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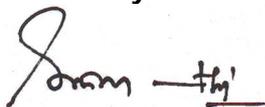
Forward

This book is self-supporting and are written in easy to follow language and have been blended with large number of examples. The material is provided in a pleasing-to-eye format so as to retain and enhance the interest of the learners. We are sure the learners would find these texts by useful.

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For

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Sanjay Satpathy
(Author)

Instruction :

All are requested to attempt all Practical Assignment given after every Chapter with the help of your own Tally.ERP9 Software, otherwise you will not able to display your Reports and Statements. After going through all the Chapters, you can maintain 100% independently of your Books of Accounts with Inventory with the help of your own Tally.ERP9 Software.

Practice on your own Tally.ERP9 Software

To get you own version of the original legal version of Tally.ERP9 software to learn and practice at your convenience , please download the Education Version of the software (Free) from ...

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Tally.ERP 9

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CHAPTER-1

COMPANY CREATION

Swayam Sales is one Departmental Store in Balasore, Odisha, with GSTN No - 21AGHPB2764P1ZD deals with both Whole selling & Trading of different types of Products like ... Electronics, Electrical Home Appliance, Mobiles etc. etc. with the following information's and will maintain his Books of Accounts with the help of Tally.ERP9 Accounting Software with effect from 01-04-2020.

Swayam Sales

Balasore, Odisha – 756001

GSTN - 21AGHPB2764P1ZD

Mob – 9437264738

Website : www.tallyerp9help.com

1.1. Company Creation:

You can create a Company profile by using the following procedure :

1. Gateway of Tally.ERP 9 → Create Company (from opening screen)
2. Gateway of Tally.ERP 9 → Alter (Alt+F3) → Create Company

It provides the following screen:

Finally, confirm company creation by pressing the **ENTER key/ "Y" key** to accept all declaration for the Company. (Now you will be able to work with the Current Company)

Books and Financial Year Details:

Books and Financial Year Details	
Financial year begins from	: 1-4-2020
Books beginning from	: 1-6-2020

- **Financial year begins from** : Tally.ERP 9 pre-fills this field based on the date settings of your computer and the **Country** selected in the **Company Creation** screen.

For example, if your computer date is set to 06-06-2020 and the region is set to India, the financial year is pre-filled as 01-04-2020.

- **Books beginning from** : By default, Tally.ERP 9 fills this field with the **Financial year begins from** date. You can update this, as needed.

For example, you started to maintain your Books of Accounts in Tally.ERP9 from 1-June-2020. You can update the **Books beginning from** date to 1-June-2020, while the financial year will be 1-Apr-2020.

- **Security Control** : This is optional. You can enable security features such as TallyVault and User controls for your company anytime later.

<u>Security Control</u>	
TallyVault password (if any)	:
Repeat password	:
<i>(Warning: Forgetting TallyVault password will render your data inaccessible.)</i>	
Use security control	? No
<i>(Enable security to avail TSS features)</i>	

- a) **TallyVault** : If you don't want to display your company name in Tally.ERP 9 while selecting the company, you can specify a TallyVault password for your company. You can access this company only if you know this password.
- b) **User Access** : You can allow authorised user access to your company by setting up a username and password for the company. Which means, next time you select the company, you will need to provide this username and password to open the company data. For different users, you can set up different user credentials for controlled access of your company.

1.2. Opening (Loading) the Company in Tally.ERP9:

Once you have created a company, you can load/open the company in one of the following ways:

Select the company

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

Configure Tally.ERP 9 :

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

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

The first Screen is called **Gateway of Tally.ERP 9**.

Gateway of Tally is the screen that appears on selecting a company. The Gateway of Tally menu differs based on the type of company selected. An **Accounts Only** Company has a different **Gateway of Tally** menu from that of an **Accounts-with-Inventory** Company.

The **Gateway of Tally** menu of a company appears as shown below:

Gateway of Tally (Accounts-Only)	Gateway of Tally (Accts with Inventory)
<p>Gateway of Tally</p> <p>Masters Accounts Info.</p> <p>Transactions Accounting Vouchers</p> <p>Utilities ImpOrt Data BaNking</p> <p>Reports Balance Sheet Profit & Loss A/c Ratio Analysis</p> <p>Display</p> <p>Quit</p>	<p>Gateway of Tally</p> <p>Masters Accounts Info. Inventory Info.</p> <p>Transactions Accounting Vouchers InvenTory Vouchers</p> <p>Utilities ImpOrt Data BaNking</p> <p>Reports Balance Sheet Profit & Loss A/c Stock Summary Ratio Analysis</p> <p>Display</p> <p>Quit</p>

Main Area (Ctrl+M)

The Main Area is separated into the following two areas:

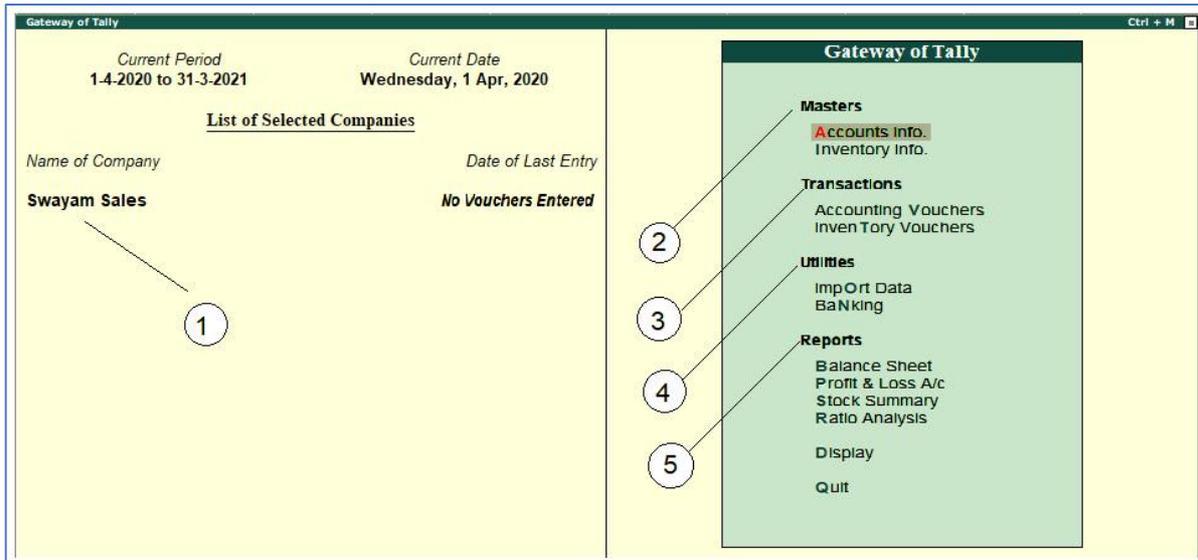
- >> Left-hand side area
- >> Right-hand side area

The left-hand side area in the Main Area provides information of **Current Period**, **Current Date** and **List of Selected Companies** and **Date of Last Entry**.

<i>Current Period</i> 1-4-2020 to 31-3-2021	<i>Current Date</i> Wednesday, 1 Apr, 2020
<u>List of Selected Companies</u>	
<i>Name of Company</i> Swayam Sales	<i>Date of Last Entry</i> No Vouchers Entered

In the right-hand side, you get more detail information on the Company. The Company information menu consists of the following:

1. List of activated Company (Company already created)
2. Masters (for defining Ledger, Group, Sub-group, Inventory)
3. Utilities like Import or Export of Data and Banking features
4. Transactions/Voucher Entry (Recording Transactions)
5. Reports (Viewing the Balance Sheet, P&L and other Reports)



Button Bar.

By using this Button you can access different utilities of Tally, for example :
By pressing F1 you can select the Company, which has already been created in Tally.

Buttons	Description	Function Key
①	You can select any Company from the List.	F1: Select Cmp
②	Close the activated Company.	F1: Shut Cmp
③	Change Date	F2: Date
④	Change the Financial Period.	F2: Period
⑤	Enter the Company related Information.	F3: Cmp Info

1.3. Modification | Update | Alter Company Details | Delete Company

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

1. **Gateway of Tally** > press **Alt + F3** (Cmp Info) > **Alter** .
2. In the **Company Alteration** screen, make the necessary changes.
3. Accept the changes. As always, press **Ctrl + A** to save.

If you do not need the company anymore, you can delete the company as well by pressing Alt+D in Company Alternation mode screen.

CHAPTER-2

GST SETUP USING TALLY.ERP9

2.1. Activate GST for Your Company

To use Tally.ERP 9 for GST compliance, you need to activate the GST feature. Once activated, GST-related features are available in ledgers, stock items, and transactions, and GST returns can be generated.

GST Registrations are of two types...

1. GST Regular Scheme (for Regular Dealer)

The **GST regular scheme** is for the general taxpayers whose turnover is above the threshold limit.

Under the GST regular scheme, all individuals with turnover above 40 lacs are required to take **GST Registration**. They are required to pay GST on goods & services as per the applicable rates and do regular **GST return filing**

2. GST Composition Scheme (for Composite Dealer)

The composition scheme is meant for small businesses whose **turnover of taxable goods** not more than **₹1.5 crores**, where **GST has to be borne by the seller @1%** of such turnover by traders, **@2%** by manufacturers, **5%** for Restaurants & **6%** for Service Providers.

A Composition Dealer has to issue Bill of Supply. They **cannot issue a Tax Invoice**. This is because the tax has to be **paid by the dealer out of pocket**. A Composition Dealer is not allowed to recover the GST from the customers.

2.1.1. Activate GST for Regular Dealers

To use Tally.ERP 9 for GST compliance, you need to activate the GST feature. Once activated, GST-related features are available in ledgers, stock items, and transactions, and GST returns can be generated.

1. Open the company for which you need to activate GST.
2. Press **F11: Features > F3: Statutory & Taxation**.

Company: <u>Swayam Sales</u>			
<u>Statutory and Taxation</u>			
Enable Goods and Services Tax (GST)	? Yes	Enable Tax Deducted at Source (TDS)	? Yes
Set/alter GST details	? Yes	Set/alter TDS details	? No
Enable Value Added Tax (VAT)	? No	Enable Tax Collected at Source (TCS)	? No
Set/alter VAT details	? No	Set/alter TCS details	? No
Enable excise	? No		
Set/alter excise details	? No		
Enable service tax	? No		
Set/alter service tax details	? No		

3. **Enable Goods and Services Tax (GST) - Yes** .
4. **Set/alter GST details - Yes** . The **GST Details** screen appears.

Swayam Sales Ctrl + M

Company: Swayam Sales

GST Details

State : **Odisha**

Registration type : **Regular**

Assessee of Other Territory ? **No**

GST applicable from : **1-Apr-2020**

GSTIN/UIN : **21AGHPB2764P1ZD**

Periodicity of GSTR1 : **Quarterly**

e-Way Bill applicable ? **Yes**

Applicable from : **1-Apr-2020**

Threshold limit includes : **Invoice value**

Threshold limit : **50,000**

Applicable for intrastate ? **Yes**

Threshold limit : **50,000**

Enable tax liability on advance receipts ? **Yes**

Enable tax liability on reverse charge (Purchase from unregistered dealer) ? **Yes**

Set/alter GST rate details ? **No**

Enable GST Classifications ? **No**

Provide LUT/Bond details ? **No**

List of States

Andaman & Nicobar Islands
Andhra Pradesh
Arunachal Pradesh
Assam
Bihar
Chandigarh
Chhattisgarh
Dadra & Nagar Haveli
Daman & Diu
Delhi
Goa
Gujarat
Haryana
Himachal Pradesh
Jammu & Kashmir
Jharkhand
Karnataka
Kerala
Ladakh
Lakshadweep
Madhya Pradesh
Maharashtra
Manipur
Meghalaya
Mizoram
Nagaland
Odisha
Puducherry
Punjab
Rajasthan
Sikkim
Tamil Nadu
Telangana

F1: Accounts F2: Inventory F3: Statutory F6:

4 more ... ↓

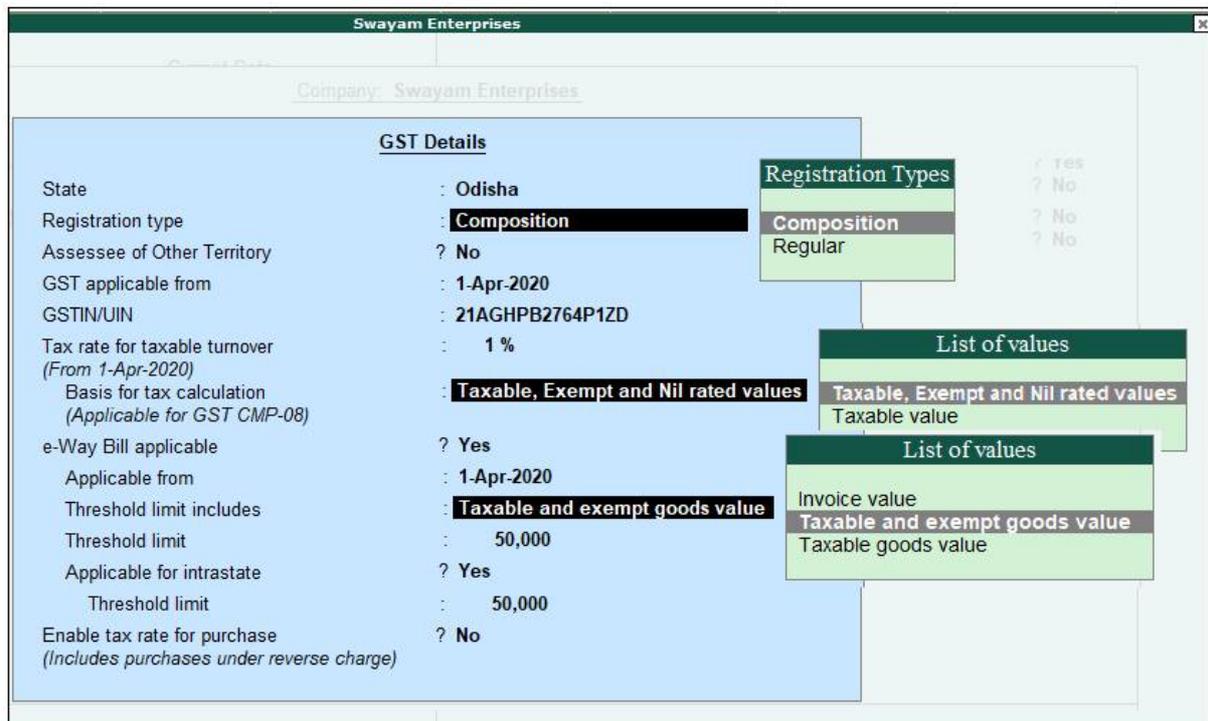
5. **State** - shows the **State** name as selected in the **Company Creation** screen. This helps in identifying local and interstate transactions according to the party's state.
6. Set the **Registration type** as **Regular** .
7. You can keep the rest default fields as same and don't change (but you can change as per your requirements)

2.1.2. Activate GST for Composition Dealers

1. Open the company for which you need to activate GST.
2. Press **F11 > F3** .
3. **Enable Goods and Services Tax (GST) - Yes** .
4. **Set/alter GST details - Yes** .
5. The **State** field helps in identifying local and interstate transactions according to the party's state. If you change the state here, the company details will get updated.
6. Set the **Registration type** as **Composition** .
7. Based on your business type, select the **Basis for tax calculation** .

[For outward supplies, the total of taxable, exempt and nil rated will be considered as the **Taxable Value** .

For inward supplies, the total value of purchases made under reverse charge will be considered as the **Taxable Value** .]



You can record transactions using the ledgers with GST details, and print invoices with GSTIN.

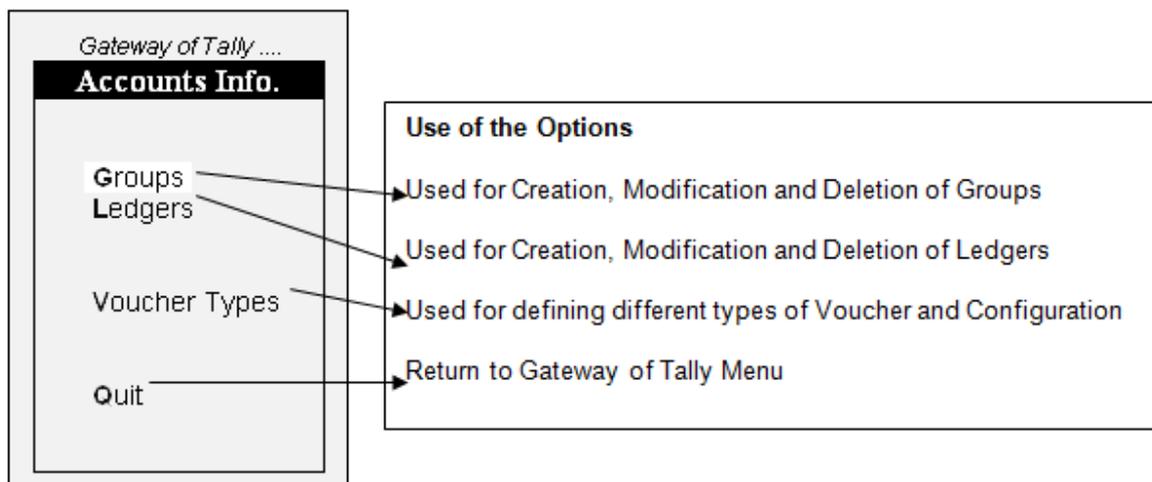
CHAPTER-3

SET-UP OF ACCOUNTS

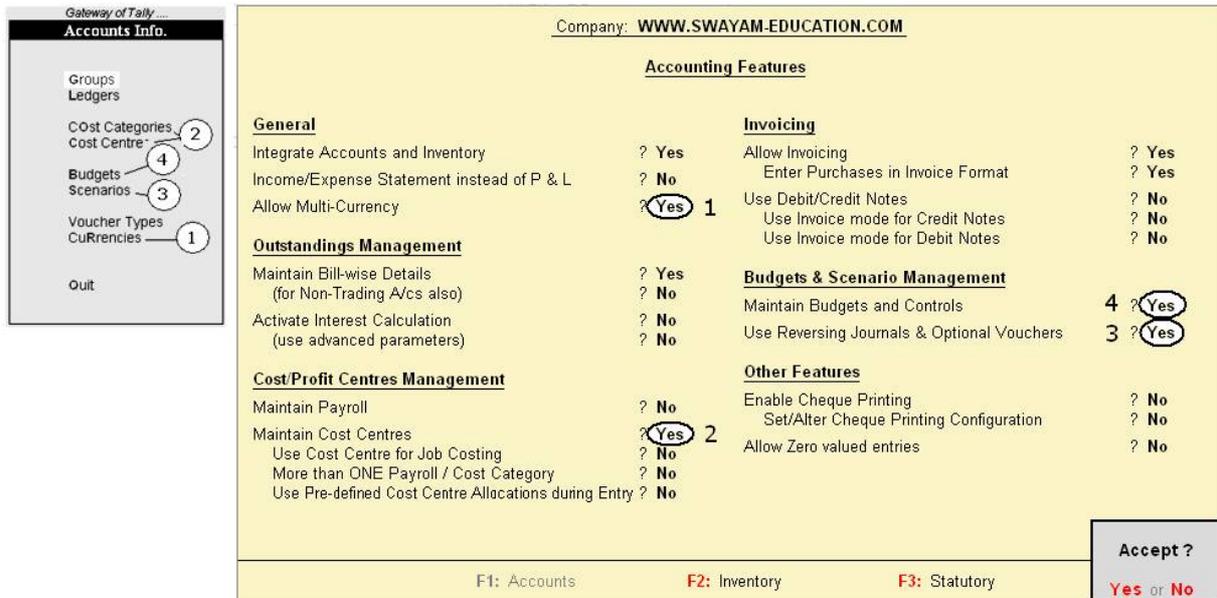
The next process is setting up/classification of Accounts. The entire Accounts group is classified into four entities:

Contents of 'Accounts Info' Menu

The 'Accounts Info' menu consists of the following options:



After Configuration of the Features from F11 key the Accounts Info menu will look like as shown here...



3.1. Account Groups in Tally.ERP9

Groups are collection of ledgers of the same nature. Account groups are maintained to determine the hierarchy of Ledger Accounts, which is helpful in determining and presenting meaningful and compliant reports. Using this you can generate reports, which are meaningful as well as compliant with laws.

At the highest level, accounts are classified into **Capital** or **Revenue** – and more specifically into **Assets, Liabilities, Income** and **Expenditure**.

Tally.ERP9 provides you with **28 Pre-defined Groups**, of these **15 are Primary Groups** and **13 are Sub-Groups**. You can also create your own groups, either as **Sub-groups** or **Primary Groups**.

The lowest level would be the Ledger Account. All Voucher entries are passed using ledgers.

Tally.ERP 9 has Pre-Defined Ledgers for **Cash (under Cash-in-hand group)** and for the **Profit & Loss A/c (under primary group)**.

15 Primary Groups	13 Sub Groups
Branch / Divisions	Bank Accounts
Capital Account	Bank OD A/c
Current Assets	Cash-in-hand
Current Liabilities	Deposits (Asset)
Direct Expenses	Duties & Taxes
Direct Incomes	Loans & Advances (Asset)
Fixed Assets	Provisions
Indirect Expenses	Reserves & Surplus

Indirect Incomes	Secured Loans
Investments	Stock-in-hand
Loans (Liability)	Sundry Creditors
Misc. Expenses (ASSET)	Sundry Debtors
Purchase Accounts	Unsecured Loans
Sales Accounts	
Suspense A/c	

Out of the 15 Primary Groups, **9 Primary Groups appear in the Balance Sheets** that are Capital in nature and **6 Primary Groups appear under Profit & Loss account** which are Revenue in nature

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

3.1.1. Create Account Groups (under Single Group) one-by-one:

1. Go to **Gateway of Tally > Accounts Info. > Groups > Create** (under **Single Group**)
2. After giving Name to the Group, In the field **Under** , from the **List of Groups** displayed, select the parent group under which the group has to be classified.

For example, **Indirect Expenses** .

Group Creation			
Name	: Administrative Expenses		
(alias)	: Office Expenses		
Under	: Indirect Expenses		
	<table border="1"> <tr> <td>Accept ?</td> </tr> <tr> <td>Yes or No</td> </tr> </table>	Accept ?	Yes or No
Accept ?			
Yes or No			

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

You can also View any Groups... [Note: In the display mode, group details can't be modified.]

Go to **Gateway of Tally > Accounts Info. > Groups > Display** (under **Single Group**).

You can also Alter / Modify any Groups ...

Go to **Gateway of Tally > Accounts Info. > Groups > Alter** (under **Single Group**) .

3.1.2. Create Multiple Groups in one-go (Multiple Groups)

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

1. Go to **Gateway of Tally > Accounts Info. > Groups > Create (Multiple Groups)**.

2. Select the group category in the field **Under** .
3. Enter the **Name** of the group. The screen appears as shown below:

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

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

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

3.1.3. Delete a Created Group (No Default Group)

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

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

3.1.4. Advanced Configurations for Account Groups

1. Go to **Gateway of Tally > Accounts Info > Groups > Create (Single Group)** .
2. Select **F12: Configure** (Group Configuration) and enable **Allow advanced entries in masters**.

Group Configuration	
Provide aliases along with name	? Yes
Provide language aliases for name	? No
Provide advanced information in masters	? Yes

The group creation screen with advanced options is displayed as shown below:

Group Creation	
Name	: Administrative Expenses
(alias)	:
Under	: Indirect Expenses
Advanced Informations in Masters opned & viewed..	
Group behaves like a sub-ledger	? No
Nett Debit/Credit Balances for Reporting	? No
Used for calculation (for example: taxes, discounts) (for sales invoice entries)	? No
Method to allocate when used in purchase invoice	? Not Applicable
Set/alter GST Details	? No
Set/Alter TDS details	? No

In the Group Creation screen

1. Enter a name for the group.
2. Enter a group category. If a group is created under **Primary** you must select from asset, expenses, income or liability.
3. Select the **Nature of Group** .
4. Select **Yes** for the option **Group behaves like sub-ledger?** to allow groups to act as a ledger.
 - When the option **Group behaves like sub-ledger?** is set to **No** , all the ledgers that are grouped is displayed in detailed mode.
 - When the option **Group behaves like sub-ledger?** is set to **Yes** , the ledgers grouped under the same is not displayed in detailed mode.
5. Set **Nett Debit/Credit Balances for Reporting?** to **Yes** to display net debit or credit balance in the report (whichever is higher).
6. Set **Used for Calculation (e.g. taxes, discounts)?** to **Yes** if ledgers under this group have percentages for discounts or taxes to be used in invoice entry. This is displayed while passing voucher in invoice mode and for automatic calculations.
7. Select **Method to Allocate when used in Purchase Invoice** from the **Allocation Methods** list to allocate the expense of the item in the ratio of the quantity or value.

Practical Assignment-1

Create the Following Groups under various Pre-defined Groups (already given) :

<p><i>Sundry Debtor (pre-defined) :</i></p> <p>Corporate Customer Local Customers Outside Customers Wholesale Customer</p>	<p><i>Sundry Creditor (pre-defined) :</i></p> <p>Local Creditor Outside Creditor (IGST) Other Creditor</p>
<p><i>Indirect Expenses (pre-defined):</i></p> <p>Salaries & Staff Expenses Administrative Expenses Selling & Distribution Expenses</p>	<p><i>Indirect Income (pre-defined):</i></p> <p>Other Income Interest Earning</p>

End of this Sample of Tally.ERP9 Book (Advanced Usage)

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