales	1			12 pcs	2,000.00		
1-4-2024	Cash	Purchase	1	100 pcs	1,500.00			88 pcs	1,320.00
Totals :				100 pcs	1,500.00	12 pcs	2,000.00	88 pcs	

This is how the feature of use different actual and billed qty under storage and Classification is use in Tally.

1.2.2c Order Processing

- **Allow purchase order processing**

Let's understand this feature through the following example

A company wants to purchase a laptop and mouse so it has to follow a process. Firstly, it has to send its order requirement to the Vendor, then as per the requirement and availability of the product the vendor send the product and finally vendor sends the invoice on which payment will be done.

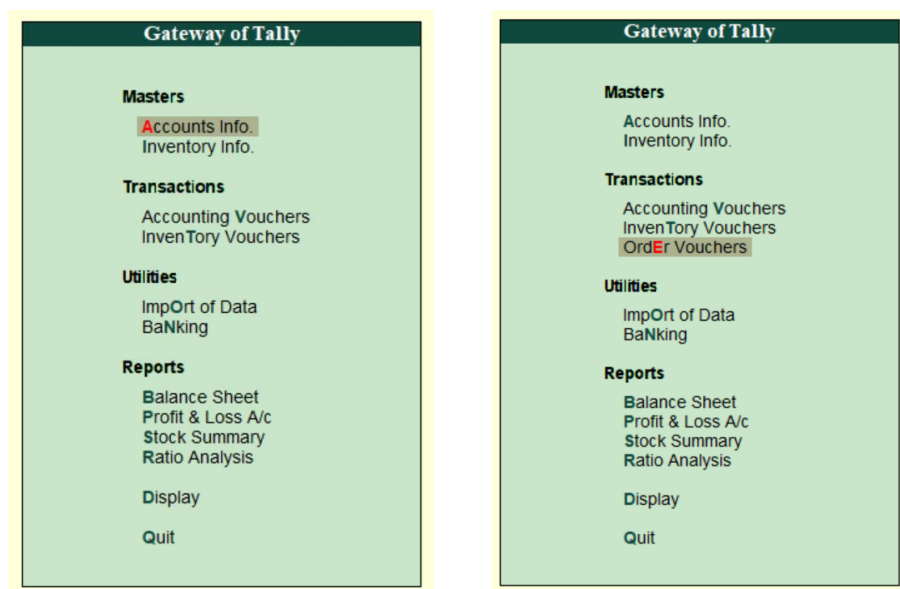
To understand this, go to

Gateway of Tally > F11 > Inventory Features > Order processing > Allow purchase order processing – Yes > Accept.

Company: <u>Actual & Bill Qty Co.</u>			
Inventory Features			
General		Invoicing	
Integrate accounts and inventory	? Yes	Allow invoicing	? Yes
Allow zero valued entries	? No	Record purchases in invoice format	? Yes
Storage and Classification		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 in invoices	? No
Use different actual and billed qty	? No	Purchase Management	
Order Processing		Track additional costs of purchases	? No
Allow purchase order processing	? Yes	Sales Management	
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	Other Features	
		Use tracking numbers (delivery/receipt notes)	? Yes
		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			

On enabling this feature, you will get a new option in Gateway of Tally under Transactions as Order Vouchers.

Gateway of Tally Screen will change as shown in the following Figures



Now to start with order requirement entry needs to be pass for that go to

Gateway of Tally > Order Vouchers > Press Alt + F4 for Purchase Order > Enter date, order name, party's A/c name, purchase ledger, name of the item, qty, rate and amount > Accept

To view the transaction, go to

Gateway of Tally > Display > Statements of Inventory > Purchase Order Outstandings > All Orders and enter

Tally will display the following screen

Order Details		Actual & Bill Qty Co.				Ctrl + M
Purchase Orders(Due Only)		For 1-Apr-2024				
Date	Order Number	Name of Item	Ordered Quantity	Balance Quantity	Rate (Disc %)	Value Due on (overdue)
Purchase Orders Outstanding:						
1-Apr-2024	1	Laptop	10 pcs	10 pcs	40,000.00	4,00,000.00 1-Apr-2024 (0 days)
		To: Nitin				
1-Apr-2024	1	Mouse	30 pcs	30 pcs	500.00	15,000.00 1-Apr-2024 (0 days)
		To: Nitin				
			40 pcs	40 pcs		4,15,000.00

Now on receipt of our order the vendor will send the goods and we will receive the goods. So will pass receipt of goods entry in receipt note under Inventory Voucher. To pass the entry, go to

Gateway of Tally > Inventory Vouchers > Press Alt + F9 (Receipt Note) > Enter Party's A/c Name, Order no, Purchase Ledger, Name of Item, Qty, rate, Amount > Accept

Once the entry is passed go to the Purchase order outstanding statement by following the steps given on pg no 41 and the following screen is displayed

Purchase Orders(Due Only)						For 1-Apr-2024	
Date	Order Number	Name of Item	Ordered Quantity	Balance Quantity	Rate (Disc %)	Value	Due on (overdue)
Purchase Orders Outstanding:							
1-Apr-2024	1	Laptop	10 pcs	2 pcs	40,000.00	80,000.00	1-Apr-2024 (0 days)
		To: Nitin					
1-Apr-2024	1	Mouse	30 pcs	10 pcs	500.00	5,000.00	1-Apr-2024 (0 days)
		To: Nitin					
			40 pcs	12 pcs		85,000.00	

In the above example the Order Quantity of Computer is 10 pcs and Mouse is 30 pcs but you receive an inventory of Computer 8 pcs and Mouse 20 pcs. So, the screen will display Balance Quantity of Computer – 2 pcs and Mouse – 10 pcs.

Note: If we receive all the qty then Balance Quantity will be zero.

Now on receipt of Invoice we need to make Purchase entry and this can be done by

Gateway of Tally > Accounting Vouchers > F5 (Purchase) > enter Party's A/c Name, select receipt no (Select order no same which is entered in receipt no), Purchase Ledger, name of the item, qty, rate, amount > Accept

Purchase

No. 2

Supplier Invoice No. : 1

Date : 1-Apr-2024

Party's A/c Name : Nitin

Current Balance : 3,30,000.00 Cr

Purchase Ledger : Purchase

1-Apr-2024

Monday

Name of Item	Quantity	Rate per	Amount
Laptop	8 pcs	40,000.00 pcs	3,20,000.00
Mouse	20 pcs	500.00 pcs	10,000.00
			3,30,000.00
Narration:			
	28 pcs		3,30,000.00

Now go to

Gateway of Tally > Balance Sheet > go on Current Liabilities and press Alt + F1

Screen will display Creditor amount as shown in following figure

Balance Sheet		Actual & B
Liabilities		Actual & Bill Qty Co. as at 1-Apr-2024
Capital Account		
Loans (Liability)		
Current Liabilities		3,30,000.00
Sundry Creditors		3,30,000.00

As the invoice is received and a credit purchase entry is passed, now you can make a payment entry.

- **Allow job order processing**

This feature is allowed when an organization is taking a contract to complete a particular job work

Example: A company is taking a Job work of making a T-shirts on behalf of other company. Raw material (fabric) is provided to us by other company who has given a job work and our company is going to make a T-shirts from the fabric.

Job processing has following steps

- Job order acceptance
- Receive raw material
- Manufacture goods
- Delivery of goods
- Prepare job order invoice

To enable the feature, go to

Gateway of Tally > F11 > Inventory Features > Order Processing > Allow job order processing – Yes (also allow Maintain Multiple Godown option – Yes) > Other Features > Use material in/ out – Yes > Accept

Company: <u>Job Order Processing</u>			
<u>Inventory Features</u>			
General		Invoicing	
Integrate accounts and inventory	? Yes	Allow invoicing	? Yes
Allow zero valued entries	? No	Record purchases in invoice format	? Yes
Storage and Classification		Use debit/credit notes	? No
Maintain Multiple Godowns	? Yes	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 in invoices	? No
Use different actual and billed qty	? No	Purchase Management	
Order Processing		Track additional costs of purchases	? No
Allow purchase order processing	? No	Sales Management	
Allow sales order processing	? No	Use multiple price levels	? No
Allow job order processing (Note : Enables Maintain Multiple Godowns and Use material in/out)	? Yes	Other Features	
		Use tracking numbers (delivery/receipt notes)	? No
		Use rejection inward/outward notes	? No
		Use material in/out	? Yes
		Use cost tracking for stock item	? No

Now go to

Gateway of Tally > Inventory Info > Unit of Measure > Create

Here create two units – 1) Meter (mtrs) for fabric and 2) Pieces (pcs) for T-shirts

Then go to

Gateway of Tally > Inventory Info > Stock Groups > Create

Here create two groups – 1) Raw material and 2) Finished Goods

Then go to

Gateway of Tally > Inventory Info > Stock Items > Create

Create two items – 1) Fabric under raw material and 2) T-shirts under Finished Goods

Then go to

Gateway of Tally > Inventory Info > Godowns > Create > Name: Mumbai, Under: Primary, Set Third party stock with us – Yes > Accept

Then go to

Gateway of Tally > Inventory Info > Voucher Types > Create > Name: Manufacturing Journal, Use as a Manufacturing Journal – Yes > Accept

Then go to Alter option in Voucher Types > Material In > Set Use for Job Work – Yes and set Use for Job Work In – Yes > Accept

Similarly alter Material out and Set Use for Job Work – Yes and set Use for Job Work In – Yes and Accept.

Now we can pass entries in Tally as per the Job Processing Steps

1) Job Order Acceptance

Gateway of Tally > Order Vouchers > press Alt + W > enter Party A/c Name > Name of Item: T-shirts > Enter due date, enter Godown name, Enter qty (Components Allocations page will open enter the details and enter > enter rate and amount > Accept

Order Voucher Alteration (Secondary)		Job Order Processing		Ctrl + M
Job Work In Order No. 1				Monday 11-Apr-2024
Party's A/c Name : Supplier 1		Order No. : 1		
Current Balance : 50,000.00 Dr				
Name of Item	Quantity	Rate per	Amount	
T-Shirts	1,000 pcs	70.00 pcs	70,000.00	
Narration:			1,000 pcs	70,000.00

2) Receive Raw Material

Gateway of Tally > Inventory Vouchers > Press Ctrl + W (Material In) > Enter Party's A/c Name, Source Godown, Name of Item – Fabrics, select the same order no which were enter in job order acceptance entry, accept all > Accept

Material In		No. 1		Monday 11-Apr-2024
Ref. : 1				
Party's A/c Name : Supplier 1				
Current Balance : 50,000.00 Dr				
Source Godown : Mumbai				
Name of Item	Quantity	Rate per	Amount	
Fabric	1,000 mts	50.00 mts	50,000.00	
Narration:			1,000 mts	50,000.00

3) Manufacture Goods

Gateway of Tally > Inventory Vouchers > Alt + F7 > Select Manufacturing Journal > Name of product: T-shirts, Enter qty – 1000

pcs (means from 1000 mtrs we will produce 1000 T-shirts) > keep same details and Accept.

User Interface and
Company Management

Inventory Voucher Alteration (Secondary)				Job Order Processing				Ctrl + M			
Manufacturing Journal No. 1								8-Apr-2024 Monday			
Manufacture of Materials											
Name of Product : T-Shirts				Godown : Mumbai				Qty : 1,000 pcs			
				% of Cost allocation 100 %							
Components (Consumption)					Co-Product / By-Product / Scrap						
Name of Item	Godown	Quantity	Rate	Amount	Name of Item	Godown	% of Cost allocation	Quantity	Rate	Amount	
Fabric	Mumbai	1,000 mts	50.00/mts	50,000.00							
										Cost of Components :	50,000.00
										Type of Addl. Cost	%-age
										Total Addl. Cost	:
										Effective Cost	50,000.00
										Allocation to Primary Item	50,000.00
										Effective Rate for Primary Item	50.00/pcs
				1,000 mts	50,000.00						
Narration:											

4) Delivery of Goods

Gateway of Tally > Inventory Vouchers > Ctrl + J (Material Out) > Enter Party's Name: > Under list of order select the same order number and enter all details > Destination Godown > Name of Item: T-Shirts > Accept

Inventory Voucher Alteration (Secondary)				Job Order Processing				Ctrl + M			
Material Out No. 1								8-Apr-2024 Monday			
Ref : 1											
Party's A/c Name : Supplier 1											
Current Balance : 50,000.00 Dr											
Destination Godown : Mumbai											
Name of Item		Quantity	Rate per	Amount							
T-Shirts		1,000 pcs	70.00 pcs	70,000.00							
				1,000 pcs	70,000.00						
Narration:											

5) Prepare Job Order Invoice

Gateway of Tally > Accounting Vouchers > F8 (Sales) > Enter Party's A/c Name, Sales Ledger, Name of Item: End of list, Select Job order Fees and enter amount > Accept

Accounting Voucher Alteration (Secondary)		Job Order Processing		Ctrl + M
Sales		No. 1		8 Apr 2024 Monday
Ref. :				
Party's A/c Name : Supplier 1				
Current Balance : 50,000.00 Dr				
Sales Ledger :				
Name of Item	Quantity	Rate per	Amount	
Job Work Order Fees			50,000.00	
Narration:			50,000.00	

All the entries of the steps can be seen by

Gateway of Tally > Display > Day Book > Select Sales voucher entry
> Press Alt + P > Print the Sales Invoice

All the entries can be seen Under Display - Job Work In Reports

1.2.2d Invoicing

- Allow invoicing
- Record purchases in invoice format

Same as on invoicing option in accounts

- Use debit/credit notes

Use invoice mode for credit notes

Use invoice mode for debit notes

Same as on invoicing option in accounts

- **Separate discount column in invoices**

To enable this option, go to

Gateway of Tally > F11 > Inventory Features > Invoicing > Separate discount column in invoices – Yes

This allows to pass the entry with a separate discount in the invoice format

The screenshot shows the 'Accounting Voucher Creation' window for 'Purchase Management'. At the top, it says 'Purchase No. 3' and 'Date : 9 Jun 2024 Saturday'. Below this, there are fields for 'Supplier Invoice No.', 'Party's A/c Name', 'Current Balance', and 'Purchase Ledger'. A table with columns 'Name of Item', 'Quantity', 'Rate', 'per', 'Disc. %', and 'Amount' is present. At the bottom left, there is a 'Narration:' field.

In the above figure, we can see a separate column to enter a discount percentage on the item purchase.

1.2.2e Purchase Management

- **Track additional costs of purchases**

If a pass a purchase entry with expenses of purchase in tally the expense cost which is a direct cost is not added to the cost of purchase but shown as a separate direct cost in Tally.

To add the delivery expenses to the cost of the purchase we use track additional costs of purchase feature.

To enable this feature, go to

Gateway of Tally > F11 > Inventory Features > Purchase Management > Track additional costs of purchases – Yes

This feature allows to pass entry of expenses on purchase in purchase voucher

With this we need to also alter direct expenses group.

To alter the Direct expense group, go to

Gateway of Tally > Accounts Info. > Groups > Alter under Single group > Select Direct Expenses > Group Alteration page will open > Change method to allocate when used in purchase invoice – Appropriate by Value > Accept

Now, go to

Gateway of Tally > Accounting Voucher > F9 (Purchase) > Enter Party's A/c name, Purchase Ledger, Name of Item, Qty, Rate and Amount and press enter twice and then select expenses on purchase, enter amount > Accept

Particulars	Table Purchase Management 1-Apr-2024 to 1-Jun-2024 Stock details for : Nett Stock					
	Inwards		Outwards		Closing Balance	
	Quantity	Value	Quantity	Value	Quantity	Value
Opening Balance						
April						
May						
June	100 pcs	5,400.00			100 pcs	5,400.00
July						5,400.00
August						5,400.00
September						5,400.00
October						5,400.00
November						5,400.00
December						5,400.00
January						5,400.00
February						5,400.00
March						5,400.00
Grand Total	100 pcs	5,400.00			100 pcs	5,400.00

If you go to the ledger by Gateway of Tally > Display > Account Books > Ledger and select Delivery expense – it will not reflect the amount (see the below figure) as these expenses is added in the cost of purchase.

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1.2.2f Sales Management

- **Use multiple price levels**

Sometime a company wants to set a sales price per unit as per the quantity demanded by the customer.

Let's take the following example:

QTY	Price
Less than 11	3000 per unit
11 to less than 21	2750 per unit
21 and above	2500 per unit

Company wants the above price to be allocated directly when a quantity is entered then this feature is used.

To enable the feature, go to

Gateway of Tally > F11 > Inventory Features > Sale Management > Use multiple price levels – Yes > give the name of the price list

Company: Purchase Management

Inventory Features

General		Invoicing	
Integrate accounts and inventory	? Yes	Allow invoicing	? Yes
Allow zero valued entries	? No	Record purchases in invoice format	? Yes
Storage and Classification		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 in invoices	? No
Use different actual and billed qty	? No	Purchase Management	
Order Processing		Track additional costs of purchases	? No
Allow purchase order processing	? No	Sales Management	
Allow sales order processing	? No	Use multiple price levels	? Yes
Allow job order processing (Note : Enables Maintain Multiple Godowns and Use material in/out)	? No	Other Features	
		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

Now go to,

Gateway of Tally > Inventory info. > Price list > Enter Stock Group Name > Select Price Level > Enter Date - Applicable From



Use multiple price level - Yes

After the price level is set under the Price Level – Table, go to

Price List		Purchase Management					Ctrl + M	
Under Group		: Furniture						
Price Level : Table		Applicable From: 1-Jun-2024						
S.No.	Particulars	Quantities		Rate	Disc. % (if any)	Historical Details		Cost Price
		From:	Less than			Rate	Disc. %	
1.	Table		11 pcs	3,000.00/pcs				
		11 pcs	21 pcs	2,750.00/pcs				52.00/pcs
		21 pcs		2,500.00/pcs				

Sales No. 2		1-Jun-2024 Saturday	
Ref. :		Price Level : Table	
Party's A/c Name : Raj & Co			
Current Balance : 19,600.00 Dr			
Sales Ledger : Sales			
Name of Item	Quantity	Rate per	Amount
Table	10 pcs	3,000.00 pcs	30,000.00
Table	15 pcs	2,750.00 pcs	41,250.00
Table	25 pcs	2,500.00 pcs	62,500.00
			1,33,750.00
Narration:			50 pcs 1,33,750.00

In this way price level is used in Tally.

1.2.2g Other Features

- **Use tracking numbers (delivery/receipt note)**

This feature enables the delivery and receipt note buttons in inventory vouchers

Use – Gateway of Tally > F11 > Inventory Features > Other Features > Use tracking numbers (delivery/receipt note) – Yes

Now pass entry in inventory voucher by

Gateway of Tally > Inventory Vouchers > press Alt + F9 (Receipt Note) > Enter Party's A/c Name, Purchase Ledger, Name of Item (Also set tracking no, qty rate) > Accept

Inventory Voucher Creation		Purchase Management		Ctrl + R
Receipt Note No. 2		1-Jun-2024 Saturday		F1: Inventory Buttons
Ref. :				F1: Payroll Buttons
Party's A/c Name : Vikas Ltd				F2: Date
Current Balance :				F3: Company
Purchase Ledger : Purchase				F4: Raj In
Name of Item	Quantity	Rate per	Amount	F5: Raj Out
Fan	5 pcs	1,000.00 pcs	5,000.00	F6: Indent
				F7: Stk Jml
				F8: Dely Note
				F9: Rcpt Note
				F10: Phys Stk
				J: Material Out
				W: Material In
				S: Stock Query
				E: Exit
				T: Past-Dated
				L: Optional
				F11: Features
				F12: Configure
Narration:			5 pcs 5,000.00	
Q: Quit	A: Accept	D: Delete	X: Cancel	

To view the receipt entry, go to

Gateway of Tally > Display > Statements of Inventory > Purchase Bills Pending

This will display the Purchase bill pending page where it shows Goods received but bills not received entry here.

Purchase Bills Pending				1-Apr-2024 to 1-Jun-2024		
Date	Tracking Number	Name of Item	Initial Quantity	Pending Quantity	Rate (Disc %)	Value
Goods Recd. but Bills not Recd. :						
1-Jun-2024	1234	Fan	5 pcs	10 pcs	1,000.00	10,000.00
		From: Vikas Ltd				
			5 pcs	10 pcs		10,000.00

This can also be viewed under Gateway of Tally > Profit & Loss A/c > Purchase Accounts > A separate head of Purchase Bills to come is viewed

Group Summary		Purchase Management		Ctrl + M
Particulars		Purchase Accounts		
		Purchase Management		
		1-Apr-2024 to 1-Jun-2024		
		Closing Balance		
		Debit	Credit	
Purchase Bills to Come			10,000.00	
Purchase			5,400.00	

To pass the Purchase entry go to

Gateway of Tally > Accounting Vouchers > F9 (Purchases) > Enter Party's A/c Name and also select the receipt number, Purchase Ledger and the Select Name of Item – other details like qty, rate and amount will get displayed > Accept

Accounting Voucher Creation		Purchase Management		Ctrl + M
Purchase No. 2				1-Jun-2024
Supplier Invoice No. :		Date :		Saturday
Party's A/c Name :	Vikas Ltd			
Current Balance :				
Purchase Ledger :	Purchase			
Name of Item	Quantity	Rate per	Amount	
Fan	10 pcs	1,000.00 pcs	10,000.00	
Narration:				
			10 pcs	10,000.00

After passing the purchase entry, the entry in the Purchase Bills Pending under Statements of Inventory is not seen now. Similarly, Purchase under Profit & Loss A/c, Purchase Bills to Come is not seen as this gets added in Purchase once the Purchase entry is passed.

Just like Purchase entry this feature is also used for sales entry by using Alt + F8 i.e. Delivery not in Inventory Vouchers.

- **Use rejection inward and outward notes**

This feature is used to pass the entry of purchase return and sales return.

To enable this feature, go to

Gateway of Tally > F11 > Inventory Features > Other Features > Use rejection inward and outward notes – Yes (**set purchase order processing and use tracking number to Yes**)

Once the above steps are done, a rejection in and rejection out button is enabled in Inventory Voucher so that the entry of purchase return or sales return can be passed.

This entry can be passed separately and not through a debit note or credit note

- **Use material in/out**

To record the transfer of material transaction in tally this feature needs to be enable.

To enable this feature, go to

Gateway of Tally > F11 > Inventory Features > Other Features > Use material in/out – Yes.

Once the above steps are done, a material in and material out button is enabled in Inventory Voucher so that the entry of material in/ out are passed.

- **Use cost tracking for stock item**

This feature in tally enables user to pass entries which are direct cost for the stock item.

This is used to track the cost associated with the stock item.

To enable this feature, got to

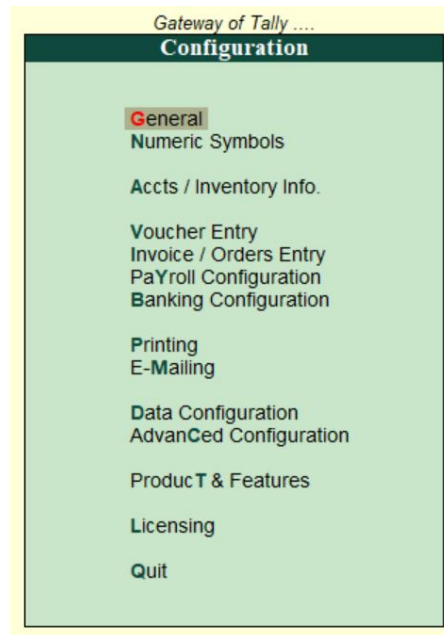
Gateway of Tally > F11 > Inventory Features > Other Features > Use cost tracking for stock item – Yes.

Also enable the cost tracking under stock item

1.3 F12: CONFIGURATION

As per the changing needs of the business, the configuration in Tally can be changed and managed accordingly. These are application-centric configurations which will be seen across all the screens in Tally.

If configuration is changed, it will be changed for all the companies in Tally.



- **General**
- **Numeric Symbols**
- **Accounts / Inventory Info.**
- **Voucher Entry**
- **Invoice / Order Entry**
- **Payroll Configuration**
- **Banking Configuration**
- **Printing**
- **E-Mailing**
- **Data Configuration**
- **Advanced Configuration**
- **Product & Features**
- **Licensing**

1.3.1 General

You can configure general information in tally under these head. General information like Country Details, Style of Names, Style of Dates, Configuration of Numbers, Table Configuration, Import/Export Options, Other Options can be done under General option.

To get this option, go to

Gateway of Tally > F12: Configure > General

Following screen will be displayed

<u>Country Details</u>	
Use accounting terminology of (SAARC countries include India, Pakistan, Sri Lanka, Bangladesh, Nepal,	: India / SAARC
<u>Style of Names</u>	
Default appearance of names in reports	: Name Only
Default appearance of stock item names in reports	: Name Only
Default appearance of employee names in reports	: Name Only
<u>Style of Dates</u>	
Style of short date	: dd-mm-yy
Separator used in Short Date	: ☐
<u>Configuration of Numbers</u>	
Decimal character to use	: .
Thousands separator to use	: ,
Add sign before currency/unit symbols	? No
Show numbers in millions	? No
<u>Table Configuration</u>	
Use Common Table for Stock Items	? No
Apply keyword filter to list of items	? Yes
Apply for all columns	? Yes
Show tables with masters only in current language?	No
<u>Import/Export Options</u>	
Ignore errors & continue during data import ? (Applicable for importing vouchers in XML format/SOAP Request)	No
Overwrite vouchers during import (where voucher Remote GUID matches)	? No
Export base currency symbol along with amount	? No
Open file after export	? Yes
<u>Other Options</u>	
Show monthly reports with graphs	? Yes
Use separate menu for final A/c statements	? No
Use beeps for Tally alerts	? Yes
Always show Info Panel	? Yes

Configuration Option	Options for Selection
Country Details	
Use Accounting Terminology of:	➤ India/SAARC ➤ International
Style of Names	
Default appearance of names in reports	➤ Alias (Name) ➤ Alias Only ➤ Name (Alias) ➤ Name Only
Default appearance of stock item names in reports	➤ Alias (Name) ➤ Alias Only ➤ Description (Name) ➤ Description (Part No.) ➤ Name (Alias) ➤ Name (Part No.) ➤ Part No. Alias Only ➤ Part No. Alias (Part No.) ➤ Part No. (Description) ➤ Part No. (Name) ➤ Part No. Only ➤ Part No. (Part No. Alias)
Default appearance of employee names in reports	➤ Alias (Employee No.) ➤ Alias (Name) ➤ Alias Only ➤ Employee Number (Alias) ➤ Employee Number (Name) ➤ Employee Number Only ➤ Name (Alias) ➤ Name (Employee No.) ➤ Name only
Style of Dates	
Style of short date	➤ dd-mm-yy ➤ mm-dd-yy ➤ yy-mm-dd
Separator used in Short Date	Options are not provided, we can insert ‘-’ or ‘/’ as a separator

Configuration Option	Options for Selection
Configuration of Numbers	
Decimal character to use	We can use ‘.’ Decimal point
Thousands separator to use	We can use ‘,’ Comma
Add sign before currency/unit symbol	We can use – Yes / No Yes - (-)₹ 100 No - ₹(-) 100
Show amount in millions	We can use – Yes / No Yes – numbers in Millions No – numbers in Lakhs
Table Configuration	
Use Common Table for Stock Items	We can use – Yes / No
Apply keyword filter to list of items	We can use – Yes / No
Apply for all columns	We can use – Yes / No
Show tables with masters only in current language	We can use – Yes / No
Import/Export Options	
Ignore errors & continue during data import	We can use – Yes / No Yes – Import data even if it has errors No – Does not import data if it has errors
Overwrite vouchers during import	We can use – Yes / No Yes – Overwrite the existing vouchers No – Does not overwrite the existing vouchers (duplicate the same)
Export base currency symbol along with amount	We can use – Yes / No Yes – shows currency symbol in downloaded file No – Does not shows currency symbol in downloaded file
Open file after export	We can use – Yes / No Yes – Directly open file after download process is complete

Configuration Option	Options for Selection
	No – Does not directly open file after download process is complete
Other Options	
Show graphs in monthly reports	By default it is yes, if it is set to no the graphs will not be displayed
Use Separate menu for final A/c statements	If it is set to Yes Gateway of Tally will display a Separate menu of Final Account
Use beeps for Tally alerts	If you accept or decline a transaction Tally will give alert if this option is set to Yes
Always show info Panel	On setting this option to Yes an information panel is viewed on the screen

1.3.2 Numeric Symbols

In Tally ERP 9, you can customize number styles to suit your preferences, including modifying default styles and symbols within their respective fields.

To customize, go to

Gateway of Tally > F12 (Configure) > Numeric Symbols

Following page will be display to customize the numeric symbols.

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) : default: '_Dr'

Symbols to use for Credit Amounts

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

1.3.3 Accounts / Inventory Info.

This configuration allows you to change the master configuration as per the need. The following image shows the options which can be alert/ change in master configuration.

Master Configuration			
Allow aliases along with names		? Yes	
Allow language aliases for names		? No	
Accounts		Inventory	
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	? No
Add notes for ledger accounts	? No	Use remarks for stock items	? No
Add description for ledger accounts	? No	Use alternate units for stock items	? No
		Allow std. rates for stock items	? No
		Specify default ledger allocation for invoicing	? No
		Allow component list details (Bill of Materials)	? No
		Allow Addresses for Godowns	? No

1.3.4 Voucher Entry

You can customized accounting and inventory vouchers under Voucher Entry Configuration. Following options are available under accounting and inventory voucher configuration.

Voucher Entry Configuration			
Accounts		Inventory	
Skip Date field during creation(faster entry)	? No	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	? Yes
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	? No	Show batch-wise details	? Yes
Allow cash accounts in journals	? No		
Allow expenses/fixed assets in purchase vouchers	? No		
Allow income accounts in sales vouchers	? No		
Show inventory details	? Yes		
Show Employee Details	? Yes		
Show table of bill details for selection	? Yes		
Show bill final balances	? Yes		
Show bill-wise details	? Yes		
Expand into multiple lines	? Yes		
Show ledger current balances	? Yes		
Show balances as on voucher date	? No		

1.3.5 Invoice / Order Entry

To customise Invoice, Delivery Note and Order configuration go to

Gateway of Tally > F12 (Configure) > Invoice / Order Entry – the following window will appear in tally

<u>Invoice / Delivery Note / Order Configuration</u>			
<u>General</u>		<u>Inventory</u>	
Accept supplementary details (Address details, despatch details, etc.)	? Yes	Warn on negative stock balance	? Yes
		Warn on duplicate order no.	? No
		Complete Accounting Allocations in Order/Delivery Note	? Yes
Allow separate buyer and consignee names	? No	<u>Statutory</u>	
Allow modification of all the fields during entry	? No	Calculate tax on current sub-total (else calculations are on inventory total only)	? No
Allow ledgers grouped under provision	? No		
Use common ledger A/c for item allocation	? Yes		
Use defaults for bill allocations	? Yes		
Use additional description(s) for item name	? No		
Use additional description(s) for ledger name (for Accounting Invoice.)	? No		
Consolidate stock items with same rates	? No		
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 and nos./container no.	? No		
Specify no. and kind of packages	? No		

You can customise the General, Exporters' Options, Inventory and Statutory option under this.

1.3.6 Payroll Configuration

To configure some basic things in Payroll you can use Payroll configuration

Go to Gateway of Tally > F12 (Configure) > Payroll Configuration

<u>Payroll Configuration</u>	
Add notes for employees	? No
Show statutory details	? Yes
Show passport and visa details	? No
Show contract details	? No
Show resigned/retired employees	? No
Show employee display name	? No

We can configure details of Each employee by use of this option. We can add additional details of Employees, details like PF, ESI, NPS, Employee Pan, Passport and Visa Details, Employee Contract details.

We can get the name of the employees who has resigned or retired from the organisation, according to the need we can change the settings.

If a company has multiple employees with same name an option of Show employee display name is provided. If it is set to Yes the Payroll Report will include different name for the employee, while printing.

1.3.7 Banking Configuration

To get the Bank Reconciliation report and alter the reconciled Voucher we can use Banking Configuration. To use this option, go to

Gateway of Tally > F12 (Configure) > Banking Configuration – we can see the following Screen

Banking Configuration	
Show all unreconciled transactions in BRS till date	? Yes
Remove bank date on altering reconciled voucher (Bank ledger/amount/voucher type)	? No
Location of new bank statement files	: C:\Program Files\Tally.ERP9
Location of imported bank statement files	: C:\Program Files\Tally.ERP9
Location of payment instuction(s)	: C:\Program Files\Tally.ERP9
Show details before export	: Yes
Location of new intermediate files	: C:\Program Files\Tally.ERP9
Location of imported intermediate files	: C:\Program Files\Tally.ERP9

1.3.8 Printing

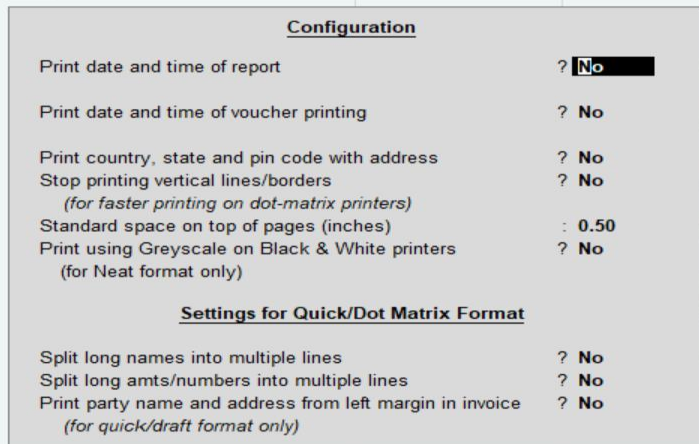
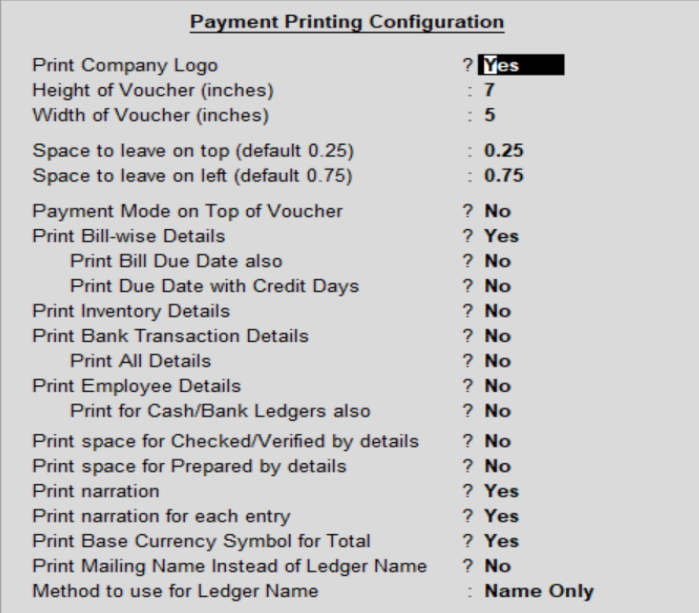
This is used to customised the format of printing the different documents in Tally.

To use this option, go to

Gateway of Tally > F12 (Configure) > Printing – following screen is displayed

Printing
General
PURchase Transactions Payment Voucher
Sales Transactions Receipt Voucher
Journal / Contra Debit / Credit Note
REminder Letters Confirmation Statements PAYment Advice Configuration
PaYroll
AdVanced Configuration
Quit

The following table shows all the option and its page details under printing.

General	 The screenshot shows a 'Configuration' window with the following settings: - Print date and time of report: ? No - Print date and time of voucher printing: ? No - Print country, state and pin code with address: ? No - Stop printing vertical lines/borders (for faster printing on dot-matrix printers): ? No - Standard space on top of pages (inches): : 0.50 - Print using Greyscale on Black & White printers (for Neat format only): ? No Settings for Quick/Dot Matrix 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 (for quick/draft format only): ? No
Purchase Transactions	We can configure Purchase transaction printing under this option. Customization of Printing of Purchase Transaction like Purchase Voucher/Invoice, Receipt Note and Purchase order.
Payment Voucher	 The screenshot shows a 'Payment Printing Configuration' window with the following settings: - 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): : 0.75 - 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 - Print Employee Details: ? No - Print for Cash/Bank Ledgers also: ? No - Print space for Checked/Verified by details: ? No - Print space for Prepared by details: ? No - Print narration: ? Yes - Print narration for each entry: ? Yes - Print Base Currency Symbol for Total: ? Yes - Print Mailing Name Instead of Ledger Name: ? No - Method to use for Ledger Name: : Name Only
Sales Transactions	We can configure Sales transactions printing under this option. Customization of Printing of Sales Transactions like Sales Invoice, POS Invoice, Delivery Note, Sales Order/Quotation.

Receipt Voucher	<u>Receipt Printing Configuration</u> <table> <tr><td>Print Company Logo</td><td>? Yes</td></tr> <tr><td>Height of Voucher (inches)</td><td>: 7</td></tr> <tr><td>Width of Voucher (inches)</td><td>: 5</td></tr> <tr><td>Space to leave on top (default 0.25)</td><td>: 0.25</td></tr> <tr><td>Space to leave on left (default 0.75)</td><td>: 0.25</td></tr> <tr><td>Receipt Mode on Top of Voucher</td><td>? No</td></tr> <tr><td>Print Bill-wise Details</td><td>? Yes</td></tr> <tr><td> Print Bill Due Date also</td><td>? No</td></tr> <tr><td> Print Due Date with Credit Days</td><td>? No</td></tr> <tr><td>Print Inventory Details</td><td>? No</td></tr> <tr><td>Print Bank Transaction Details</td><td>? No</td></tr> <tr><td> Print All Details</td><td>? No</td></tr> <tr><td>Print Employee Details</td><td>? No</td></tr> <tr><td> Print for Cash/Bank Ledgers also</td><td>? No</td></tr> <tr><td>Print space for Checked/Verified by details</td><td>? No</td></tr> <tr><td>Print space for Prepared by details</td><td>? No</td></tr> <tr><td>Print Base Currency Symbol for Total</td><td>? Yes</td></tr> <tr><td>Print Mailing Name Instead of Ledger Name</td><td>? No</td></tr> <tr><td>Method to use for Ledger Name</td><td>: Name Only</td></tr> </table> <u>Formal Receipt Printing Configuration</u> <table> <tr><td>Print Company Logo</td><td>? Yes</td></tr> <tr><td>Height of Receipt (inches)</td><td>: 6</td></tr> <tr><td>Width of Receipt (inches)</td><td>: 5</td></tr> <tr><td>Space to leave on top (default 0.25)</td><td>: 0.25</td></tr> <tr><td>Print Company's PAN/IT Number</td><td>? No</td></tr> <tr><td>Print Bank Transaction Details</td><td>? No</td></tr> <tr><td> Print All Details</td><td>? No</td></tr> <tr><td>Print party address</td><td>? Yes</td></tr> <tr><td>Print narration</td><td>? Yes</td></tr> <tr><td>Print narration for each entry</td><td>? Yes</td></tr> </table>	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	Print Employee Details	? No	Print for Cash/Bank Ledgers also	? No	Print space for Checked/Verified by details	? No	Print space for Prepared by details	? No	Print Base Currency Symbol for Total	? Yes	Print Mailing Name Instead of Ledger Name	? No	Method to use for Ledger Name	: Name Only	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 Company's PAN/IT Number	? No	Print Bank Transaction Details	? No	Print All Details	? No	Print party address	? Yes	Print narration	? Yes	Print narration for each entry	? Yes
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Reminder Letters	<u>Reminder Letter Configuration</u> 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 as of given date. Information in Second Paragraph : We request you to take immediate steps for settling the overdue bills and oblige.																				
Confirmation Statements	<u>Confirmation of A/cs' Configuration</u> 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																				
Payment Advice Configuration	<u>Payment Advice Configuration</u> <table border="1"> <thead> <tr> <th align="center" colspan="2">Printing</th> <th align="center" colspan="2">e-Mailing</th> </tr> </thead> <tbody> <tr> <td>Salutation</td> <td>: Please find below the payment details.</td> <td>Salutation</td> <td>: Please find below the payment details.</td> </tr> <tr> <td>Acknowledgement</td> <td>: Kindly acknowledge the receipt.</td> <td>Acknowledgement</td> <td>: Kindly acknowledge the receipt.</td> </tr> <tr> <td>Signature - Left</td> <td>: Authorised Signatory</td> <td>Signature - Left</td> <td>: Authorised Signatory</td> </tr> <tr> <td>Signature - Right</td> <td>: Receiver's Signature</td> <td>Signature - Right</td> <td>: Receiver's Signature</td> </tr> </tbody> </table>	Printing		e-Mailing		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
Printing		e-Mailing																			
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																		
Payroll	<u>Payroll Print Configuration</u> 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	<u>Advanced Configuration</u> Reduce Space between Address & Item Name/Particulars (Note: Enable/Disable this in case of mis-alignment in pre-printed format) : ? Yes Retrieve paper-size for non standard printers : ? No Bitmap mode of printing (Note: Choose Yes in case of overlapped text in the printout) : ? No																				

1.3.9 E-Mailing

E-Mail Configuration	
E-Mail Server	: ☐ User defined
Server Address	:
(Name:Port, Default Port is 25)	
Use SSL	: No
(Choose Yes, if using Secured SMTP Server)	
Use SSL On Standard Port	: No
(Choose Yes, if using SSL on Default/Standard SMTP Port)	
From	: ABC
From E-Mail Address	:
Authentication User Name	:
(Only if required)	
Password	:
Format	:
Show additional details for e-mail address ?	No

1.3.10 Data Configuration

This option is used to specify the location of Data Files, Export Files, Load company on startup, select companies to preload on Startup, location of language files and configuration files.

Data Configuration	
Location of Data files	: C:\Users\Public\Tally.ERP9\Data
Location of Export files	: C:\Program Files\Tally.ERP9
Load Companies on startup	? Yes
Preload Companies on Startup	: 10000
Location of Language files	: \tally\Lang
Location of Configuration file	: C:\Program Files\Tally.ERP9
Note: Tally.ERP 9 will confirm and restart for the changes to have effect.	

1.3.11 Advanced Configuration

To customise the Configuration of Client / Server, Connection, Log, Tally. Server, Tally.Net Proxy, Gateway Proxy an advance configuration option is used.

Client/Server Configuration	
Tally is acting as	: None
Enable ODBC Server	? Yes
Port	: 9000
Connection Configuration	
Connection Timeout (in seconds)	:
Connect to Tally.NET Server running on Non HTTP Port	: No
Set the above option to 'Yes' in case of following problems: (1) Frequently getting disconnected from Tally.NET Server (2) Error 16004 : Invalid Nonce	
Use absolute URL for HTTP Actions	? No
Log Configuration	
Enable HTTP Log (tallyhttp.log)	? No
Enable Detailed Log (tally.imp)	? No
Tally.Server Configuration	
Restrict Memory Usage for Low Memory Environment (Note: This may result in slower operations)	? No
Use Additional Memory for Higher Speed of Reporting	? No
Tally.NET Proxy Configuration	
Use a Proxy Server for connecting to Tally.NET Servers	? No
11 more ... ↓	

1.4 EXERCISE

I. Select the most appropriate option:

- 1) Tally Package is developed by
 - a. Coral Software
 - b. Microsoft
 - c. Tally Solutions
 - d. Google
- 2) The menu appears after starting Tally for the first time
 - a. Gateway of Tally
 - b. Company Info
 - c. Display
 - d. Accounting Info
- 3) Which option is used in Tally to make changes in created company
 - a. Select Company
 - b. Shut Company
 - c. Alter
 - d. Change Company
- 4) Which Menu is used to create new ledgers, groups and Voucher Types in Tally
 - a. Reports
 - b. Import
 - c. Transactions
 - d. Masters
- 5) How many groups are pre-defined in Tally
 - a) 28
 - b) 30
 - c) 15
 - d) 19

Answer:

1 – c	2 – b	3 – c	4 – d	5 – a
-------	-------	-------	-------	-------

II. Match the Following:

Column A	Column B
1. F1	A. Shut Company
2. Alt + F1	B. Date
3. F2	C. Company Info.
4. Alt + F2	D. Select Company
5. Alt + F3	E. Period

Answer:

1 – D	2 – A	3 – B	4 - E	5 - D
-------	-------	-------	-------	-------

III. Illustrations

1. Create a Company Raj Pvt. Ltd.
2. Record the following transaction in tally
 - a) Raj commenced a business with capital Rs. 10,00,000.
 - b) Cash deposited in SBI bank account (open bank account) Rs. 3,00,000
 - c) Purchase machinery with cash Rs. 2,00,000
 - d) Goods purchase on credit from Dhoni Rs. 1,00,000
 - e) Cash Sales Rs. 80,000
 - f) Credit sales to Suryakumar Rs. 60,000
 - g) Cash withdrawn Rs. 20,000
 - h) Suryakumar paid Rs. 50,000
 - i) Salary and wages paid through bank Rs. 40,000 & Rs. 25,000 respectively
 - j) Purchase stationery on credit from Kuldeep Rs. 10,000.

References:

- **Figures or images extracted from Tally Software**
- **Tally Solution Pvt. Ltd. (1988-2015)**
- **Tally ERP.9**
- **<https://help.tallysolutions.com/article/Tally.ERP9>**

MASTERS – LEDGERS

Unit Structure:

- 2.0 Learning Objectives
- 2.1 Gateway of Tally
- 2.2 Types of Vouchers
- 2.3 Inventory Info.
- 2.4 Purchase Order Processing
- 2.5 Sales Order Processing
- 2.6 Debit Note
- 2.7 Credit Note
- 2.8 Bank Reconciliation
- 2.9 Shortcut Keys
- 2.10 Exercise

2.0 LEARNING OBJECTIVES

After learning this unit, learner will be able to

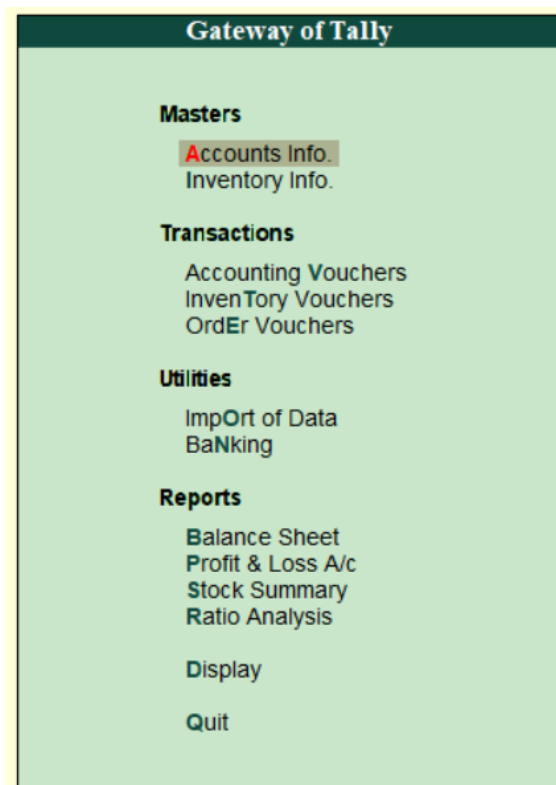
- Understand Gateway of Tally
- Understand different types of Vouchers and its uses
- Understand uses of Inventory Infor under Masters in tally
- Pass entries in Tally related to purchase order and sales order
- Pass entries in Tally related to debit note and credit note
- Do reconciliation in Tally
- Know shortcut keys used in Tally

2.1 GATEWAY OF TALLY

The first page of Tally after selecting company is Gateway of Tally.

Under Gateway of Tally, we get different options which are as under:

- 1) Masters
- 2) Transactions
- 3) Utilities
- 4) Reports



2.1.1 In Masters option, we have Accounting Info, Inventory Info and if the payroll feature is enabled the Payroll Info.

If we select,

Gateway of Tally > Under Masters – Accounts Info - we get options like
Groups

Ledgers

Voucher Types

2.1.1a Groups

Accounts is classified into 4 important heads that is Assets, Liabilities, Income and Expenses. We prepare different ledgers under these heads. Groups in tally is basically collection of similar types of Ledgers (Ledgers of same nature). In tally we get 28 pre-defined groups of which 15 are Primary Groups and 13 are Sub- Groups.

2.1.1b Ledgers

Ledger is a book which contains different records of transactions pertaining to specific account. We can create ledgers as per the needs of the accounts in tally. In tally we get two pre-defined ledgers that is Cash ledger and Profit & Loss ledger.

Other ledgers can be created in tally by following process.

Gateway of Tally > Under Masters – Accounts Info. > Ledgers > Create

Ledger Creation		RVM	
Name : Capital (alias) :			Total Op. Bal.
Under : Capital Account Inventory values are affected ? No		Mailing Details Name : Capital Address : Country : India State : Not Applicable Provide bank details : No PIN Code : Tax Registration Details PAN / IT No. :	
Opening Balance (on 1-Apr-2024) : 500000			

On this page we can enter the details of the ledger which is to be created. We can also define the opening balance under this. Once this page is accepted a ledger will be created.

We will also get alteration option of ledgers in Tally. So, if any changes in ledger to be made an be do through alter option in Ledgers.

2.1.1c Voucher Types

There are 18 different pre-defined vouchers in Tally which are of accounting, inventory and payroll type and this number increases to 20 when the payroll feature is enabled in Tally.

Just like ledgers we can create voucher in Tally. To create Voucher, go to

Gateway of Tally > Under Masters - Accounts Info. > Voucher Types > Create

Voucher Type Creation		RVM	
Name : XXXXXXXXXX (alias) :			
General Type of Voucher : Abbr. : Method of Voucher Numbering ?		Printing Print after saving Voucher ? No	
Use EFFECTIVE Dates for Vouchers ? No Make 'Optional' as default ? No Use Common Narration ? Yes Narrations for each entry ? No		Name of Class	

Fill the details in voucher type creation page and on accepting the page a voucher is created. If any details are to be changed in created voucher alter option can be used.

2.1.2 Transactions

In Gateway of Tally an option of Transaction is available to pass the entry in tally. Once head is created under masters option one can pass entry through ledger or voucher under transaction option. We get following option under Transactions

Accounting Vouchers

Inventory Vouchers

2.1.2a Accounting Vouchers

This option is used to pass the accounting entry in Tally. Entries like contra, receipt, payment, sales, purchase, credit note, debit note, etc can be passed in tally. To pass entry following shortcut can be used –

Contra – F4

Payment - F5

Receipt – F6

Journal – F7

Sales – F8

Credit Note – Ctrl + F8

Purchase – F9

Debit Note – Ctrl + F9

2.1.2b Inventory Voucher

Just like accounting vouchers under transactions, an option of inventory vouchers is available in tally. Function of Inventory Vouchers is same like Accounting Vouchers. Accounts voucher will pass or update accounts only, but inventory voucher will pass entry in accounts and inventory. Receipt of goods, transfer of stock between locations, stock adjustments are pass through inventory vouchers.

Inventory vouchers are as follows:

Rejection In – goods which are rejected by customer and returned is recorded in rejection in voucher.

Rejection Out – if we reject and return goods back it is recorded in rejection out voucher.

Stock Journal – to enter stock adjustment stock journal is used.

Delivery Note – goods delivered to customer is recorded in delivery note.

Receipt Note – use to enter record of goods received at stores.

Physical Stock – verified actual stock is recorded in physical stock voucher.

Material In – this option is used in job work and it is used to record transfer stock of material in transaction.

Material Out - this option is used in job work and it is used to record transfer stock of material out in transaction.

The enable above inventory option inventory features (F11 > F2) is used. Changes in features are to be made as per the requirement for the entry.

2.1.3 Utilities

Under Gateway of Tally an option of Utilities is available. Under these following utilities are:

Import of Data

Banking

2.1.3a Import of Data

Under this we can import the data in tally for future use. Data like masters of the company and Vouchers of the company can be imported.

If master file is to be imported go to Gateway of Tally > Under Utilities – Import of Data > Masters – Select XML file (only Tally XML format is supported).

If Voucher file is to be imported go to Gateway of Tally > Under Utilities – Import of Data > Vouchers – Select XML file (only Tally XML format is supported).

2.1.3b Banking

Under this we can get banking utilities like Cheque Printing, Cheque Register, Bank Reconciliation, Deposit Slip, Payment Advice and Post-Dated Summary option are available.

2.1.4 Reports

These option under Gateway of Tally provide different reports which can be viewed and print for future use. This includes reports like Balance Sheet, Profit & Loss A/c, Ratios, Stock Summary, Display, etc.

Balance sheet provides the data of balances of assets and liabilities.

Profit and loss give report of gross profit and net profit of the company for the particular period.

Stock summary provides report of the stock which is available in the company. It gives detail information about stock inward, stock outward and closing inventory of the specific material. It also provides details like rate, quantity and value if the inventory of material inward, outward and closing inventory available.

For doing analysis of the company and to take future decisions in the company ratios is one of the important requirements. In Tally Ratio can be seen under Reports option.

Ratio analysis is one of the important financial analyses. Ratio report in tally is divided into two parts – Principal Group and Principal ratios.

Principal Groups provides information like Working capital, Cash in Hand, Bank A/c, Bank OD A/c, Sundry Debtors, Sundry Creditors, Sales accounts, Purchase Accounts, Stock in hand, Net profit.

Principal Ratios like Current Ratio, Quick ratio, Debt/Equity Ratio, Gross profit %, Net Profit %, Operating Cost %, Recv. Turnover in Days, Return on Investment %, Return on working capital %, working capital turnover, inventory turnover.

2.1.5 Display

Under display menu of reports other reports or balances can be viewed in tally.

Trial balance – trial balance can be seen or generated using this option.

Day book – day wise all the book entries can be seen under this.

Accounts books – cash/ bank books, ledgers, group summary, group vouchers, sales register, purchase register, journal register can be viewed under accounts books.

Statement of Accounts – Outstanding of receivables, payables, ledger and group information can be gather in this option.

Inventory books – information related to stock item, sales & purchase order, stock transfer, movement of stock and ageing analysis can be viewed.

Statement of Inventory – provides information like godowns, categories, sales & purchase order outstandings, reorder status, purchase & sales bills pending.

Cash/ fund flow – provides information of cash flow, fund flow, cash flow projection.

Receipts and Payments – provides details of all receipts and payments during a period.

Payroll Reports – provides details of payroll statement, pay slip, payroll register, employee information, attendance sheet, gratuity summary.

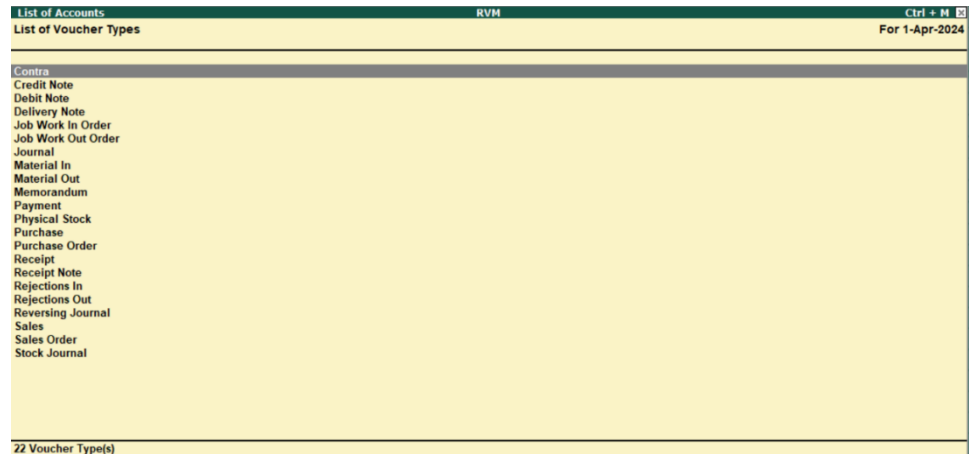
List of Accounts – this gives list of all ledgers in tally.

Exception Reports – an exception reports provides details of all exceptional transaction passed in tally. These transactions may be related to

negative stock and ledgers, overdue receipts and payments, post-dated vouchers, cancelled vouchers, memorandum vouchers, etc.

2.2 TYPES OF VOUCHERS

There are different types of pre-defined vouchers in Tally ERP. 9 to pass the different entries. The list of Vouchers in Tally is shown in picture below.



The above vouchers are pre-defined in tally and classified under Accounting, Inventory, Payroll and Order Vouchers.

2.2.1 Accounting Vouchers

The following is the types of accounting vouchers used to pass different accounting entries in Tally ERP. 9.

- 1) Contra Voucher
- 2) Payment Voucher
- 3) Receipt Voucher
- 4) Journal Voucher
- 5) Sales Voucher
- 6) Credit Note Voucher
- 7) Purchase Voucher
- 8) Debit Note Voucher
- 9) Memo Voucher

The above vouchers are used according to the type of entry to be passed in tally.

1) Contra Voucher

When an entry to be passed from one cash A/c to another or Cash A/c to Bank A/c account (Transfer of Fund Transaction) it is called as a Contra Entry. So, to enter a contra entry in tally, go to

Gateway of Tally > Accounting Voucher > F4: Contra or Press Contra from the Button Bar.

Masters – Ledgers

The screenshot shows the 'Accounting Voucher Creation' window in Tally ERP 9. The voucher type is 'Contra' and the number is 'No. 1'. The date is '1-Apr-2024 Monday'. The window is divided into three main sections: Particulars, Debit, and Credit. The 'Particulars' section shows a credit entry for 'Cash' with a current balance of 9,90,000.00 Dr and a debit entry for 'BANK SBI' with a current balance of 10,000.00 Dr. The 'Debit' column shows a value of 10,000.00 for the BANK SBI entry. The 'Credit' column shows a value of 10,000.00 for the Cash entry. The 'Narration' field is empty. The bottom of the window shows the Tally logo and version information.

Particulars	Debit	Credit
Cr Cash Cur Bal: 9,90,000.00 Dr		10,000.00
Dr BANK SBI Cur Bal: 10,000.00 Dr	10,000.00	
	10,000.00	10,000.00

Contra entry can be created in single entry mode or in double entry mode. The above format is the double entry format of contra entry in tally.

To change the format from double entry to single entry, change the configuration by pressing F12: Configure and change **Use Single Entry mode for Pymt/Rcpt/Contra** to **YES**. The below shown format is a single-entry format for the same contra entry.

The screenshot shows the 'Accounting Voucher Creation' window in Tally ERP 9, now in single entry format. The voucher type is 'Contra' and the number is 'No. 1'. The date is '1-Apr-2024 Monday'. The window is divided into two main sections: Particulars and Amount. The 'Particulars' section shows a credit entry for 'Cash' with a current balance of 9,90,000.00 Dr and a debit entry for 'BANK SBI' with a current balance of 10,000.00 Dr. The 'Amount' column shows a value of 10,000.00 for the BANK SBI entry. The 'Narration' field is empty. The bottom of the window shows the Tally logo and version information.

Particulars	Amount
Cash Cur Bal: 9,90,000.00 Dr	10,000.00
BANK SBI Cur Bal: 10,000.00 Dr	10,000.00

2) Payment Voucher

Any payment made by the company from bank or in cash it can be recorder under payment voucher.

To pass the entry in payment voucher, go to

Gateway of Tally > Accounting Voucher > F5: Payment or Press Payment from the Button Bar.

Particulars		Debit	Credit
Dr Cash		10,000.00	
Cur Bal: 10,10,000.00 Dr			
Cr BANK SBI			10,000.00
Cur Bal: 10,000.00 Cr			
Narration:		10,000.00	10,000.00

Just like Contra entry, payment entry can also be made in Single entry format. The above format is a double entry format.

3) Receipt Voucher

Any amount (cash/ bank) received from debtor or on account are accounted under receipt voucher in Tally.

To pass the entry in Receipt voucher, go to

Gateway of Tally > Accounting Voucher > F6: Receipt or Press Receipt from the Button Bar.

Particulars		Debit	Credit
Cr CAPITAL A			10,00,000.00
Cur Bal: 10,00,000.00 Cr			
Dr Cash		10,00,000.00	
Cur Bal: 10,00,000.00 Dr			
Narration:		10,00,000.00	10,00,000.00

4) Journal Voucher

If the entry is without cash or bank A/c and passed to adjust debit and credit amount such entry is passed in Journal Voucher in Tally.

To pass the entry in Journal voucher, go to

Gateway of Tally > Accounting Voucher > F7: Journal or Press Journal from the Button Bar.

Accounting Voucher Creation RVM Ctrl + M

Journal No. 1 1-Apr-2024 Monday

Particulars	Debit	Credit
Dr Mohan Cur Bal: 1,000.00 Dr	1,000.00	
Cr Interest Receivable Cur Bal: 1,000.00 Cr		1,000.00
	1,000.00	1,000.00

Narration:

Quit Accept Delete Cancel Version & Updates Ctrl + Alt + T License & Subscriptions Ctrl + Alt + L Configuration Ctrl + Alt + F Gateway ODBC Server localhost:9999 9000 Calculator Ctrl + N

Tally ERP 9

Inventory Buttons: F1: Accounts Debit, F2: Date, F3: Company, F4: Contra, F5: Payment, F6: Receipt, F7: Journal, F8: Sales, F9: Purchase, F10: Rev Jnl, F11: Features, F12: Configure

5) Sales Voucher

A cash or credit sales entry can be passed in tally through the sales voucher.

To pass the entry in Sales voucher, go to

Gateway of Tally > Accounting Voucher > F8: Sales or Press Sales from the Button Bar.

Accounting Voucher Creation RVM Ctrl + M

Sales No. 1 1-Apr-2024 Monday

Ref: Party's A/c Name : Cash
Current Balance : 10,00,000.00 Dr
Sales Ledger : Sales

Name of Item	Quantity	Rate per	Amount
Mobile			10,000.00
End of List			
			10,000.00

Narration:

Quit Accept Delete Cancel Version & Updates Ctrl + Alt + T License & Subscriptions Ctrl + Alt + L Configuration Ctrl + Alt + F Gateway ODBC Server localhost:9999 9000 Calculator Ctrl + N

Tally ERP 9

Inventory Buttons: F1: Inventory Buttons, F2: Date, F3: Company, F4: Contra, F5: Payment, F6: Receipt, F7: Journal, F8: Sales, F9: Purchase, F10: Rev Jnl, F11: Features, F12: Configure

The above picture shows the cash sales entry in Sales Voucher in Invoice format if you want to pass the entry in voucher format press Ctrl + V format will change to Voucher as shown in below picture.

Accounting Voucher Creation RVM Ctrl + M

Sales No. 1 1-Apr-2024 Monday

Ref: Particulars

Particulars	Debit	Credit
Dr Cash Cur Bal: 10,10,000.00 Dr	10,000.00	
Cr Sales Cur Bal: 10,000.00 Cr		10,000.00
	10,000.00	10,000.00

Narration:

Quit Accept Delete Cancel Version & Updates Ctrl + Alt + T License & Subscriptions Ctrl + Alt + L Configuration Ctrl + Alt + F Gateway ODBC Server localhost:9999 9000 Calculator Ctrl + N

Tally ERP 9

Inventory Buttons: F1: Inventory Buttons, F2: Date, F3: Company, F4: Contra, F5: Payment, F6: Receipt, F7: Journal, F8: Sales, F9: Purchase, F10: Rev Jnl, F11: Features, F12: Configure

6) Credit Note Voucher

Once the sale entry is passed and if there is any sales return, we can pass this entry of return in Credit Note Voucher. To pass such entry in tally we need to enable debit/ credit note feature. To enable this feature, go to

Gateway of Tally > F11: Features > F1: Accounts > set option of Use debit/credit notes to Yes

Once the feature is enabled entry can be passed. To pass the return entry, go to

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

The screenshot shows the 'Credit Note' creation screen in Tally ERP 9. The title bar includes 'P: Print', 'E: Export', 'M: E-Mail', 'O: Upload', 'S: Shop', 'G: Language', 'K: Keyboard', 'C: Control Centre', 'H: Support Centre', and 'H: Help'. The main window has a green header with 'Accounting Voucher Creation' and 'RVM'. Below the header, it says 'Credit Note No. 1' and 'Original Invoice Dt.:'. The date is set to '1-Apr-2024 Monday'. The 'Particulars' table has columns for 'Debit' and 'Credit'. The entry is for 'Cash' with a debit of 9,95,000.00 and a credit of 5,000.00. The 'Narration' field is empty. The bottom status bar shows 'Tally.ERP 9' and 'Series A Release 5.0 (Latest)'. The right sidebar contains a list of buttons: F1: Accounts Buttons, F2: Date, F3: Company, F4: Contra, F5: Payment, F6: Receipt, F7: Journal, F8: Sales, F9: Credit Note, F10: Purchase, F11: Debit Note, F12: Rev. Jnl, F13: Memo, F14: Item Invoice, F15: As Invoice, F16: Post-Dated, F17: Optional, F18: Features, and F19: Configure.

7) Purchase Voucher

A cash or credit Purchase entry can be passed in tally through the Purchase voucher.

To pass the entry in Purchase Voucher, go to

Gateway of Tally > Accounting Voucher > F9: Purchase or Press Purchase from the Button Bar.

The screenshot shows the 'Purchase' creation screen in Tally ERP 9. The title bar includes 'P: Print', 'E: Export', 'M: E-Mail', 'O: Upload', 'S: Shop', 'G: Language', 'K: Keyboard', 'C: Control Centre', 'H: Support Centre', and 'H: Help'. The main window has a green header with 'Accounting Voucher Creation' and 'RVM'. Below the header, it says 'Purchase No. 1' and 'Supplier Invoice No.:'. The date is set to '1-Apr-2024 Monday'. The 'Particulars' table has columns for 'Rate per' and 'Amount'. The entry is for 'Battery' with an amount of 5,000.00. The 'Narration' field is empty. The bottom status bar shows 'Tally.ERP 9' and 'Series A Release 5.0 (Latest)'. The right sidebar contains a list of buttons: F1: Accounts Buttons, F2: Date, F3: Company, F4: Contra, F5: Payment, F6: Receipt, F7: Journal, F8: Sales, F9: Credit Note, F10: Purchase, F11: Debit Note, F12: Rev. Jnl, F13: Memo, F14: Item Invoice, F15: As Voucher, F16: Post-Dated, F17: Optional, F18: Features, and F19: Configure.

Just like sales the above picture shows the cash purchase entry in Purchase Voucher in Invoice format if you want to pass the entry in voucher format press Ctrl + V format will change to Voucher as shown in below picture.

Accounting Voucher Creation
Purchase No. 1
 Supplier Invoice No.:
 Date: 1-Apr-2024 Monday

Particulars	Debit	Credit
Cr Cash Cur Bal: 9,95,000.00 Dr		5,000.00
Dr Battery Cur Bal: 5,000.00 Dr	5,000.00	
	5,000.00	5,000.00

Narration:

Product: Tally ERP 9
 Version & Updates: Series A Release 5.0 (Latest)
 License & Subscription: Educational Mode
 Configuration: Gateway ODBC Server
 Calculator: localhost:9999 9000

8) Debit Note Voucher

Once the Purchase entry is passed and if there is any purchase return, we can pass this entry of return in Debit Note Voucher. To pass such entry in tally we need to enable debit/ credit note feature. To enable this feature, go to

Gateway of Tally > F11: Features > F1: Accounts > set option of Use debit/credit notes to Yes

Once the feature is enabled entry can be passed. To pass the return entry, go to

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

Accounting Voucher Creation
Debit Note No. 1
 Original Invoice Dt.:
 Date: 1-Apr-2024 Monday

Particulars	Debit	Credit
Dr Cash Cur Bal: 10,02,000.00 Dr	2,000.00	
Cr Battery Cur Bal: 2,000.00 Cr		2,000.00
	2,000.00	2,000.00

Narration:

Product: Tally ERP 9
 Version & Updates: Series A Release 5.0 (Latest)
 License & Subscription: Educational Mode
 Configuration: Gateway ODBC Server
 Calculator: localhost:9999 9000

9) Memorandum Voucher (Memos)

This is place or register where you can pass a non-accounting entry. In other words if you pass entry in Memorandum Voucher it will not affect any ledger in Tally, but it is entry is passed in a separate register.

To pass such entry in tally we need to enable Use reversing journal and optional vouchers feature. To enable this feature, go to

Gateway of Tally > F11: Features > F1: Accounts > set option of Use reversing journal and optional vouchers to Yes

Once the feature is enabled entry can be passed. To pass the entry, go to

Gateway of Tally > Accounting Vouchers > Ctrl + F10: Memos

Particulars	Debit	Credit
Dr Battery Cur Bal: 10,000.00 Dr	10,000.00	
Cr Cash Cur Bal: 9,90,000.00 Dr		10,000.00
	10,000.00	10,000.00

Narration:

1>

2.3 MASTERS – INVENTORY INFO.

Under masters after accounts info. If the company requires inventory management we get inventory info. in tally. Under Inventory Info we get following options:

- Stock Groups
- Stock Items
- Units of Measure
- Voucher Types

Other options under inventory info. can be enabled using F11: Features and F12: Configuration Buttons as per the need of the transactions.

Under each of the above option we can create, display (view) and alter the option as per the requirement.

Stock Groups

Stock groups is similar to groups in accounts info under master in tally. To Create stock group, go to

Gateway of Tally > Under Masters – Inventory Info. > Stock Group > Create

Stock Group Creation	
Name :	
(alias) :	
Under :	☒ Primary
Can Quantities of items be ADDED	? No

Fill the details on the above page and on accepting the details a stock group is created. To view the created group use display option under stock group and to make changes in the created group use alter option in stock group.

Stock Items

When goods are manufactured or brought for trading purpose an inventory is created and for these, we can create stock item in Tally.

To create, go to

Gateway of Tally > Under Masters – Inventory Info. > Stock Item > Create

Stock Item Creation	
Name :	
(alias) :	
Under :	☒ Primary
Category :	☒ Not Applicable
Units :	☒ Not Applicable
Opening Balance :	
	Quantity Rate per Value

Fill the details on the above page and on accepting the details a stock item is created. To view the created item use display option under stock item and to make changes in the created item use alter option in stock item.

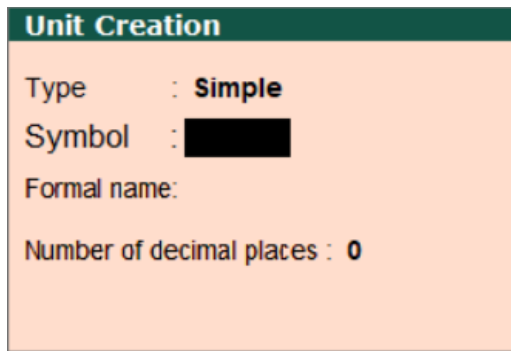
If there are more than one stock item instead of created stock item one by one for each type of stock use multiple stock item to create the same.

Units of Measure

This option is used to create the measurement unit for each stock item which is created. One should create unit of measurement first and then stock item so that the unit of measurement can be defined/ selected while creating stock item.

To create units of measurement, go to

Gateway of Tally > Under Masters – Inventory Info. > Units of Measure > Create



After filling the details accept the page and unit of measurement is created.

To view and make changes an option of Display and Alter can be used respectively.

Voucher Type

It is same as voucher type in Accounts info.

Many more options can be seen under Inventory Info. on enabling the features using F11 button.

Options like Godown and Cost Category can be enabled under Features if required as per the transaction needs.

2.4 PURCHASE ORDER PROCESSING

When an order is placed with suppliers for goods, it includes specifications like item details, quantities, rate, expected date of delivery, Purchase Order number, etc. Upon receiving these goods, the purchase order is noted either in receipt note or Purchase invoice to track the order.

Tally provides various report of purchase order. These includes Outstanding purchase order report, purchase order summary report, stock summary, etc.

To active this feature, go to

Gateway of Tally > F11: Features > F2: Inventory Features > Order Processing > Set Allow purchase order processing to Yes

Masters – Ledgers

Now to create purchase order, go to

Gateway of Tally > Order Vouchers > Alt + F4: Purc. Order

Enter details like Party's A/c Name, Purchase ledger, Name of Item, Due date, Godown, qty and rate

The following purchase order screen will appear.

The screenshot displays the 'Purchase Order' creation interface in Tally ERP 9. At the top, there's a menu bar with options like Print, Export, E-Mail, Upload, Shop, Language, Keyboard, Control Centre, Support Centre, and Help. Below this, the 'Order Voucher Creation' section shows 'Purchase Order No. 1' dated '1 Apr 2024 Monday'. The 'Party's A/c Name' is 'Mohan', 'Current Balance' is 'Purchase', and 'Purchase Ledger' is 'Purchase'. The 'Order No.' is '1'. The main table lists items with columns for Name of Item, Quantity, Rate per, and Amount. One item, 'Mobile', is listed with a quantity of 100 pcs, a rate of 5,000.00 per pcs, and a total amount of 5,00,000.00. The bottom status bar shows 'Tally ERP 9' and 'POWER OF SIMPLICITY'.

As this order is placed and the stock is yet to received, we can see this entry in purchase order outstanding. To view this, go to

Gateway of Tally > Display > Statement of Inventory > Purchase Order Outstandings

Process and example of purchase order processing is:

- **Allow purchase order processing**

Let's understand this feature through the following example

A company wants to purchase a laptop and mouse so it has to follow a process. Firstly, it has to send its order requirement to the Vendor, then as per the requirement and availability of the product the vendor send the product and finally vendor sends the invoice on which payment will be done.

To understand this, go to

Gateway of Tally > F11 > Inventory Features > Order processing > Allow purchase order processing – Yes > Accept.

Company: <u>Actual & Bill Qty Co.</u>			
<u>Inventory Features</u>			
General		Invoicing	
Integrate accounts and inventory	? Yes	Allow invoicing	? Yes
Allow zero valued entries	? No	Record purchases in invoice format	? Yes
Storage and Classification		Use debit/credit notes	
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 in invoices	? No
Use different actual and billed qty	? No	Purchase Management	
Order Processing		Track additional costs of purchases	
Allow purchase order processing	? Yes	Use multiple price levels	
Allow sales order processing	? Yes	Sales Management	
Allow job order processing (Note : Enables Maintain Multiple Godowns and Use material in/out)	? No	Use tracking numbers (delivery/receipt notes)	
		Use rejection inward/outward notes	
		Use material in/out	
		Use cost tracking for stock item	
		Other Features	
		Use tracking numbers (delivery/receipt notes)	
		Use rejection inward/outward notes	
		Use material in/out	
		Use cost tracking for stock item	

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

On enabling this feature, you will get a new option in Gateway of Tally under Transactions as Order Vouchers.

Gateway of Tally Screen will change as shown in the following Figures

Gateway of Tally

Masters

Accounts Info.

Inventory Info.

Transactions

Accounting Vouchers

Inventory Vouchers

Utilities

Import of Data

Banking

Reports

Balance Sheet

Profit & Loss A/c

Stock Summary

Ratio Analysis

Display

Quit

Gateway of Tally

Masters

Accounts Info.

Inventory Info.

Transactions

Accounting Vouchers

Inventory Vouchers

Order Vouchers

Utilities

Import of Data

Banking

Reports

Balance Sheet

Profit & Loss A/c

Stock Summary

Ratio Analysis

Display

Quit

Now to start with order requirement entry needs to be pass for that go to

Gateway of Tally > Order Vouchers > Press Alt + F4 for Purchase Order > Enter date, order name, party's A/c name, purchase ledger, name of the item, qty, rate and amount > Accept

To view the transaction, go to

Gateway of Tally > Display > Statements of Inventory > Purchase Order Outstandings > All Orders and enter

Tally will display the following screen

Order Details		Actual & Bill Qty Co.				Ctrl + M
Purchase Orders(Due Only)						For 1-Apr-2024
Date	Order Number	Name of Item	Ordered Quantity	Balance Quantity	Rate (Disc %)	Value Due on (overdue)
Purchase Orders Outstanding:						
1-Apr-2024	1	Laptop	10 pcs	10 pcs	40,000.00	4,00,000.00 1-Apr-2024 (0 days)
		To: Nitin				
1-Apr-2024	1	Mouse	30 pcs	30 pcs	500.00	15,000.00 1-Apr-2024 (0 days)
		To: Nitin				
			40 pcs	40 pcs		4,15,000.00

Now on receipt of our order the vendor will send the goods and we will receive the goods. So will pass receipt of goods entry in receipt note under Inventory Voucher. To pass the entry, go to

Gateway of Tally > Inventory Vouchers > Press Alt + F9 (Receipt Note) > Enter Party's A/c Name, Order no, Purchase Ledger, Name of Item, Qty, rate, Amount > Accept

Once the entry is passed go to the Purchase order outstanding statement by following the steps given on pg no 41 and the following screen is displayed

Purchase Orders(Due Only)						For 1-Apr-2024
Date	Order Number	Name of Item	Ordered Quantity	Balance Quantity	Rate (Disc %)	Value Due on (overdue)
Purchase Orders Outstanding:						
1-Apr-2024	1	Laptop	10 pcs	2 pcs	40,000.00	80,000.00 1-Apr-2024 (0 days)
		To: Nitin				
1-Apr-2024	1	Mouse	30 pcs	10 pcs	500.00	5,000.00 1-Apr-2024 (0 days)
		To: Nitin				
			40 pcs	12 pcs		85,000.00

In the above example the Order Quantity of Computer is 10 pcs and Mouse is 30 pcs but you receive an inventory of Computer 8 pcs and Mouse 20 pcs. So, the screen will display Balance Quantity of Computer – 2 pcs and Mouse – 10 pcs.

Note: If we receive all the qty then Balance Quantity will be zero.

Now on receipt of Invoice we need to make Purchase entry and this can be done by

Gateway of Tally > Accounting Vouchers > F5 (Purchase) > enter Party's A/c Name, select receipt no (Select order no same which is entered in receipt no), Purchase Ledger, name of the item, qty, rate, amount > Accept

Purchase No. 2		Date : 1-Apr-2024		8-Apr-2024 Monday
Supplier Invoice No. : 1				
Party's A/c Name : Nitin				
Current Balance : 3,30,000.00 Cr				
Purchase Ledger : Purchase				
Name of Item	Quantity	Rate per	Amount	
Laptop	8 pcs	40,000.00 pcs	3,20,000.00	
Mouse	20 pcs	500.00 pcs	10,000.00	
			3,30,000.00	
Narration:		28 pcs	3,30,000.00	

Now go to

Gateway of Tally > Balance Sheet > go on Current Liabilities and press Alt + F1

Screen will display Creditor amount as shown in following figure

Balance Sheet	Actual & B
Liabilities	Actual & Bill Qty Co. as at 1-Apr-2024
Capital Account	
Loans (Liability)	
Current Liabilities	3,30,000.00
Sundry Creditors	3,30,000.00

As the invoice is received and a credit purchase entry is passed, now you can make a payment entry.

• Allow job order processing

This feature is allowed when an organization is taking a contract to complete a particular job work

Example: A company is taking a Job work of making a T-shirts on behalf of other company. Raw material (fabric) is provided to us by other company who has given a job work and our company is going to make a T-shirts from the fabric.

Job processing has following steps

- o Job order acceptance
- o Receive raw material
- o Manufacture goods
- o Delivery of goods
- o Prepare job order invoice

To enable the feature, go to

Gateway of Tally > F11 > Inventory Features > Order Processing > Allow job order processing – Yes (also allow Maintain Multiple Godown option – Yes) > Other Features > Use material in/ out – Yes > Accept

Company: <u>Job Order Processing</u>			
<u>Inventory Features</u>			
General		Invoicing	
Integrate accounts and inventory	? Yes	Allow invoicing	? Yes
Allow zero valued entries	? No	Record purchases in invoice format	? Yes
Storage and Classification		Use debit/credit notes	? No
Maintain Multiple Godowns	? Yes	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 in invoices	? No
Use different actual and billed qty	? No	Purchase Management	
Order Processing		Track additional costs of purchases	? No
Allow purchase order processing	? No	Sales Management	
Allow sales order processing	? No	Use multiple price levels	? No
Allow job order processing (Note : Enables Maintain Multiple Godowns and Use material in/out)	? Yes	Other Features	
		Use tracking numbers (delivery/receipt notes)	? No
		Use rejection inward/outward notes	? No
		Use material in/out	? Yes
		Use cost tracking for stock item	? No

Now go to

Gateway of Tally > Inventory Info > Unit of Measure > Create

Here create two units – 1) Meter (mtrs) for fabric and 2) Pieces (pcs) for T-shirts

Then go to

Gateway of Tally > Inventory Info > Stock Groups > Create

Here create two groups – 1) Raw material and 2) Finished Goods

Then go to

Gateway of Tally > Inventory Info > Stock Items > Create

Create two items – 1) Fabric under raw material and 2) T-shirts under Finished Goods

Then go to

Gateway of Tally > Inventory Info > Godowns > Create > Name: Mumbai, Under: Primary, Set Third party stock with us – Yes > Accept

Then go to

Gateway of Tally > Inventory Info > Voucher Types > Create > Name: Manufacturing Journal, Use as a Manufacturing Journal – Yes > Accept

Then go to Alter option in Voucher Types > Material In > Set Use for Job Work – Yes and set Use for Job Work In – Yes > Accept

Similarly alter Material out and Set Use for Job Work – Yes and set Use for Job Work In – Yes and Accept.

Now we can pass entries in Tally as per the Job Processing Steps

6) Job Order Acceptance

Gateway of Tally > Order Vouchers > press Alt + W > enter Party A/c Name > Name of Item: T-shirts > Enter due date, enter Godown name, Enter qty (Components Allocations page will open enter the details and enter > enter rate and amount > Accept

Order Voucher Alteration (Secondary)		Job Order Processing		Ctrl + M
Job Work In Order No. 1				8-Apr-2024 Monday
Party's A/c Name : Supplier 1		Order No. : 1		
Current Balance : 50,000.00 Dr				
Name of Item	Quantity	Rate per	Amount	
T-Shirts	1,000 pcs	70.00 pcs	70,000.00	
Narration:			1,000 pcs	70,000.00

7) Receive Raw Material

Gateway of Tally > Inventory Vouchers > Press Ctrl + W (Material In) > Enter Party's A/c Name, Source Godown, Name of Item – Fabrics, select the same order no which were enter in job order acceptance entry, accept all > Accept

Material In		No. 1		8-Apr-2024 Monday
Ref. : 1				
Party's A/c Name : Supplier 1				
Current Balance : 50,000.00 Dr				
Source Godown : Mumbai				
Name of Item	Quantity	Rate per	Amount	
Fabric	1,000 mts	50.00 mts	50,000.00	
Narration:			1,000 mts	50,000.00

8) Manufacture Goods

Masters – Ledgers

Gateway of Tally > Inventory Vouchers > Alt + F7 > Select Manufacturing Journal > Name of product: T-shirts, Enter qty – 1000 pcs (means from 1000 mtrs we will produce 1000 T-shirts) > keep same details and Accept.

Inventory Voucher Alteration (Secondary)				Job Order Processing				Ctrl + M			
Manufacturing Journal No. 1								8-Apr-2024 Monday			
Manufacture of Materials											
Name of Product : T-Shirts				Godown: Mumbai				Qty : 1,000 pcs			
				% of Cost allocation 100 %							
Components (Consumption)						Co-Product / By-Product / Scrap					
Name of Item	Godown	Quantity	Rate	Amount		Name of Item	Godown	% of Cost allocation	Quantity	Rate	Amount
Fabric	Mumbai	1,000 mts	50.00/mts	50,000.00							
Cost of Components :											50,000.00
Type of Addl. Cost %age											
Total Addl. Cost :											50,000.00
Effective Cost :											50,000.00
Allocation to Primary Item :											50,000.00
Effective Rate for Primary Item :											50.00/pcs
				1,000 mts	50,000.00						
Narration:											

9) Delivery of Goods

Gateway of Tally > Inventory Vouchers > Ctrl + J (Material Out) > Enter Party's Name: > Under list of order select the same order number and enter all details > Destination Godown > Name of Item: T-Shirts > Accept

Inventory Voucher Alteration (Secondary)				Job Order Processing				Ctrl + M			
Material Out No. 1								8-Apr-2024 Monday			
Ref : 1											
Party's A/c Name : Supplier 1											
Current Balance : 50,000.00 Dr											
Destination Godown : Mumbai											
Name of Item		Quantity	Rate per	Amount							
T-Shirts		1,000 pcs	70.00 pcs	70,000.00							
Narration:											1,000 pcs 70,000.00

10) Prepare Job Order Invoice

Gateway of Tally > Accounting Vouchers > F8 (Sales) > Enter Party's A/c Name, Sales Ledger, Name of Item: End of list, Select Job order Fees and enter amount > Accept

Name of Item	Quantity	Rate per	Amount
Job Work Order Fees			50,000.00
			50,000.00

All the entries of the steps can be seen by

Gateway of Tally > Display > Day Book > Select Sales voucher entry > Press Alt + P > Print the Sales Invoice

All the entries can be seen Under Display - Job Work In Reports

By passing all these steps our purchase order process gets completed.

2.5 SALES ORDER PROCESSING

When a customer places an order, it is essential to furnish comprehensive information such as item details, quantities, delivery date, etc. with unique sales order number. This number is crucial for tracking order details in subsequent documents such as delivery note or sales invoice.

To active this feature, go to

Gateway of Tally > F11: Features > F2: Inventory Features > Order Processing > Set Allow sales order processing to Yes

Now to create sales order, go to

Gateway of Tally > Order Vouchers > Alt + F5: Sales Order

Enter details like Party's A/c Name, Sales ledger, Name of Item, Due date, Godown, qty and rate

The following sales order screen will appear.

Name of Item	Quantity	Rate per	Amount
Mobile	80 pcs	6,000.00 pcs	4,80,000.00
			4,80,000.00

As this order is placed, we can see this entry in sales order outstanding. To view this, go to

Gateway of Tally > Display > Statement of Inventory > Sales Order Outstandings

Once the order is delivered, we will pass the entry in delivery note under inventory voucher and pass sales entry in sales voucher under accounting vouchers. This is how our sales order process will get completed.

2.6 Debit Note

Debit note is a document issued for purchase return to the party. A debit note is issued by a buyer to a seller when there is an under-billing or when additional goods or services are received beyond what was originally invoiced.

Reasons for issuing a debit note include receiving damaged goods, goods of inferior quality, or an excess quantity of goods.

If anyone wants to pass the Debit note (Purchase Return) entry one has to enable the option of Use debit/ credit notes by –

F11 > Accounting Features > Invoicing > Use debit/ credit notes – Yes

Company: Cost Centre & Category			
Accounting Features			
General			
Maintain accounts only	? No	Invoicing	? No
Integrate accounts and inventory	? Yes	Allow invoicing	? No
Income & Expense A/c instead of Profit & Loss A/c	? No	Record purchases in invoice format	? No
Allow multi-currency	? No	Use debit/credit notes	? Yes
		Use invoice mode for credit notes	? No
		Use invoice mode for debit notes	? No
Outstandings Management			
Maintain bill-wise details (for non-trading A/cs also)	? Yes	Budgets and Scenario Management	
Activate interest calculation (use advanced parameters)	? No	Maintain budgets and controls	? No
	? No	Use reversing journals and optional vouchers	? No
Cost/Profit Centres Management			
Maintain payroll	? No	Banking Features	
Maintain cost centres	? Yes	Enable cheque printing (Use banking configuration in bank ledger master for cheque printing configuration)	? Yes
Use cost centre for job costing	? No	Alter banking features	? No
More than ONE Payroll / Cost Category	? Yes	Set/alter post-dated transaction features	? No
Use pre-defined cost centre allocations in transactions	? No	Other Features	
Show opening balance for revenue items in reports	? Yes	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

This will allow you to pass debit and credit note entries in Tally.

Once you enable Use debit/credit notes then your accounting voucher will change as shown in the figure below which enables the debit note and credit note button

Use invoice mode for debit notes – Yes

To pass purchase return entry, go to

Gateway of Tally > Accounting Vouchers > Ctrl + F9 > Fill the details of Party's A/c Name, Purchase ledger, Name of Item, Qty, rate – you will see the debit note entry as shown in picture below

P: Print	E: Export	M: E-Mail	U: Upload	S: Shop	G: Language	K: Keyboard	C: Control Centre	H: Help
Accounting Voucher Creation				Actual & Bill Qty Co.				Ctrl + M
Debit Note		No. 1						1-Apr-2024 Monday
Original Invoice No.:								
Party's A/c Name : Cash								
Current Balance : 500.00 Cr								
Purchase Ledger : Purchase								
Name of Item				Quantity	Rate per	Amount		
Pens				10 pcs	10.00 pcs	100.00		
						100.00		
Narration:				10 pcs		100.00		
Q: Quit	A: Accept	D: Delete	C: Cancel	U: Undo & Substitution		C: Configuration		Ctrl + M
Product		Version & Updates		License & Substitution		Gateway		Ctrl + Alt + F
Tally ERP 9		Series A Release 5.0 (Latest)		Educational Mode		ODBC Server		Calculator
POWER OF SIMPLICITY						localhost:9999		Ctrl + M
Tally ERP 9						9000		

Press Alt + P to print the debit note

These contains details like party name, date, product details which is to be return, remark for the return, quantity rate, amount, etc.

2.7 CREDIT NOTE

Credit note is a document issued for sales return to the party. A credit note is issued by a seller to a buyer when there is an over-billing or when goods or services are returned.

Reasons for issuing a credit note include returning goods due to damage, incorrect quantity, or quality issues.

If anyone wants to pass the Credit note (Sales Return) entry one has to enable the option of Use debit/ credit notes by –

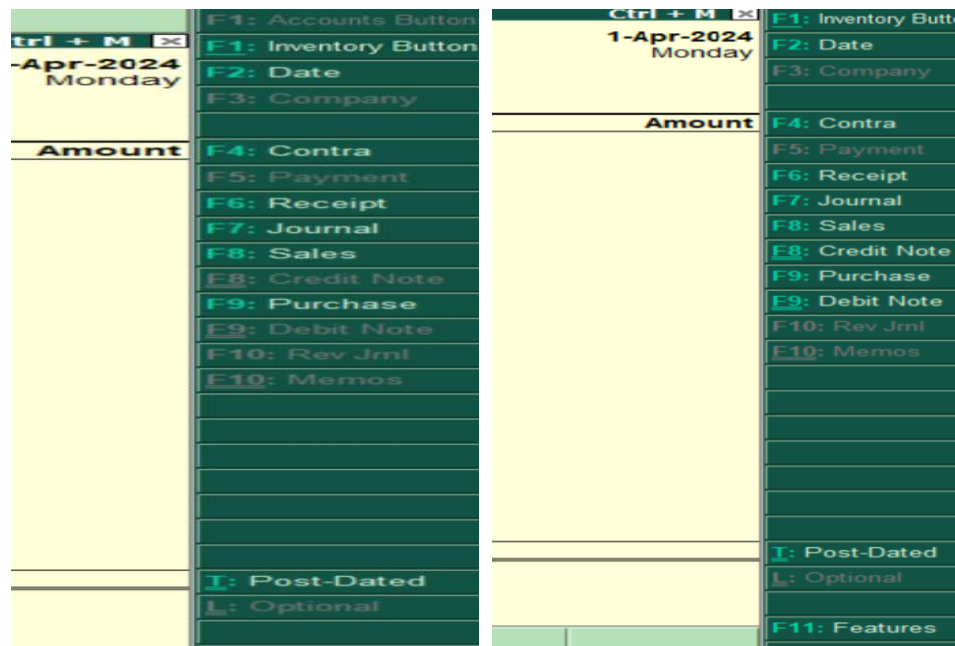
F11 > Accounting Features > Invoicing > Use debit/ credit notes – Yes

Company: Cost Centre & Category			
Accounting Features			
General			
Maintain accounts only	? No	Invoicing	? No
Integrate accounts and inventory	? Yes	Allow invoicing	? No
Income & Expense A/c instead of Profit & Loss A/c	? No	Record purchases in invoice format	? No
Allow multi-currency	? No	Use debit/credit notes	? Yes
		Use invoice mode for credit notes	? No
		Use invoice mode for debit notes	? No
Outstandings Management			
Maintain bill-wise details (for non-trading A/cs also)	? Yes	Budgets and Scenario Management	
Activate interest calculation (use advanced parameters)	? No	Maintain budgets and controls	? No
		Use reversing journals and optional vouchers	? No
Cost/Profit Centres Management			
Maintain payroll	? No	Banking Features	
Maintain cost centres	? Yes	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	? Yes	Alter banking features	? No
Use pre-defined cost centre allocations in transactions	? No	Set/alter post-dated transaction features	? No
Show opening balance for revenue items in reports	? Yes	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

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

This will allow you to pass debit and credit note entries in Tally.

Once you enable Use debit/credit notes then your accounting voucher will change as shown in the figure below which enables the debit note and credit note button



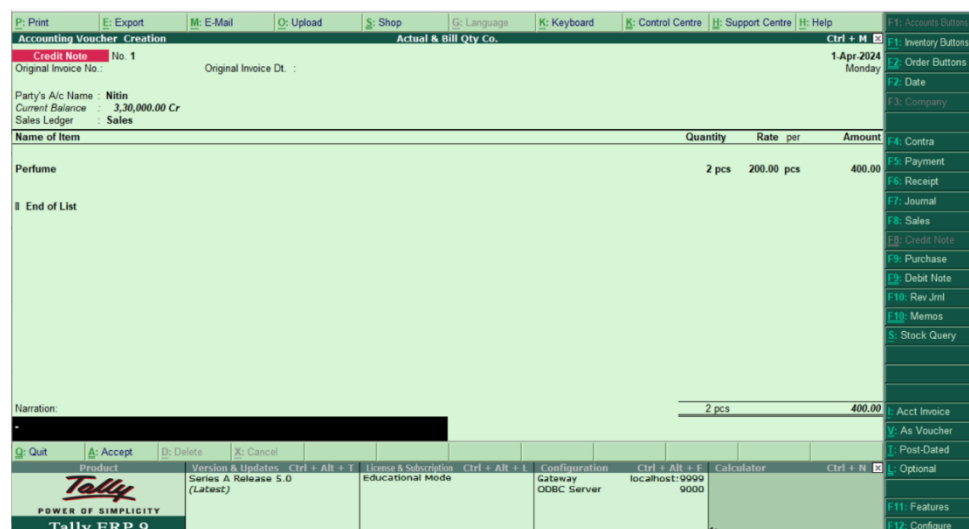
Use invoice mode for credit notes – Yes

Use invoice mode for debit notes – Yes

This will change the debit / credit note voucher in invoice format.

To pass sales return entry, go to

Gateway of Tally > Accounting Vouchers > Ctrl + F8 > Fill the details of Party's A/c Name, Sales ledger, Name of Item, Qty, rate – you will see the credit note entry as shown in picture below



Press Alt + P to print the Credit note

The print document contains details like party name, date, product details which is to be return, remark for the return, quantity rate, amount, etc.

2.8 BANK RECONCILIATION STATEMENT

A bank reconciliation statement is a statement use to compare bank record with business or individual records or accounting records. It's a comparison between cash book and the bank passbook or bank statement. When both business record and bank records show same balance, it means it is reconciled.

Bank reconciliation statements are crucial for accuracy of financial records.

You can view cash book and bank book balance in tally. To view this, go to

Gateway of Tally > Display > Account Books > Cash/Bank Books > following screen will be displayed in tally which shows cash and bank balance of the company for the selected period.

Cash/Bank Summary		ABC		Ctrl + M	
Particulars		Bank Accounts			
		ABC			
		1-Apr-2024 to 1-Jun-2024		Closing Balance	
		Debit	Credit		
Cash in hand			20,000.00		
Cash			20,000.00		
Bank Accounts			9,990.00		
SBI			9,990.00		
Grand Total			29,990.00		

You can also see the details entries of cash and bank through their ledgers.

Now to do bank reconciliation in tally you will require the bank statement of business bank A/c to match the transaction with the entries in tally. Tally provides a reconciliation tab to reconcile the transaction. In this tab we will get the bank entries with a column of Bank date. Let's take an example – suppose we deposited a cheque in the bank on 1/7/24 but bank has passed this cheque after 5 days i.e. on 6/7/24 so in Tally we will pass the entry on 1/7/24 for cheque deposited in bank (Cheque received against Sales). In reality the cheque is cleared on 6/7/24 so after a month when we get the bank statement, we reconcile the transaction and find the difference.

To do reconciliation in tally, go to

Gateway of Tally > Banking (under utilities) > Bank Reconciliation > Select Bank – following page will be displayed on screen in Tally

Bank Reconciliation		ABC					Ctrl + M	
Ledger: SBI		(Reconciliation)					1-Apr-2024 to 1-Jun-2024	
Date	Particulars	Vch Type	Transaction Type	Instrument No.	Instrument Date	Bank Date	Debit	Credit
1-6-2024	Purchase	Payment	Cheque	123456	1-6-2024	2-6-2024		50,000.00
1-6-2024	Rohit Sharma Traders	Payment	Cheque	110110	1-6-2024	1-7-2024		50,000.00
1-6-2024	Rohit Sharma Traders	Payment	Cheque	110111	1-6-2024	1-7-2024		10.00
1-6-2024	Cash	Contra	Cash		1-6-2024	1-6-2024	1,10,000.00	
							Balance as per Company Books :	9,990.00
							Amounts not reflected in bank :	1,00,010.00
							Balance as per Bank :	1,10,000.00
Q: Quit		D: Delete Unlinked		D: Delete All Unlinked		Enter: Alter		Enter: Display

Enter the Bank date as per the bank statement in bank date column and accept the transaction. This bank date is displayed in the original entry also.

In this way a bank reconciliation is done in tally. If all the columns under bank date is filled with date, then it means all the entries have been considered and no difference is remaining. If any column is blank under bank date means entry is now passed in bank statement and we need to reconcile the same. Similarly for each entry we need to check the details of the entry like particulars, voucher type, cheque no and amount.

2.9 SHORTCUT KEYS

The following table shows the shortcut keys of tally and its functions.

Functions	Shortcut
Accounting Voucher	
Contra entry	F4
Payment entry	F5
Receipt entry	F6
Journal entry	F7
Sales entry	F8
Purchase entry	F9
Debit Note	Ctrl + F9
Credit Note	Ctrl + F8
Reversing Journal	F10
Memorandum	Ctrl + F10
Inventory Voucher	
Purchase order	Alt + F4
Sales order	Alt + F5
Rejection In	Ctrl + F6
Rejection Out	Alt + F6
Stock journal	Alt + F7
Delivery Note	Alt + F8
Receipt Note	Alt + F9
Physical Stock Voucher	Alt + F10
Common	

Change the date	F2
Period of report	Alt + F2
Select Company	F3
Company Features	F11
Configuration	F12
Print the screen displayed	Alt + P
Accept and Save Information on screen	Ctrl + A
Delete	Alt + D
Create a master on voucher screen	Alt + C
Gateway of Tally	
Select Company	F1
Close company	Alt + F1
Company Info.	Alt + F3
Calculator Panel	Alt + N

Note: There are many other shortcut keys in Tally which is not included in the above list and can be seen on the screen in Tally.

2.10 EXERCISE

I. Select the most appropriate option:

1. Party account can be created using
 - a. Group
 - b. Ledger
 - c. Inventory
 - d. All of the above
2. In Tally, there are _____ Pre-defined Ledgers
 - a. One
 - b. Two
 - c. Three
 - d. Unlimited
3. Goods returned (Purchase return) after challan but before bill we need to pass
 - a. Debit Note
 - b. Credit Note
 - c. Rejection Out
 - d. Rejection In
4. Sales return are recorded in _____ Voucher
 - a. Sales
 - b. Debit Note

c. Receipt

d. Credit Note

5. _____ is collection of all accounts.

a. Ledger

b. Voucher

c. Journal

d. Invoice

Answer:

1 – b	2 – b	3 – c	4 – d	5 – a
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II. Match the Following:

Column A	Column B
1. F4	a. Receipt
2. F5	b. Payment
3. F6	c. Contra
4. F7	d. Credit Note
5. F8	e. Debit Note
6. F9	f. Features
7. F11	g. Purchase
8. F12	h. Sales
9. Ctrl + F8	i. Journal
10. Ctrl + F9	j. Configuration

Answer:

1 – c	2 – b	3 – a	4 – i	5 – h
6 – g	7 – f	8 – j	9 – d	10 – e

III. Illustrations:

1. Explain all Accounting Features in tally.
2. Explain all Inventory Features in tally.
3. How to pass debit/credit note entry in tally.
4. Explain with example Purchase order processing and pass entry in tally.
5. Explain with example sales order processing and pass entry in tally.
6. Create a company ABC ltd. And pass the following details in tally
1/7/2024 – Purchase order
Laptop – 10 Qty – Rs. 20000 per unit

Printer – 15 Qty – Rs. 6000 per unit

Create Purchase order

Qty Delivered

2/7/2024

Laptop – 5 Qty

Printer – 10 Qty

Update the transaction and verify the status in purchase order outstanding.

7. Create Purchase order for purchase of Office chairs and Desk lamp under Office supplies quantity 20 units @ Rs. 2500 per unit and 30 units @ Rs. 750 per unit from Vendor - Furniture world. This was to be sold to Ruchir Enterprises for which sales order is Office chairs quantity 10 units @ Rs. 3500 per unit and Desk lamp 20 units @ Rs. 1000 per unit. Received from furniture world office chairs and Desk lamp same quantity and at same price. Also the sales is done as per the sales order. We have received the payment from Ruchir Enterprises and we have made payment to furniture world.

For above transaction create Unit of measurement, Stock Item and pass entry.

8. Pass entry and reconcile the following transaction in Tally on 1/7/2024

25/6/24 payment made to supplier for raw material through cheque Rs. 1200

26/6/24 received payment from customer for product sold in cheque Rs. 2000

27/6/24 Rent Paid through Cheque Rs. 1500

28/6/24 Cash deposited in bank Rs. 5000

9. The following balance sheet has been prepared from the books of Renuka Ltd. On 1-4-24.

Liabilities	Amount	Assets	Amount
Capital	250000	Machinery	124000
Sundry Creditors: Hardik A/c	25000	Furniture	11000
		Stock	20000
		Sundry Debtors Sonu A/c	50000
		Cash in Hand	15000
		Cash at bank	55000
	275000		275000

During the year the following transactions took place:

- a) Wages paid by cash Rs. 5000
- b) Rent paid by cheque Rs. 4000
- c) Cash purchase made by Renuka Ltd. Rs. 3000
- d) Goods Purchase from Sunder on credit Rs. 13000
- e) Goods sold on credit to Mukesh Rs. 25000
- f) Payment to Sunder by cheque Rs. 5000
- g) Sonu made payment in cash against credit sales done previously Rs. 30000
- h) Cash sales Rs. 6000
- i) Depreciation on Machinery at 10%
- j) Closing Stock Rs. 15000

Pass entries in tally and view report of trading profit & loss and balance sheet.

10.

Received capital by cash Rs. 5000000

Cash Deposited in SBI Rs. 200000

Purchase order made to Shakshi Enterprise – Cotton Shirts – 50 nos. at Rs.300

Cotton Sari – 50 nos at Rs. 400

Received stock of above purchase order

Purchase invoice raised for above order

Payment done for above purchase order

Sales order received from Sandeep enterprises – cotton Rs. 60 at Rs. 700

Sales done and sales invoice raise for above order.

Pass entries in Tally by using purchase & sales order processing.

References:

- **Figures or images extracted from Tally Software**
- **Tally Solution Pvt. Ltd. (1988-2015)**
- **Tally ERP.9**
- **<https://help.tallysolutions.com/article/Tally.ERP9>**

