

# VIDYAPITH ACADEMY

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## TALLYERP 9

### What is Tally?

TallyERP9NotesEnglishpdf–WhatisTally?–Tallyisanaccountingsoftware developed by Tally Solution Limited Company. Which is used to record and keep the financial transactions of a company, trust or financial transaction institution from computer. So that the financial status of the business will be known.



## Full form of Tally –

Total Accounting Leading List Year

Transactions Allowed in a Linear Line Year

What are the different versions of Tally? – Tally ERP 9 Notes English pdf

Tally 3.0 (1990) – Tally 3.0 is the first version of Tally. Which has been used for basic accounting requirements of small businesses. However, external and special commands are required to run the software. And it only supports Microsoft DOS.

Tally 3.12 (1991)

Tally 4 (1992)

Tally 4.5 (1994)

Tally 5.4 (1996)

Tally 6.3 (2001)

Tally 7.2 (2005)

Tally 8.1 (2006)

Tally 9 (2006)

Tally ERP 9

Tally ERP 9 is the latest version of Tally since 2009. It is being used by the trade organization. It has advanced features including GST computation, invoicing and payroll processing, remote access, multi-user login and transaction processes. Nowadays businessmen want a complete business solution software like Tally.

### **Basic Accounting Terms—**

Currently the scope of business has expanded considerably. The complexities of financial transactions have also increased in the changing environment of the global economy and business, as a result, it has become necessary for a business organization to keep an account of the regulation of financial practices. It is very difficult and impossible to remember every transaction. This is why bookkeeping emerged. Lucas Pescioli is called the father of bookkeeping.

In India, the work of determining accounting standards and training of accountants is being done by the Institute of Chartered Accountants of India and Institute of Cost and Works Accountants of India.

### **Meaning and definition of bookkeeping**

Bookkeeping is also called bookkeeping. This means writing transactions in books. There are many types of monetary transactions in the business which need to be systematically accounted for in books. Regular of all financial transactions of the business, Duly, The art of accounting purely and clearly is called bookkeeping or bookkeeping. Bookkeeping is done on the same day the transaction takes place. Definitions:—According to Carter—"Bookkeeping is the

art of properly accounting all those business transactions and is a science. This results in the transfer of the value of the currency. J.J.R. According to Batliboy – "Bookkeeping is the heart of accounting business practices under proper headings.

### **Meaning and Definition of Accounting**

Bookkeeping is also called bookkeeping. This means writing transactions in books. There are many types of monetary transactions in business which need to be systematically accounted for in books. The art of regular, methodical, pure and clear accounting of all financial transactions of a business is called bookkeeping or bookkeeping.

### **Bookkeeping is done on the same day the transaction takes place.**

Definitions: – According to Carter – "Bookkeeping is the art and science of properly accounting all business transactions, which results in the transfer of value of money."

J.R. According to Batliboy – "Bookkeeping is the heart of accounting business practices under proper headings.

### **Objective of Accounting**

Accounting, As we know, there is a proper accounting in the books of all business practices. Information about all the financial practices related to business and enterprise is obtained through accounting. Its main objectives are as follows –

1. Knowledge of capital:–
2. Knowledge of buying and selling: –
3. Knowledge of debtors and creditors:–
4. Knowledge of the financial position of the business
5. Profit and loss knowledge

Definition of Accounting

Accounting is the process by which financial transactions have to be identified, entered and processed by preparing a report. By which the financial position of the business can be known, it is called accounting.

### **Basic Accounting Terms – Terminology of tally**

#### **Business: –**

The legal work done for the purpose of making profit is called business. Business is a broad term under which business, Production work, Sale or purchase of goods or services, Bank, Insurance, Transport companies come under it.

#### **Types of Business**

1. Manufacturing (production)
2. Trading (Sales)
3. Servicing (Service)

#### **Trade (Business):-**

The sale and purchase of goods done for the purpose of making a profit is called trade.

#### **Profession (Profession or profession):-**

Any work or means done to earn income which requires prior training, The profession is called – Doctor, teacher, Work of lawyer etc. comes under occupation.

#### **Proprietor (Owner or Owner):-**

The person starting the business, who arranges for the necessary capital and carries the risk of loss and loss of the office to receive the profit., The owner of the business is called.

#### **Capital (Capital)**

Money to start a business by the owner of the business, It is imposed as cash or other property, it is called capital. In the business, the capital is employed for the purpose of profit, that part of the profit which is not removed from the business, Capital: – Assets – Responsibilities

#### **Drawing (Withdrawal)–**

Goods or cash which are taken out by the owner of the business for personal use of the business, This is called withdrawal or personal expenditure.

Withdrawal reduces the amount of capital.

*Transaction (Transaction or transaction):-*

Double-sided currency, Mutual exchange of goods or services; Mgbindhamdhis called a Saunders transaction. Purchase and sale of goods, Economic activities such as payment and payment etc. are called commercial transactions or transactions.

### **Types of Transaction**

1. Cash Transaction (Cash transaction)
2. Credit Transaction (Creditor credit transaction)
3. Bill Transaction (Bill transaction)

- Goods (Goods)

The goods are called that thing, which is traded – traded or traded. Raw material obtained for the manufacture of goods under goods, Can be semi-finished material or finished goods >

- Purchase (Purchase)

When goods are purchased for sale by the merchant, it is called purchasing. It can be purchased in the form of raw material or finished goods. Purchase of properties, Purchase not included, because they are not for resale.

- Purchase Return (Purchase return)

Goods that are returned due to any of the purchased goods, Purchase return or outward return (to him) Return Outward) It is said.

- Sales (Sales)

When the purchased goods are sold for the purpose of profit, it is called selling. Cash sale to sell cash goods (Cash Sales) and sale of credit to sell goods (Credit Sales) it is said.

- Sales Return (Sales return)

Any goods sold are returned by the customer due to any reason, this is called sales return or internal return. In the lobby Sales return on entry, it is entered into a journal voucher or debit note.



- Stock(Stockorstock)

After a certain period of time, it is called a stock, on the last day of a business year, which remains unsold, the last stock (Closing Stock) it is said. This stock at the beginning of the new business year, Initial stock (Opening Stock) it is called.

- Assets(Assets):-

All such permanent and temporary items of business which are necessary to run the business and which are owned by the businessman, the assets are called. Like – machine, all instruments used for personal use of land and business, Furniture, The printer, Computer etc.

### **Types of Assets**

1. Fixed Assets Permanent Property () – Equipment, All instruments used for personal use of land and business, Furniture, The printer, Custom etc.
2. Current Assets Movable property (cash) – cash. Bank cash etc.

### **Basic Accounting Terms**

1. Liabilities (Liability or Liabilities):-

The liability of the business is called liability. There are some essential states in the business, those who have the obligation to repay the business like – Capital, Bill of credit, Creditor, Bank overdraft etc.

2. Revenue (Revenue):-

Revenue refers to the amount received regularly from the sale of goods or services. Business day-to-day activities like rent – rent, Interest, The commission, Discount, Dividends etc. are also called revenue.

3. Expenses (the expense):-

Goods in business, Costs incurred for producing or acquiring goods and services. The expenditure is called. Payments for receipt of goods and services are covered under expenditure. Wage, The freight, Salary paid on delivery and sale of railway carriages and goods, The rent, advertisement, the expense, Insurance is also included in the expenditure. The cost of increasing the revenue in brief is called expenditure.

### **Types of Expenses**

1. Direct Expenses:-

Payment for receipt of goods and services – wages, the freight, Payment on delivery and sale of railway carriages and goods

## 2. Indirect Expenses:–

Increase revenue, the wages, the rent, advertisement, the expense, Insurance etc.

### *Expenditure (Spend):–*

Spend is the amount paid to increase the profit-earning capacity of the business. Expenses that are paid for the acquisition or acquisition of assets in a business are called expenses.

### *Gain (Benefit):–*

this is a kind of monetary gain, which results from business like if 1,00,000 Goods worth Rs. 1,50,000 if sold in rupees 50,000 Receipt of money will be called profit. Basic Accounting Terms

### *Cost (Cost):–*

Raw materials used in business and its functions, Service and loan, The sum of all direct and indirect expenses to be produced or used to make it useful is called cost of goods. The item includes the raw material or assets.

### *Discount (Deduction, Discount or discount):–*

Concession granted to the concession given by the merchant to his customers, It is called discount or discount. It is also called a gift. There are two types of discount –

1. Merchant discount (Trade Discount): – The seller makes a discount (discounted) to his customers in the face value, i.e. the list price, while purchasing the goods. It is called a trade discount with the aim of increasing the sale of goods. It is not done in the accounting books

2. Cash discount (Cash Discount): – Exemption provided for payment of cash or check value in a fixed or fixed period, It is called cash discount, it is used in books of accounts.

### *Debtor (Debtor or debtor):–*



The person, Borrow goods or services from a firm or institution, It is called the debtor or debtor of the business. To debtors 'sundry debtors'; It is said that Nainkantal.

*Creditor (Creditor or debtor):*—

The person, Goods or services are borrowed from a firm or institution, it is called a creditor or a creditor. 'Sundry creditors' (Sundry Creditors) It is said. Like – from Lakhan Shyam. The printer 20000 Bought for Rs. Receivable

*RECEIVABLE:*

Any amount related to business which is to be obtained is called receivable. The buyer is called a debtor when there is a credit sale of goods in the trade, through which funds are to be obtained Basic Accounting Terms *Liabilities*

*PAYABLE:*

There are certain amounts in the business which the merchant has to repay in (future Payable) It is said. Those from whom credit is purchased by trade are creditors of the trade (Creditors) It is said.

*ENTRY (ENTRY):*

Entering the transaction in the books of account is called Entry.

*WHOLESALE (TURN OVER):*

The sum of the cash and credit sales that occur in a certain sum is the total sales or Turn over it is said. Sales cash = sales credit Turn over

*INSOLVENT/BANKRUPT:*

A person who is unable to repay his loan is called bankrupt. The liability of such a person is more than the value of his property. In such a situation, he cannot repay his loan in full. He has to take refuge in the court to partially repay the debt. The court allows him to partially repay the debt by declaring him bankrupt, thereby freeing him from his debt.

*BAD DEBTS /DEBT:*

Unable to recover the amount due to the inability of the debtor or going bankrupt, for a creditor, it is called bad debt or unapproachable loan.

**DEBIT AND CREDIT (DEBIT AND CREDIT):**

Each account has two sides. The left side is called the debit side or the debit account and the right side is called the credit side or the credit account. Accounting on the left side of an account is called a debit account, which is traditionally abbreviated Dr. It is thus written that accounting on the right side of the account is called credit account, which is traditionally Cr. Let's write It is not worthy that in Indian bookkeeping system, the debit side is on the right and the credit is on the left.

**COMMISSION/ COMMISSION OR REVOCATION:**

Representative or agent in return for cooperating or representing in business activities; the remuneration paid to Hamdjad is called Kamshin.

**COMPANY (FIRM):**

In general sense, a firm refers to an entity that establishes a partnership or does a business or business function, but in a broader sense each business entity can be referred to as a firm.

**ACCOUNT/ LEDGER/ ACCOUNT:**

Ledger or ledger is a table in which soida are classified according to their nature and are written in order at a place under a heading in simple words., The list that is made after sorting the accounts related to property and income, etc., is an account or ledger.

Account the word is abbreviated in English A / c it happens. This abbreviated form is often used in articles and each account is divided into two sides. Debit the left side Debit And right side Credit They say

**Tally To work in User mainly 4 to do work-**

Company Creation (Company making)

Ledger Creation (Laserbana)

Inventory Management (stock management)

Voucher Entry (Voucher entire)

When we first started a business, Shop, Want to manage the organization or firm initially, so the first thing to be done is to create a company in the name of that firm. These companies are formed before the start of work in the tally.

## CompanyCreationTallyERP9Notes(Company formation)

Followthefollowingstepstocreateacompanyinatally–

1. Gotocompanyinfomenu
2. CreateCompanySelectthetheoptionof
3. ShortcutkeyAlt+F1orshortcutkeyAlt+F3Bygoing toCreateCompany Choose Option.

Assoonaswechoosethisoptioncompanycreation ofwindowwillopenin which fill the information sought and Ctrl + A button Press and save.

The screenshot shows the 'Company Creation' window in Tally ERP 9. The window is titled 'Company Creation' and has a menu bar with options: P: Print, E: Export, M: E-Mail, O: Upload, S: TallyShop, G: Language, K: Keyboard, K: Control Centre, H: Support Centre, H: Help. The main area is divided into several sections:

- Directory:** C:\Users\Public\Tally.ERP9\Data
- Name:** TS Skill Hub
- Primary Mailing Details:**
  - Mailing name: TS Skill Hub
  - Address: Manima Sagar Ward, Dnamtan, Chhattisgarh
  - Country: India
  - State: Chhattisgarh
  - Pincode: 4937773
- Contact Details:**
  - Phone no.:
  - Mobile no.: 88395424\*\*\*\*
  - Fax no.:
  - E-mail: tsskillhub@gmail.com
  - Website: www.tallyallbook.blogspot.com
- Books and Financial Year Details:**
  - Financial year begins from: 1-4-2020
  - Books beginning from: 1-4-2020
- Security Control:**
  - TallyVault password (if any):
  - Repeat password:
  - (Warning: Forgetting TallyVault password will render your data inaccessible.)
  - Use security control: ? No
  - (Enable security to avail TSS features)
- Base Currency Information:**
  - Base currency symbol: ₹
  - Formal name: INR
  - Suffix symbol to amount: ? No
  - Add space between amount and symbol: ? Yes
  - Show amount in millions: ? No
  - Number of decimal places: 2
  - Word representing amount after decimal:
  - No. of decimal places for amount in word:

A 'Quit' button is located at the bottom left. An 'Accept?' dialog box with 'Yes' and 'No' options is shown at the bottom right. The status bar at the bottom indicates 'Tally MAIN --> Company Info. --> Company Creation' and '© Tally Solutions Pvt Ltd., 1988-21 Sat, 30 May, 2021 02:21:26'.

Detailstobefilledincompanycreation window

### FillBasicData

**Directory** – This field is already full, this field contains the path of the tally, WhereTallySoftwareLoadsThecursorleavesthisfieldandthecompanytobe created automatically stores it in this directory.

**Name**–Enterthatnameinthisfield,Namebywhichyouwanttcreatea company like Trisha Pvt Ltd.

**MailingName**–Enterthecompany’smailingnameinthisfield.Thenameof the company is usually the malting name. |

**Address**– Thecompleteaddressofthecompanyismaintainedinthisfield.

**State**– Inthisfield,enterthestate inwhichyourbusinessisestablished.

**Pincode** –Enterthepincodeoftheplaceinthisfield,Wherethecompanies are established

**TelephoneNumber**–Enterthecompany’stelephonenumberinthisfield.

**E-mailAddress**–Enterthecompany’semailaddressinthisfield.

**Website**–Enterthecompanywebsiteinthisfield

**Booksandfinancialyeardetails-**

- **FinancialYearfrom**–Enterthestartingdateofthefinancialyearinthis field like – 01 – Apr – 2019
- **BooksBeginning from**–Enterthedatesofopeningofbooksofaccounts in this field, such as – 01 – Apr – 2019.

**Securitycontrol**–Ifyouwanttoactivatesecurityonthecompany,sotrythis option and enter it after entering the user name and password.

**BaseCurrencyInformation**

Allthesefieldsare autofill,youcanchangeasperyourrequirement. Base currency symbol

Formalname

Suffixsymboltoamount?

Addspacebetweenamountandsymbol?

Show amount in millions?

Numberofdecimalplaces

Word representing amount after decimal

Numberofdecimalplacesforamountinwords

Nowafterfillingalltheinformationinthe last,bypressingtheenterbutton or Ctrl + A Save the information by pressing the button.

Select company in tally Select Company Tally ERP 9 Notes

Gateway of Tally – F1 (Select Company)

or

Gateway of Tally – Alt+F1 (Select Company) or

Gateway of Tally – Alt+F3 (Select Company)

Alter company in tally Revise company – Tally ERP 9 Notes

If you want to make any kind of change in an already created company, so from the gateway of tally F1 select the company by pressing the key, in which you want to change. After selecting the company Alt+F3 Press key, which will display the Company Info menu. Select the Alter option from here. This will display the company alteration screen. After making changes to it, save it.

Gateway of tally

Press F1 (Select the Company)

Alt + F3

Alter 4 Select Company

Delete company in tally Company removal –

Any company to delete first to that company To select Do it Again Alt + F3 From company info menu by pressing the key Alter Select the option. Select the company you want to delete and after selecting it Alt+d Use the key. Due to which the selected company will be deleted.

Gateway of tally

Press F1 (Select the Company) Alt+F3 Alter

Select company

Alt + d

What is Ledger and how to create in tally?

Creating a Ledger in Tally –

Account / Ledger / Account: - Ledger or ledger is a table in which soida According to their nature, a person is written in a simple sequence in a place under a title. From property and income etc. The list that is made after sorting related articles is ledger or ledger.

Account the word is abbreviated in English A / c it happens. This abbreviated form is often used in articles and each account is divided into two sides. Debit the left side Debit and right side Credit They say Ledger or account creation in Tally ( ):  
– Tally In order to make a laser, we follow the following steps –

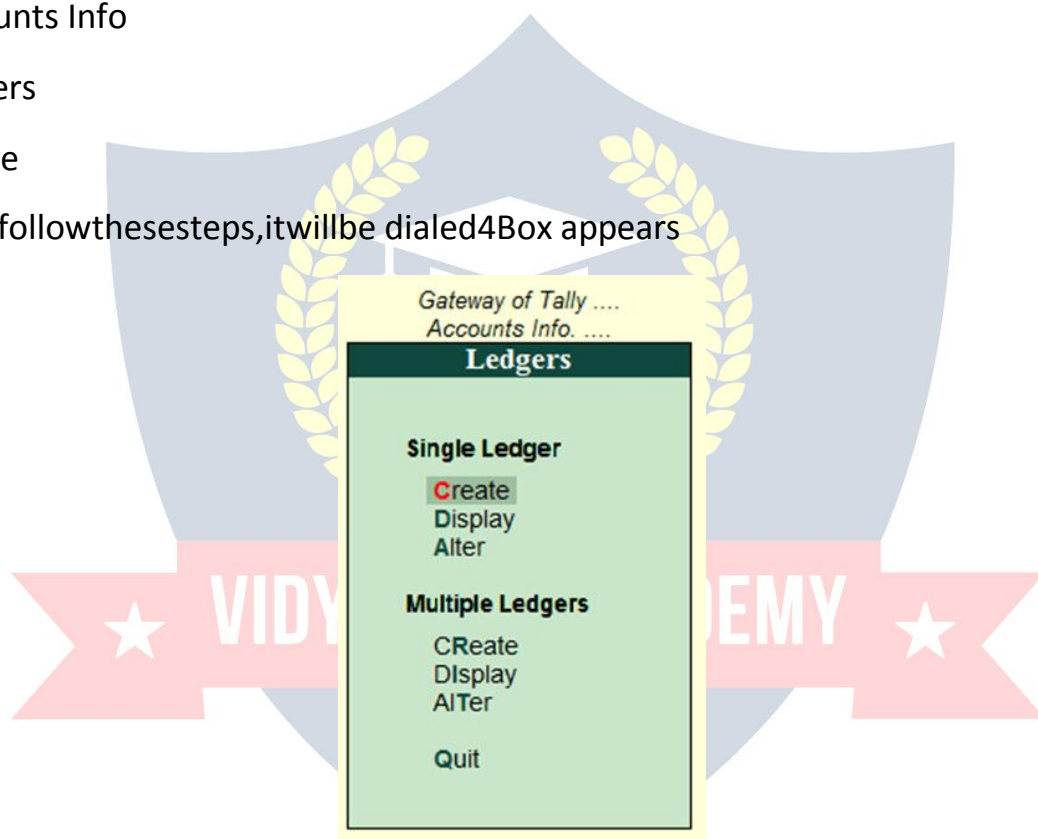
Gateway of tally

Accounts Info

Ledgers

Create

If you follow these steps, it will be dialed 4 Box appears



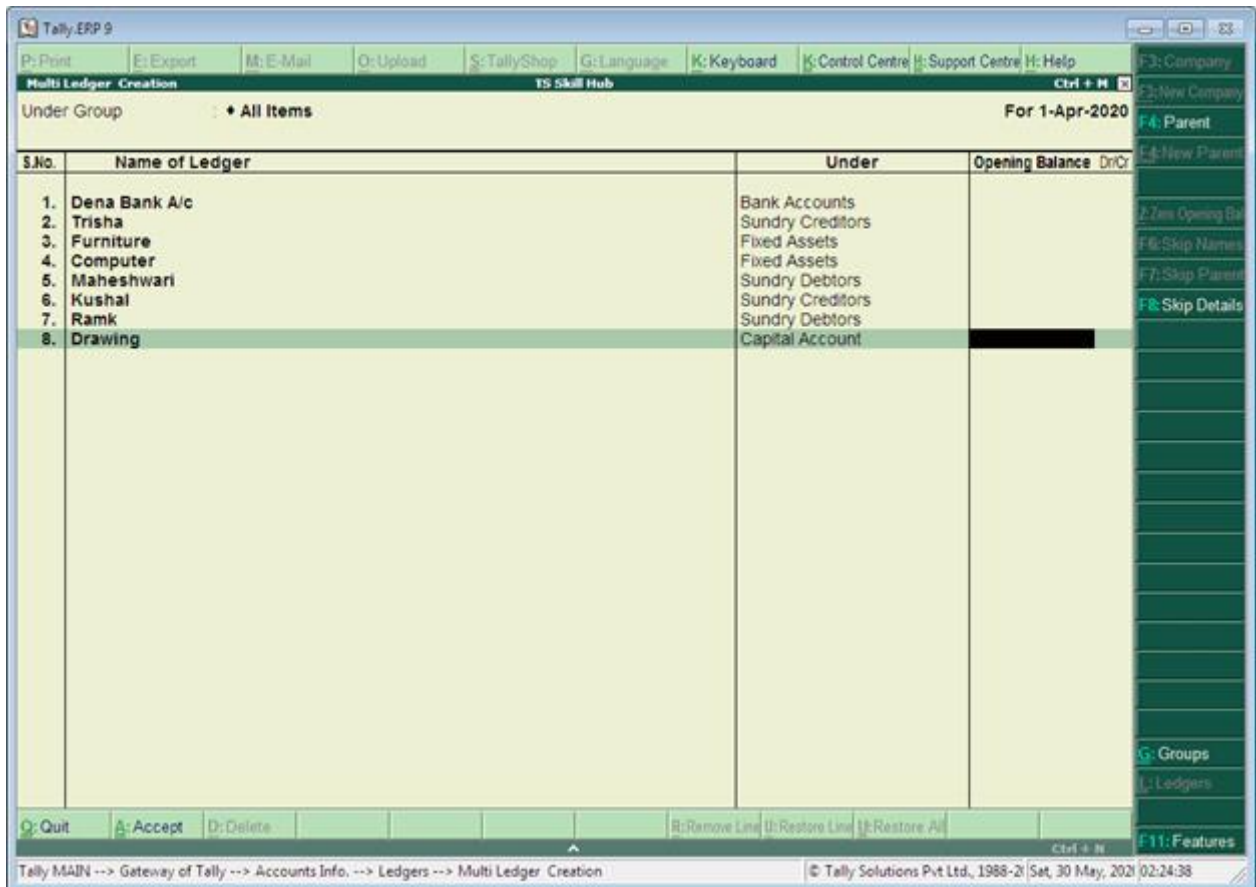
There are two ways in which we can create an account in Tally

1. Single Ledger

2. Multiple Ledger

1. **Single Ledger** - Through this option, only one account can be created at a time.





2. **Multiple Ledger**—Through this option at once more than one Accounts can build What is voucher?

Inventory Voucher: What is Voucher—Voucher is a type of written statement detailing all financial or Non-Financial transactions. Voucher is an important part of the business, it uses Voucher in all types of business. In Tally we are Voucher Entry accordingly.

**Types of Voucher—**

1. Accounting Voucher
2. Inventory Voucher

### 1. Accounting voucher

Accounting voucher is the voucher in which the book is maintained according to financial transactions.

**Types of Accounting Vouchers**

ContraVoucher(F4)	Payment Vouchers(F5)	ReceiptVoucher(F6)
JournalVouchers (F7)	SalesVouchers (F8)	CreditNoteVoucher(Ctrl +F8)
PurchaseVouchers (F9)	MemoVoucher(Ctrl+ F10)	DebitNoteVoucher(Ctrl +F9)

### Types of Accounting Vouchers

#### 1. **ContraVoucher:**

The contra entry represents the following types of fund transfers.

- Cash A/c To Bank A/c
- Bank A/c To Cash A/c
- Bank A/c to Bank A/c

*Follow the following steps to use Contra Voucher*

A-Gateway of Tally > Accounting Vouchers

B-Press F4 Button

#### 2. **PaymentVoucher:**

This voucher is used for payment related transactions in Tally.

*Follow the following steps to use Payment Voucher*

A-Gateway of Tally > Accounting Vouchers

B-F5 Button press

#### 3. **Journal Voucher:**

It is an accounting voucher used to adjust debit and credit amount without including it in cash or bank accounts.

*Journal Voucher follow the following steps to use:-*

A-Gateway of Tally > Accounting Vouchers

B-F7 Button press

#### 4. **ReceiptVoucher:**

It is an accounting voucher. This voucher is used when a party or other way receives a beverage or amount.

*Follow the following steps to use Receipt Voucher*

A-Gateway of Tally>Accounting Vouchers

B-press F6 Button

### **5. Sales Voucher:**

It is an accounting voucher which is used when a sale transaction is made.

*Follow the following steps to use Sales Voucher:*

A-Gateway of Tally>Accounting Vouchers

B-F8 Button press

### **6. Purchase Voucher:**

It is an accounting voucher which is used when purchase Transaction.

*Follow the following steps to use Purchase Voucher*

A-Gateway of Tally>Accounting Vouchers

B-F9 Button press

### **What is Inventory Voucher?**

What is Inventory Voucher – the way Accounting Voucher work in Accounting System. Similarly, inventory is in vouchers, it Record of goods received or sent.

Go to the Gateway of Tally>Inventory Voucher to see it. Activate

Inventory Voucher

To work on inventory vouchers, we have to follow the instructions given below:

Go to Gateway Tally.

Press F11 Feature button.

Press the F2 button or select the inventory features. Integrate

Accounts and Inventory – Yes.

Enable Purchase Order Processing – Yes.

Enable Sales Order Processing – Yes.

Use Rejection in inward and outward notes – Yes.

Use Material In and Out Vouchers – Yes.

Thus, after all these settings, save the Ctrl+A button by press. You'll inventory Voucher activate after save.

### Types of Inventory Voucher in Tally ERP 9/ Types of Inventory Vouchers

- Receipt Note (Alt+F9)
- Delivery Note (Alt+F8)
- Rejection out (Alt+F6)
- Rejection In (Ctrl+F6)
- Stock Journal (Alt+F7)
- Physical Stock (Alt+F10)
- Sales Order (Alt+F5)
- Purchase Order (Alt+F4)

Tally has various inventory vouchers available through which we can stock management or inventory management.

#### **Receipt Note Voucher**

What is Receipt Note Voucher – it is an inventory voucher through which we can use order given goods/goods for purchase. Receipt note is entry when goods is received. Entry in Receipt Note, our stock begins to appear. Receipt Note Voucher has a shortcut key Alt + F9.

Inventory Voucher: Receipt Note Entry

#### **Delivery Note Voucher**

What is Delivery Note Voucher – it is an inventory voucher through which we receive order for sales on goods/goods. The Delivery Note Voucher is entry after sending the goods. Our stock decreases as soon as we entry in the Delivery Note Voucher. Delivery Note Voucher has a shortcut key Alt + F8.

#### **Rejection out Voucher**

What is Rejection out Voucher – it is an inventory voucher through which we purchase the goods given order/goods. When goods is received, the item is returned from some item damage or any other reason. Then entry is done in Rejection out Voucher. As soon as we entry in the Rejection out Voucher, our item of the stock begins to decrease. Rejection out Voucher has a shortcut key Alt + F6.

### **Rejection In Voucher**

What is Rejection In Voucher – it is a Inventory Voucher through which we have received order for Sales/goods. When Goods is deliver, it comes back to item from some item damage or any other reason. Then entry is done in RejectionInVoucher. As soon as we entry in the Rejection in Voucher, our item of stock begin to look more visible. Rejection in Voucher has a shortcut key Alt +F7.

### **Stock Journal Voucher**

What is Stock Journal Voucher – it is an inventory voucher through which we transfer stock from one godown to another godown stock.

For example – we have a godown, the first home godown and the second office godown in which we keep stock.

Stock Journal Voucher is also used for manufacturing process in which Raw Material is transfer in Finished Goods.

### **Physical Stock Voucher**

Physical Stock Voucher is used to record the actual stock, which can be Verify or Count. When we don't match stock and physical stock written in our books, we difference stock entry we do it in Physical Stock Voucher.

### **Sales Order Voucher**

What is Sales Order Voucher – it is a inventory voucher through which we can use goods/goods for Sales. Goods order, which we Entry in Sales Order Voucher. Entry in Sales Order Voucher does not make any difference in stock.

The stock is reduced only when Sales Order is entry in Delivery Note Voucher. Sales Order Voucher has a shortcut key Alt + F5.

### **Purchase Order Voucher**

What is Purchase Order Voucher – it is a inventory voucher through which we purchase goods/goods for the purchase. Goods order, which we Entry in Purchase Order Voucher. Entry in Purchase Order Voucher does not appear in stock.

Purchase Order stock add only when entry in Receipt Note Voucher.

Purchase Order Voucher has a shortcut key Alt + F4.

### **Inventory Voucher Entry: Purchase Order**

### **Golden Rules of Voucher Entry**

Key	Voucher	Dr/Cr	CashDeposit	Dr/Cr	CashWithdraw
F4	Contra	Cr	ToCashA/C	Cr	ToBankA/C
	Contra	Dr	BankA/C	Dr	CashA/C
F5	Payment		PartyPayment		ExpensesPayment
	Payment	Dr	PartyNameA/C	Dr	Expenses A/C
	Payment	Cr	Cash /BankA/C	Cr	Cash/BankA/C
F7	Journal		PurchaseReturn		SalesReturn
	Journal	Dr	PartyNameA/C	Dr	SalesReturn
	Journal	Cr	PurchaseReturn	Cr	PartyNameA/C

F6	Receipt ★		PartyReceipt		IncomeReceipt ★
	Receipt	Cr	PartyNameA/c	Cr	IncomeNameA/c
	Receipt	Dr	Cash/ bankA/c	Dr	Cash/ bankA/c
F8	Sales		CashSales		CreditSales
	Sales	Dr	Cash/ BankA/C	Dr	PartyNameA/C
	Sales	Cr	SalesA/C	Cr	SalesA/C
F9	Purchase		CashPurchase		CreditPurchase



	Purchase	Cr	Cash/ BankA/C	Cr	PartyNameA/C
	Purchase	Dr	PurchaseA/C	Dr	PurchaseA/C

Journalize the following transactions

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

Key	Voucher	Ledger	Group	Type Of Account	Principles	Amount	
1	F6	Receipt	Cr.Capital	Capital Account	Personal	Giver	10,000
			Dr.Cash	Cash In Hand	Real	Comes In	10,000
2	F4	Contra	Cr.Cash	Cash In Hand	Real	Goes Out	15,000
			Dr.Bank	Bank Account	Real	Comes In	15,000
3	F5	Payment	Dr.Office Furniture	Fixed Asset	Real	Comes In	3,000

			Cr.Cash	CashInHand	Real	Goes Out	3,000
4	F8	Sales	Dr.Cash	CashInHand	Real	ComesIn	2,500
			Cr. Sales	SalesAccount	Real	Goes Out	2,500
5	F9	Purchase	Cr.X	Sundry Creditor	Personal	Giver	2,000
			Dr. Purchase	Purchase Account	Real	ComesIn	2,000
6	F8	Sales	Dr.Y	Sundry Debtors	Personal	Receiver	3,000
			Cr. Sales	SalesAccount	Real	Goes Out	3,000

7	F6	Receipt					
			Dr.cash	Cashin hand	Real	Comes in	2,000
8	F5	Payment	Dr.X			Receiver	1,000
			Cr. Cash	Cashinhand	Real	Goes out	1,000
9	F6	Receipt	Cr. commission	Indirect income	Nominal	Creditall income	50
			Dr.cash	Cashinhand	Real	Comes in	50
10	F6	Receipt	Cr.Interest on bank deposit	Indirect income	Nominal	Creditall income	100
			Dr.Bank	Bankaccount	Real	Comes in	100

1 1	F4	Contra	Cr. Cash	Cashinhand	Real	Goes out	1,000
			Dr. Bank	Bankaccount	Real	Comes in	1,000
1 2	F5	Payment	Dr. Advertiseme nt	Indirect expenses	Nominal	Debit all expenses	500
			Cr. Cash	Cashinhand	Real	Goes out	500
1 3	F9	Purchas e	Cr. Cash	Cashinhand	Real	Goes out	800
			Dr. purchase	Purchase account	Real	Comes in	800
			Cr cash				
1 4	F8	Sales	Dr. cash	Cashinhand	Real	Comes in	1,500
			Cr. Sales	Salesaccount	Real	Goes out	1,500
1 5	F5	Payment	Dr. salary	Indirect expense	Nominal	Debit all expenses	500
			Cr. Cash	Cashinhand	Real	Goes out	500

Journal/voucher entry the following transactions in the accounting book of Shri Kushal Cloth Store.

FY– 2021– 2022

Books Beginning from–2021

Address–Ghadi Chowk Dhamtari Chhattisgarh Pin–493773

1. Shri Kushal cloth store started from Rs. 5 lakh.
2. Opened an account with SBIBank Dhamtari for Rs. 3 lakhs.
3. Purchased furniture worth Rs 10,000 for the shop.

4. Purchased clothes worth Rs 2 lakh from Shree Cloth Store Raipur and gave 12% GST.  
2000 rupees of electricity bill.
5. Gave 100 rupees for tea Nasta.
6. 1500 bill of telephone bill paid by check.
7. Interest of Rs. 1500 was received from SBI Bank.
8. 5000 rupees of rent paid by check.
9. Sold clothes worth Rs. 1 lakh to Shri Trisha Cloth Centre Colliery with 12% GST.
10. The train fare was given 2500 rupees.
11. Shree Cloth Store Raipur sent back the clothes of 15000 rupees on receipt of damage.
12. Office maintenance given 2000 rupees.
13. Withdraw 5000 rupees from SBI Bank for petty cash.
14. Shree Trisha returned from Cloth Centre Colliery due to damage of clothes worth Rs 10 thousand.
15. Bank of Baroda Bank got a check of 90 thousand rupees from Shri Trisha Cloth Centre Colliery.
16. Paid 50 thousand rupees to Mr. Cloth Store Raipur and received 5 percent cash discount.
17. The clothes worth 2 thousand rupees have deteriorated.
18. Purchased a computer system of Rs. 15000 for the shop.
19. 5000 rupees given for the decoration of the shop.
20. Rs 5000 given for decoration of shop.

Solution –

Before entering Voucher in Tally, we have to create the ledger of all the transactions, so let's first create the ledger –

- 1- Go to the gateway of tally
- 2- Accounts Info
- 3- Select Ledger
- 4- Create

Now the screen of the ledger creation will be displayed in front of you, in which create all the ledger one by one and yes to the GST while creating the GST Ledger and fill the relevant information.

Now we have to do important work in which we will create a Stock Item for GST Entry, in which we will carefully input GST Rate.

Ledger	LedgerUnderGroup
Capital A/c	CapitalAccount
SBIBankDhamtari	BankAccount
FurnitureA/C	FixedAccount
PurchaseA/c	PurchaseAccount
SGST	Duties&Taxes
CGST	Duties&Taxes
IGST	Duties&Taxes
ShriClothStore Raipur	SundryCreditor
ElectricityBillA/c	Indirect Expenses
Food&Snacks	Indirect Expenses
TelephoneBill A/c	Indirect Expenses
BankInterestReceived A/c	Indirect Income
Rent	Indirect Expenses
TrishaCloth Centre	SundryDebtor
Sales	Sales
WagesA/c	DirectExpenses
PurchaseReturnA/c	PurchaseAccount

Ledger	LedgerUnderGroup
PettyCashA/c	CashAccount
Sales Return	Sales
CashDiscountReceivedA/c	Indirect Income
ClothDamage	Indirect Expenses
ComputerSystemA/C	FixedAssets

Transaction1-5lakhrupeesshrikushalclothstorestarted.

Voucher entry in Receipt Voucher F6

CapitalA/cDr.500000 to

Cash Cr. 50000

(Shrikushalclothstorestartedfrom5lakhrupees.)

Transaction2.OpenedanaccountwithSBIBankDhamtariforRs.3lakhs. Voucher entry in Contra Voucher F4

SBIBankDhamtariA/cDr.300000 to

Cash A / c Cr. 300000

(AccountopenedinSBIBankDhamtariwithRs.3Lakh)

Transaction3.PurchasedfurnitureofRs.10000fortheshop.

Voucher entry in Payment Voucher

FurnitureA/cDr.10000 to

Cash A / c cr. 10000

PurchasedfurnitureworthRs10,000fortheshop.

Transaction4.PurchasedclothesworthRs2lakhfromShreeClothStore Raipur and gave 12% GST.

VoucherentryinpurchaseVoucher

Purchase A / c Dr. 200000

CGSTA/cDr.12000

SGSTA/ c Dr.12000

toshriclothstore Raipurac 224000

(BuyclothesworthRs2lakhfromShreeClothStoreRaipurandgive12%GST)



Transaction 5. 2000 rupees of electricity bill.

Voucher entry in Payment Voucher

electricity bill A / c Dr. 2000

to cash A / c Cr. 2000

(2000 rupees of electricity bill.)

Transaction 6. Gave 100 rupees of chaina to a.

Voucher entry in Payment Voucher

Food & Snacks A / c Dr. 100 to

Cash A / c Cr. 100

(Tea & Snacks given 100 rupees)

Transaction 7. 1500 bill of telephone bill paid by check. Voucher

entry in Payment Voucher

Telephone Bill Dr. 1500 SBI

Bank A / c Cr. 1500

(1500 bill of telephone bill paid by check)

Transaction 8. Interest of Rs. 1500 was received from SBI Bank. Voucher

entry in Receipt Voucher

SBI Bank A / c Dr. 1500

Bank Interest Received A / c Cr. 1500

(Interest of Rs. 1500 received from SBI Bank)

Transaction 9. 5000 rupees of rent paid by check. Voucher

entry in Payment Voucher

Rent A / c Dr. 5000

SBI Bank A / c Cr. 5000

(5000 rupees of rent paid by check)

Transaction 10. Sold clothes worth Rs. 1 lakh to Shri Trisha Cloth Center

Colliery with 12% GST.

Voucher entry in Sales Voucher

Shri Trisha Cloth Center 112000

Sales A / c Cr. 100000

CGSTA / c Cr. 6000

SGSTA / c Cr. 6000

(1 trillion rupees sold to Shri Trisha Cloth Center Colliery with 12% GST)

Transaction 11. The train fare was given 2500 rupees. Voucher

entry in Payment Voucher

WagesA/cDr.2500 Cash  
A / c Cr. 2500  
(2500rupeesfortrainfare)

Transaction12.ShreeClothStoreRaipursentbackon15000rupeesafter receiving damage.

Voucher entry in Journal Voucher  
Shri Cloth Store Raipur Dr. 15000  
toPurchaseReturnA/cCr.13800 to  
CGST A / c Cr. 600  
toSGSTA/c Cr.600  
(ShreeClothStore RaipursentbackonreceiptofDamage ofRs.15000)

Transaction13.Officemaintenancegiven2000rupees. Voucher entry in Payment Voucher

OfficeMaintenanceA/cDr.2000 Cash  
A / c Cr. 2000  
(Officemaintenance2000rupeesgiven)

Transaction14.Withdraw5000rupeesfromSBIbankforpettycash.

Voucher entry in Payment Voucher  
PettyCashA/cDr.5000 SBI  
Bank A / c Cr. 5000  
(Withdraw5000 rupeesforpettycashfromSBIbank)

Transaction15.ShriTrishareturnedfromClothCenterCollieryduetodamage of clothes worth Rs. 10 thousand.

VoucherentryinJournalVoucher  
Sales Return A / c Dr. 8800  
CGSTA/cDr.600  
SGSTA/ c Dr.600  
toTrishaClothCenterA/cCr.10000  
(ShriTrishaClothCenterreturnedfromcollieryduetodamageofclothes worth Rs. 10 thousand)

Transaction16.BankofBarodabankcheckreceivedfromShriTrishaCloth Center Colliery for Rs. 90 thousand.

VoucherentryinReceiptVoucher  
SBIbankDhamtariA/cDr.90000 to  
Trisha Cloth Center Cr. 90000

(Check of Bank of Baroda Bank got check of Rs. 90 thousand from Shri Trisha Cloth Center Colliery, Check Number 461556.)

Transaction 17. Paid 50 thousand rupees to Mr Cloth Store Raipur and received 5 percent cash discount.

Voucher entry in Payment Voucher

Shri Cloth Store Raipur Dr. 50000

Cash Discount Received Cr. 5000

Cash A / c Cr. 45000.

(Paid Rs. 50 thousand to Mr Cloth Store Raipur and received 5 percent cash discount)

Transaction 18. 2 thousand rupees of clothes went bad. Voucher entry in Journal Voucher

Cloth Damaged A/c Dr. 2000 to

Purchase A / c Cr. 2000

(2 thousand rupees of clothes spoiled)

Transaction 19. Purchased a computer system of Rs. 15000 for the shop. Voucher entry in Payment Voucher

Computer System Dr. 15000

to Cash A / c Cr. 15000

(Purchased a computer system of Rs. 15000 for the shop)

Transaction 20. Rs 5000 given for decoration of shop. Voucher entry in Payment Voucher

Office Maintenance A/c Dr. 5000 Cash

A / c Cr. 5000

(Office maintenance given Rs. 5000)

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# GST

What is Goods and Service Tax Act 2017?

GST is an Indirect Tax which has replaced many Indirect Taxes in India. The Goods and Service Tax Act was passed in the Parliament on 29th March 2017. The Act came into effect on 1st July 2017; Goods & Services Tax Law in India is a comprehensive, multi-stage, destination-based tax that is levied on every value addition.

In simple words, Goods and Service Tax (GST) is an indirect tax levied on the supply of goods and services. This law has replaced many indirect tax laws that previously existed in India.

Types of taxes under GST

There are currently three types of GST

- **CGST** – Central GST – Applied to sales within the state – goes to Central Government
- **SGST** – State GST – Applied to sales within the state – goes to State Government
- **IGST** – Integrated GST – Applied to sales outside the state – goes to Central Government

For example, if you sell something within the state, 50% of the GST will be CGST and 50% of the GST will be SGST. But when you sell something outside a state, 100% of it will be IGST which will go to the Central Government.

Now that you have a basic understanding of how GST works, we can go ahead to understand the working of GST in Tally along with its accounting and calculation.

How to begin Tally ERP 9?

In order to use Tally, following steps must be followed

- To create a company in Tally
- To enable GST Features
- To create ledgers

Let's discuss the above in detail

### To create a company in Tally

Step1:-	Goto Gateway of Tally > Alt+ F3 > Create Company
Step2:-	Enter the basic information, i.e., name, mailing name and address of the company, currency symbol etc.
Step3:-	In the 'maintain field', select Accounts Only or Accounts with Inventory as per the company requirements.
Step4:-	In the Financial Year from, the first day of the current financial year for e.g., 1-4-2018 will be displayed by default, which can be changed as per requirement.
Step5:-	Enter the Tally Vault Password if required.
Step6:-	Press Y or Enter to accept and save.

### To enable GST features in Tally

Step1:-	Goto Gateway of Tally > F11: Features > F3: Statutory & Taxation
Step2:-	<p>In the screen you will find the following options:-</p> <ul style="list-style-type: none"><li>•<ul style="list-style-type: none"><li>○ Enable goods and service tax (GST): Yes</li><li>○ Set/alter GST Details: Yes.</li></ul></li></ul> <p>This will display another screen where you can set GST details of the company such as the state in which the company is registered, registration type, GSTIN number etc.</p>
Step3:-	Press Y or Enter to accept and save.

### To create ledgers

After creating a company and activating GST features, you need to create ledgers that will enable you to pass accounting entries in Tally ERP 9.

Step1:-	Goto Gateway of Tally > Accounts Info > Ledgers > Create
Step2:-	Create ledgers such as Purchase, Sales, State GST, Central, Integrated GST, Stock item names etc.
Step3:-	Select the appropriate group to which such ledger belongs for example state tax under duties and taxes group.
Step4:-	Enter the other related information required and press Y or Enter to accept and save.

After creating ledgers we can proceed with preparing Accounting entries in Tally ERP 9. For that we have to follow: -

Gateway of Tally > Accounting Vouchers

There are many accounting vouchers in Tally such as Payment, Receipt, Contra, Sales, Purchase, etc. After choosing the relevant voucher we start passing the accounting entries.

How will GST work in Tally.ERP9?

The functionality of GST in Tally is almost the same as prevalent during erstwhile taxation laws such as VAT or CST or Service Tax.

The first step before passing an Accounting Entry in Tally is to make GST Calculation. But first, let's take an example for our understanding. For example: M/s ABC Ltd of Mumbai sold goods worth Rs. 50,000/- to M/s XYZ Inc. of Ahmedabad; GST rate applicable for the given product is 18%

**GST Calculation** - M/s ABC Ltd has to collect GST and say it is 18%. Then GST will come at Rs. 9,000/-.

**Taxable Value** - This is the portion on which tax will be levied (i.e.), Rs. 50,000/- in this case.

**Type of Tax to select** - Since it is a transaction involving Inter-State trade, the ledger to create and select while preparing Accounting entry is IGST ledger.

**Rate of Tax to be fed during Tax Ledger creation screen** - 18% IGST (Tax type: Integrated Tax).



**Tax rate to key while preparing Stock Item Ledger** -18% IGST and Tally will automatically bifurcate and distribute the tax rate to CGST and SGST as 9% each.

**Other ledger to create**- Create XYZ Inc., ledger along with GSTIN number.

Now we have to go to the Accounting Voucher Screen and fit these details in Sales Voucher screen (F8). We are also not required to worry about tax calculation as Tally automatically calculates Tax amount portion based on the details fed in Stock Item Creation Screen and Tax ledger creation screen.

