

TALLY WITH GST APPLICATIONS
PROJECT WORK
2021-2022



Project by D. JASHUVA

REG.NO:193128200002

Under the guidance of

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BHIMAVARAM

D. Jashuva.

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This is to certify that Ms: **D. JASHUVA** bearing REG.NO: 193128200002 has done the project work of **TALLY WITH GST APPLICATIONS** during the academic year 2021-2022 and has submitted this bonafied record.

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S. Jashu
Sign of HOD

GST:

Goods and Service Tax (GST) is applicable in India from 1st July 2017. GST system in India contains three types of GST – Central GST (CGST), State GST (SGST), Integrated GST (IGST). CGST & SGST is applicable on intra-state sales (i.e sales within same state) and IGST is applicable on inter-state sales (i.e sales outside state). Total rate of GST will be same in both the cases.



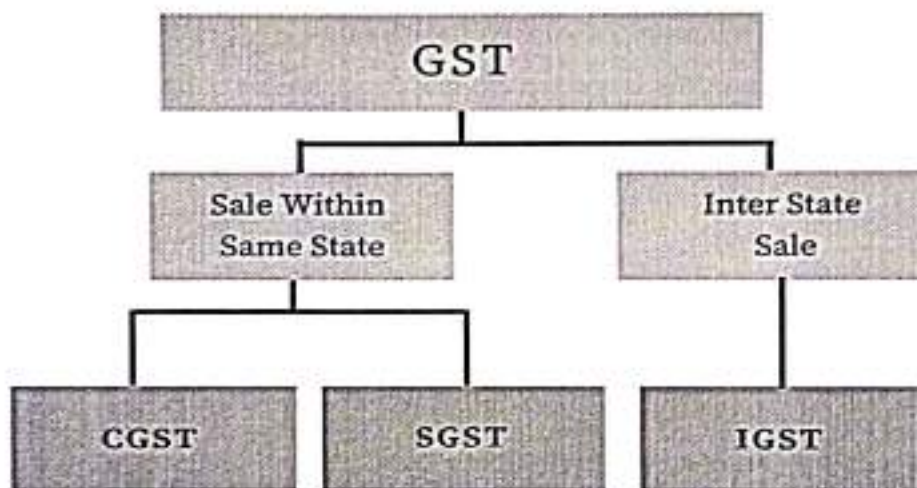
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Definition of GST

Goods and Services Tax (GST) is an indirect tax (or consumption tax) levied in India on the supply of goods and services. GST is levied at every step in the production process, but is meant to be refunded to all parties in the various stages of production other than the final consumer.

Goods and services are divided into five tax slabs for collection of tax - 0%, 3%, 5%, 12%, 18% and 28%. However, Petroleum products, alcoholic drinks, electricity, are not taxed under GST and instead are taxed separately by the individual state governments, as per the previous tax regime. The tax came into effect from July 1, 2017 through the implementation of One Hundred and First Amendment of the Constitution of India by the Indian government,

TYPES OF GST:



Central Goods & Service Tax (CGST)

As per the Central Goods & Services Tax Act 2016, CGST is the centralized part of GST that subsumes the present central taxations and levies- Central Sales Tax, Central Excise Duty, Services Tax, Excise Duty under Medical & Toiletries Preparation Act, Additional Excise Duties Countervailing Duty (CVD), Additional Custom Duty and other centralized taxations.

CGST is applicable on the supply of goods and services of standard services and commodities which can be amended periodically by a specialized body under the central government. The revenue collected under CGST belongs to the central government. The input tax is given to the state governments which they can utilize only against the payment of CGST.

State Goods & Services Tax (SGST)

SGST is an important part of GST. It stands for State Goods & Services Tax as per the 2016 GST bill. Various taxations and levies under the state authority are subsumed by SGST as one uniform taxation. It includes the amalgamation of State Sales Tax, Luxury Tax, Entertainment Tax, Levies on Lottery, Entry Tax, Octroi and other taxations related to the movement of commodities and services under state authority through one uniform taxation- SGST. Revenue collected under SGST belongs to the State Government. However, the mainstream framework of the state governing body will be supervised by the central government. Each state will be having their own State Authority to collect SGST.

Integrated Goods & Services Tax (IGST)

GST focuses on the concept of one tax, one nation. IGST stands for Integrated Goods and Services Tax which is charged on the supply of commodities and services from one state to another state. For example, if the supply of goods and services occurs between Gujarat and Maharashtra, IGST will be applicable.

Under Article 269A of the Indian Constitution, the inter-state trade and commerce activities that involve the movement of commodities and services shall be levied with an integrated tax (IGST)

Union Territory Goods & Services Tax (UTGST)

As we have already learned about CGST and SGST which are intra-state taxations and IGST which is inter-state, the union territories in India are accounted under a specialized taxation called Union Territory Goods and Services Tax as per the GST regime 2016. It will subsume the various taxations, levies and duties with one uniform taxation in Union Territories as well.

Delhi (India's Capital Territory), Chandigarh, Dadra & Nagar Haveli, Andaman & Nicobar Islands, Daman & Diu, Lakshadweep and Puducherry are the prominent union territories in India. UTGST will account for all the taxations under these union territories in India. The parliament is looking forward to implement a separate act to impose and supervise GST in Union Territories under the name of UTGST act. The bill will be presented in respective union territories for further changes in the implementation of GST.

Registration of GST:

Introduction: In any tax system registration is the most fundamental requirement for identification of tax payers ensuring tax compliance in the economy. Registration of any business entity under the GST Law implies obtaining a unique number from the concerned tax authorities for the purpose of collecting tax on behalf of the government and to avail Input tax credit for the

taxes on his inward supplies. Without registration, a person can neither collect tax from his customers nor claim any input tax credit of tax paid by him.

Need and advantages of registration:

- He is legally recognized as supplier of goods or services.
- He is legally authorized to collect tax from his customers and pass on the credit of the taxes paid on the goods or services supplied to the purchasers/ recipients.
- He can claim input tax credit of taxes paid and can utilize the same for payment of taxes due on supply of goods or services.
- Seamless flow of Input Tax Credit from suppliers to recipients at the national level.

Nature of Registration: The registration in GST is PAN based and State specific. Supplier has to register in each of such State or Union territory from where he effects supply. In GST registration, the supplier is allotted a 15-digit GST identification number called "GSTIN" and a certificate of registration incorporating therein this GSTIN is made available to the applicant on the GSTN common portal. The first 2 digits of the GSTIN is the State code, next 10 digits are the PAN of the legal entity, the next two digits are for entity code, and the last digit is check sum number. Registration under GST is not tax specific which means that there is single registration for all the taxes i.e. CGST, SGST/UTGST, IGST and cesses.

Cancellation of Registration: The GST law provides for two scenarios where cancellation of registration can take place; the one when the taxable person no more requires it (voluntary cancellation), and another when the proper officer considers the registration liable for cancellation in view of certain specified defaults (Suo-motu cancellation) like when the registrant is not doing business from the registered place of business or if he issues tax invoice without making the supply of goods or services. The taxable person desirous of cancellation of Registration will apply on the common portal within 30 days of event warranting cancellation. He will also declare in the application the stock held on the date with effect from which he seeks cancellation. He will also work out and declare the quantum of dues of payments and credit reversal, and the particulars of payments made towards discharge of such liabilities.

Benefits of GST:

- **Reduction in Cascading of Taxes**
- **Overall Reduction in Prices**

- **Common National Market**
- **Benefits to Small Taxpayers**
- **Self-Regulating Tax System**
- **Non-Intrusive Electronic Tax System**
- **Simplified Tax Regime**
- **Reduction in Multiplicity of Taxes**
- **Consumption Based Tax**
- **Abolition of CST**
- **Exports to be Zero Rated**
- **Protection of Domestic Industry - IGST**

GST RATES :

GST is the biggest tax-related reform in the country bringing uniformity in the taxation structure and eliminating the cascading of taxes that was levied in the past. The GST Council meets from time to time to revise the GST rates for various products. The GST council has fitted over 1300 goods and 500 services under four tax slabs of 5%, 12%, 18% and 28% under GST. This is aside

the tax on gold that is kept at 3% and rough precious and semi-precious stones that are placed at a special rate of 0.25% under GST.

7% goods and services fall under this category.

Tax Rates	Products
5%	Household necessities such as edible oil, sugar, spices, tea, and coffee (except instant) are included. Coal , Mithai (Indian Sweets) and Lifesaving drugs are also covered under this GST slab
12%	This includes computers and processed food
18%	Hair oil, toothpaste and soaps, capital goods and industrial intermediaries are covered in this slab
28%	Luxury items such as small cars , consumer durables like AC and Refrigerators, premium cars, cigarettes and aerated drinks , High-end motorcycles are included here.

Various GST Tax Slabs in India

No Tax

- **Goods** – No taxes will be levied on goods like sanitary napkins, deities made of stone, marbles d, sindoor, natural honey, bangles, handloom, besan, flour, eggs, stamps, printed books, judicial papers, and newspapers.
- **Services** – All hotels and lodges who carry a tariff below ₹ 1,000 are exempted from taxes under GST.

GST Tax Slab of 5%

- **Goods** – The goods which will attract a taxation of 5% under GST include skimmed milk powder, fish fillet, frozen vegetables, coffee, coal, fertilizers, tea, spices, pizza bread, kerosene, ayurvedic medicines, agarbatti, sliced dry mango, insulin, cashew nuts, unbranded namkeen, lifeboats , Ethanol- Solid biofuel pellets- Handmade carpets and other handmade textile floor coverings (including namda/gabba)- Hand-made braids and ornamental trimming in the piece
- **Services** – Small restaurants along with transport services like railways and airways, Standalone ACs non-ACs Restaurants and those which serve liquor, Takeaway Food, Restaurants in hotels with a room tariff less than ₹7,500 (no input credit for these restaurants), will come under this category.

GST Tax Slab of 12%

- **Goods** – Items coming are the tax slab of 12% include frozen meat products, butter, cheese, ghee, pickles, sausage, fruit juices, namkeen, tooth powder, medicine, umbrella, instant food mix, cell phones, sewing machine, man-made yarn, -Handbags including pouches and purses; jewellery box, Wooden frames for painting, photographs, mirrors etc, Ornamental framed mirrors, Brass Kerosene Pressure Stove, Art ware of iron, etc.
- **Services** – Business class air tickets will attract a tax of 12% under GST.

GST Tax Slab of 18%

N.srivijaya started a business worth of capital @ 1000000

- Rent paid for shop@15000
- Cash deposited into Andhra bank @50000
- Plant and machinery Purchased @60000

Purchase as follows from Bala& co

- CMOS Batteries 75 sets each one @15
- USB cables 40 pieces each one @50
- A4 papers 50 bundels each one @110
- Mouse 40 boxes each one @60
- 4GB memory cards 35 pieces@170
- RAMS 20 pieces@2500
- Monitors 15 pieces each one @5500
- 8GB RAM 25 pieces each one @950
- Chairs 20 pieces each one @750
- DVD - disks 100 pieces each one@30
- Tables 15 pieces @1000
- Colour Xerox machine 1 pieces @60000

Sales as follows to Anand& co

- USB cables 35 pieces each one @50
- A4 paper 55 bundels each one @110
- CMOS batteries 60 sets each one @15
- Mouses 40 boxes each one@60
- 4GB memory cards 25 pieces each one@170
- RAM 10 pieces each one @1500
- Monetors 8 pieces each one@ 5500
- DVD- disks 85 pieces each one @30
- 8GB ram 20 pieces each one @950

Cash paid to Bala& Co

Cash received from Anand& Co

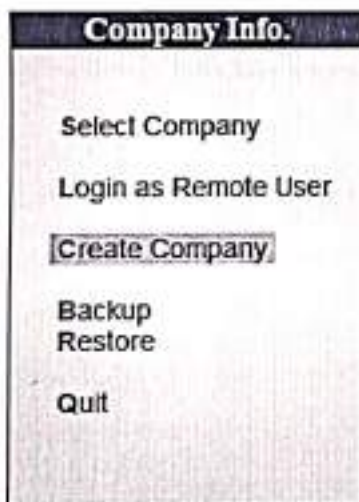
GST:5%

Creation of company:

Lets start from the very beginning. If you are using Tally first time after installation,you will have a screen like below.This is the initial screen of the company .The right hand side you will find a menu box namely 'Company info'.

You are in company info menu.Now,How to create company in Tally erp9?

Select **Create company** from the menu using up and down arrow key and Hit Enter Key.



Company Creation screen will be displayed.

Directory : C:\Users\Public\Tally.ERP9Data Name : N.Sriv@pays Primary Working Details		Books and Fiscal/Year Details Financial year begins from : 1.4.2018 Books beginning from : 31.3.2018	
Mailing name : N.Sriv@pays Address : Gokulnagar Country : India State : Andhra Pradesh Pincode : 524128 Contact Details		Security Control TallyVault password (if any) : Forget password : (Warning: Forgetting TallyVault password will render your data inaccessible.) Use security control ? No (Enable security to avoid TDS Inference)	
Phone no. : 981511241 Mobile no. : 981511241 Fax no. : E-mail : n@pays@gmail.com Website : www.pays.gov.in			
New Currency Information			
Base currency symbol	₹	Number of decimal places	2
Formal name	INR	Word representing amount after decimal	
Suffix symbol to amount	? No	No. of decimal places for amount in ru	
Add space between amount and symbol	? Yes		Accept ?
Show amount in millions	? No		Yes / No

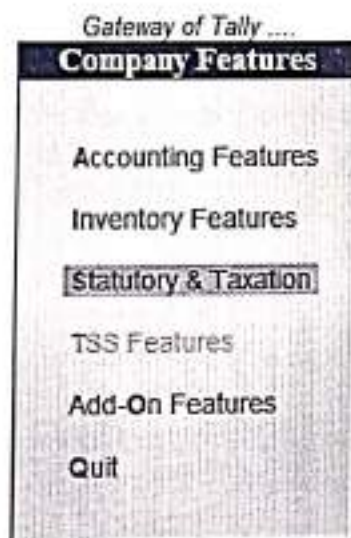
In this company creation screen, you should enter all the details of the company

Enable GST for Company

The procedure for implementation of GST in Tally is very simple. First of all the GST option for the company should be enabled or activated in Tally. To use Tally.ERP 9 for CST compliance, you need to activate the GST feature. Once GST option is activated for company then all GST-related features are available in ledgers, stock items and transactions, and GST returns can be generated.

To activate or enable the GST feature following are the steps:

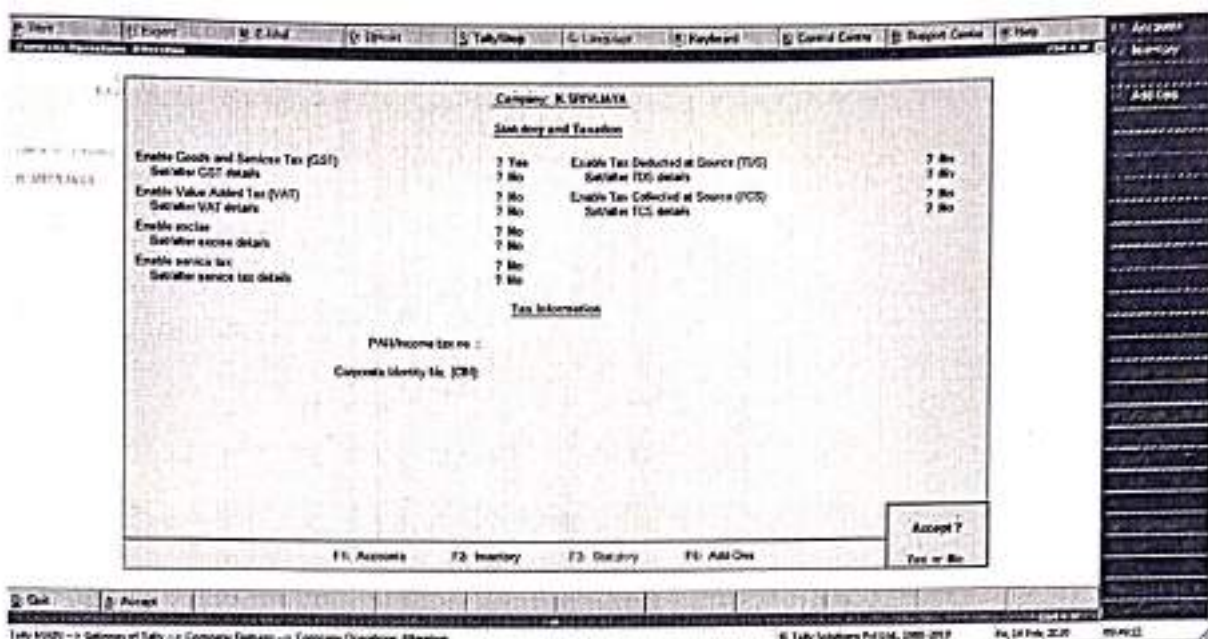
1. Select the company for which GST need to be activate or enabled as in case Four Pillar Enterprises selected.
2. At gateway of tally Press F11 (Features) the following so screen will displayed



3. Select Statutory & taxation o F3 to enable GST to your Company.

It will display the screen as follows

In the screen you will find options.



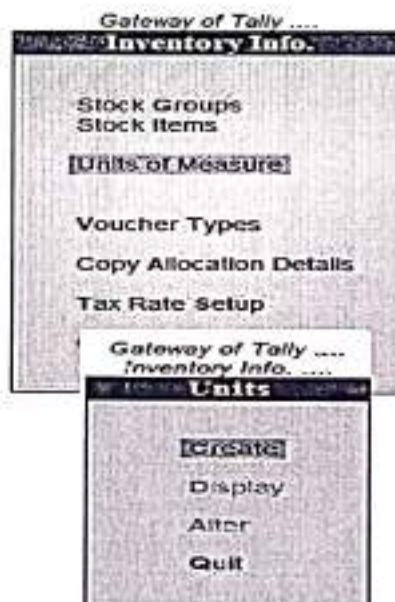
4. Enable goods and service tax (GST) : Yes

5. Set/alter GST Details : Yes

Units Creation

Stock Items are mainly purchased and sold on the basis of quantity. The quantity in turn is measured by units. In such cases, it is necessary to create the Unit of Measure. The Units of Measure can either be simple or compound. Examples of simple units are: sets, boxes, litres, pieces, trays, packets, etc.

To create Simple Units of Measure



Go to Gateway of Tally > Inventory Info > Units of Measure

Unit Creation	
Type	: Simple
Symbol	: boxes
Formal name	:
Unit Quantity Code (UQC):	Not
Number of decimal places:	0
Accept ?	
Yes or No	

2. After selecting the units of measure it displays the following screen:

This field will show the Type of Units.

- Simple
- Compound.

Simple units are nos, pcs, and so on. Compound unit is a combination of two simple units. By default Tally.ERP 9 will show the **Simple unit** for creating the unit of measure.

You can select the **Compound Units** by clicking on that field or by using **SHIFT+TAB** [cursor will go to the previous field].

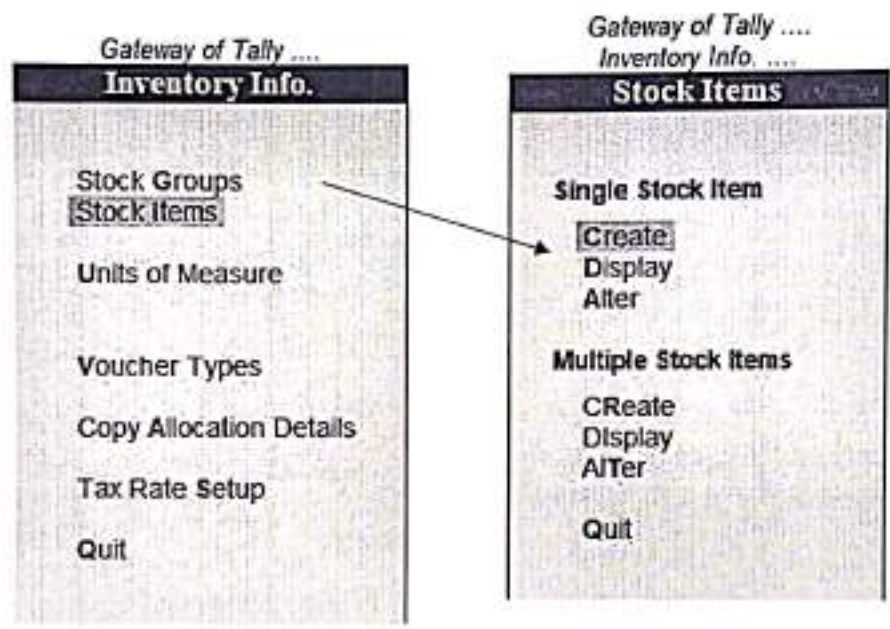
2. Define the **Symbol** of the unit, for example, Nos. This symbol is used in all displays and printouts.
3. Specify the **Formal Name** of the symbol, for example, Numbers. This formal name is useful during the consolidation of data of different companies, where the symbols might be the same but are assigned to different units. The formal name will be used to match them.
4. In this field you can specify the **Number decimal places** for the Units from 0 to 4. This field is useful for Units measured in fraction
5. Save the unit by selecting 'yes'.

Stock Items Creation

CREATION OF STOCK ITEM IN TALLY.ERP 9

Stock items are goods that a business Purchase, Manufacture or Sell. Stock Items in Inventory transactions are similar to ledgers being used in accounting transactions. Therefore, Stock Items are important in an inventory just as ledgers are important in accounting. Like Ledgers, stock items are the primary inventory entity. You will use stock items while recording their receipts and issues. This is lowest level of information about your inventory. Each item that is required to be accounted for, needs to be created. Following are steps for single stock item creation under Tally

1. Go to Gateway of Tally > Inventory Info. Choose Stock Items from Inventory Info.



2. Choose Create from Single Stock Item from Stock Items.

Stock Item Creation

Name (Mandatory) : SSB Memory Card

Under : Primary

Units : Not Applicable

Secondary Information

Rate of Duty (log 1)

Opening Balance	Quantity	Rate per	Value
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Group: Sales

Unit: Not Applicable

Visible Type: Not Applicable

Features: Not Applicable

Custom: Not Applicable

It opens the Stock Item Creation form as follows.

3. For the field 'Name', enter name of stock item
4. For the field 'Under, select 'Primary'
5. For the field 'Units' select unit of measure like sets,pieces.
6. Set GST as applicable to 'yes'.

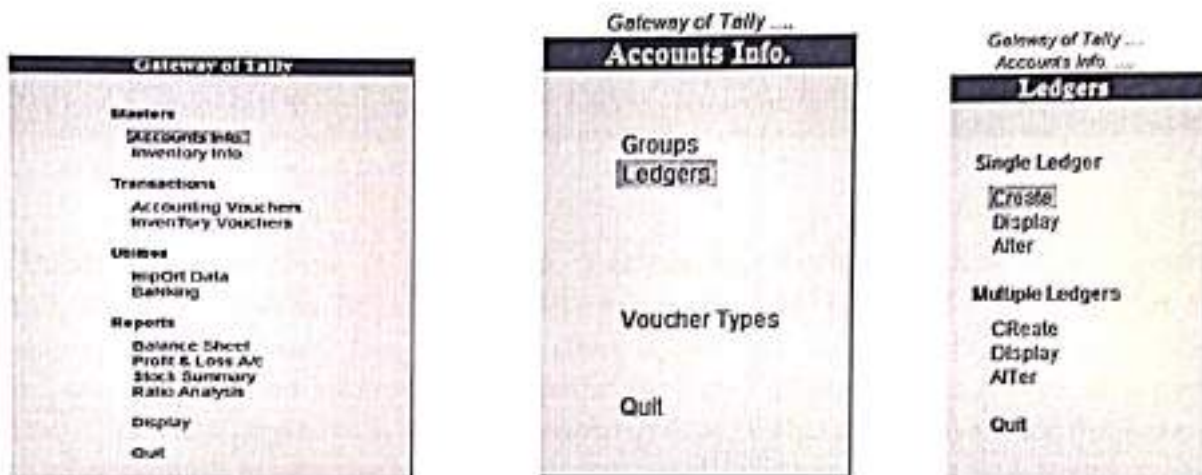
After that it opens GST details form as follows.

Ledgers in TallyERP.9

After creating the company in Tally, Ledger creation is the preliminary steps to start with recording of transactions. A Ledger is the actual account head to which you identify a transaction and must be used in all Accounting Vouchers without a ledger we cannot record any transactions.

Creating a Single Ledger

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



1. Go to Gateway of Tally > Accounts Info

Gateway of Tally is displayed as follows:

After selecting the Accounting Info from Gateway of Tally. Select 'Ledgers' from Accounts Info and select create from Single Ledgers as below:

After selecting Single Ledgers it opens 'Ledger Creation' form as follows:

Name : R. Shivjaya		Total Opening Balance	
Alias : 2			
Under : Capital Account	Banking Details		
Inventory values are affected : No	Name : R. Shivjaya		
	Address : Ganapathuram		
	Country : India	Pincode : 531108	
	State : Andhra Pradesh		
	Provide bank details : No		
	Tax Registration Details		
	PAN/TIN No. :		
Opening Balance (on 31-Mar-2018)		Accept ? Yes or No	

Name: Enter the Name of the account. You can provide the full name of the account. Tally.ERP 9 fits it all in. Press Enter to move to the next field. Tally.ERP 9 does not allow the entry of duplicate names. The uniqueness check is made here itself. Note that the punctuation and other non-relevant information are ignored by Tally.ERP 9 in its recognition of a name. Thus, CST, C.S.T. and C. S. T. are all considered as same. Tally.ERP 9 converts the first letter of all relevant words to upper case, which helps you; speed up data entry.

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

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

Opening Balance : If yours is an existing company whose books you are entering into Tally.ERP 9, Opening Balance would be applicable in circumstances where the Ledger is an asset or a liability and if it has a balance in the account as on the date of beginning of books in Tally.ERP 9. Tally.ERP 9 recognizes normal accounting principles of debit balances for Assets and credit balances for Liabilities.

Press Enter or Y to Accept.

N.srivijaya (owner) invests some money as **Capital** so it is treated as **Duties & Taxes**

And also create CGST ,SGST& IGST

The GST details of CGST,SGST,IGST are shown below in detail manner

> CGST details

Name		Total Opening Balance
CGST		
Unit	Duties & Taxes (Current (activated))	
Type of duty/tax	GST	
Tax type	Central Tax	
Inventory values are affected	T No	
Percentage of calculation	T 3.50 %	
Rounding method	Normal Rounding	
Rounding time	T	
Name & Address		
PAN No.		
Tax Registration Details		
Accept?	Yes	
Yes or No	Yes	

Opening Balance (on 31 Mar 2019)

Tally ERP 9 - Gateway of Tally - Accounts Info. - Ledgers - Ledger Creation

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> SGST details

Name : SGST (print)		Total Opening Balance	
Under	Duties & Taxes (Current Liabilities)	Name	Address
Type of analysis	: GST	Mailing Details	
Tax type	: State Tax	Provide bank details	: No
Inventory values are affected	: No	Tax Registration Details	
Percentage of calculation	: 2.50 %	PAN/T No.	
Rounding method	: Normal Rounding	Accept ?	
Rounding limit	: 2	Yes or No	
Opening Balance (on 31-Mar-2020) :			

Tally M200 -> Gateway of Tally -> Accounts Info -> Ledgers -> Ledger Creation

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> IGST details

Name : IGST (print)		Total Opening Balance	
Under	Duties & Taxes (Current Liabilities)	Name	Address
Type of analysis	: GST	Mailing Details	
Tax type	: Integrated Tax	Provide bank details	: No
Inventory values are affected	: No	Tax Registration Details	
Percentage of calculation	: 1 %	PAN/T No.	
Rounding method	: Normal Rounding	Accept ?	
Rounding limit	: 2	Yes or No	
Opening Balance (on 31-Mar-2020) :			

Tally M200 -> Gateway of Tally -> Accounts Info -> Ledgers -> Ledger Creation

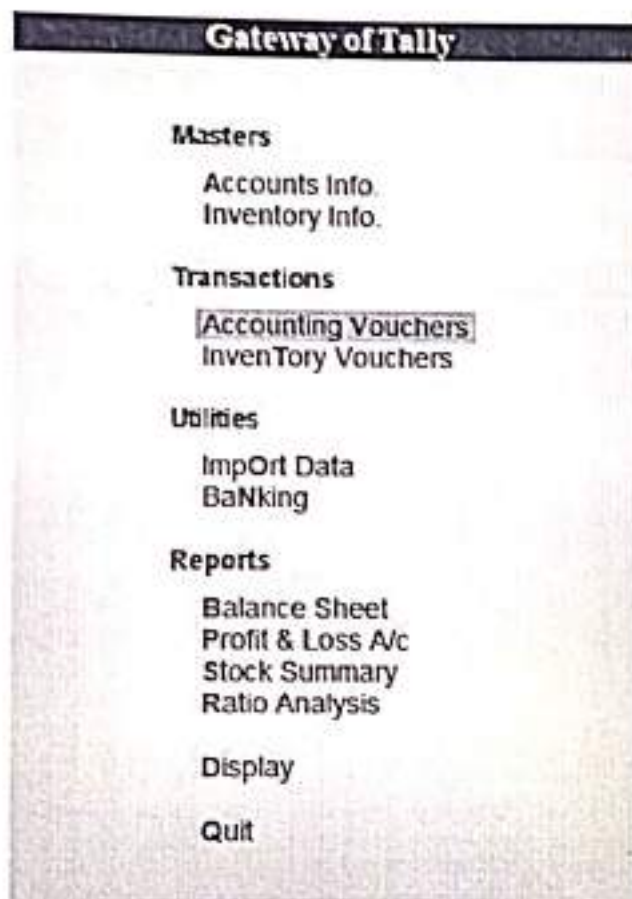
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Accounting Vouchers

A voucher is a written document in support of a transaction. It is a proof that a particular transaction has taken place for the value stated in the voucher. Some examples of the vouchers are sales invoice, counter foil of a pay-in slip, pay register, purchase invoice, record slip etc. the vouchers validate the expenditure done on some item or the income earned. It is a proof that a particular transaction has taken place for the value stated in the voucher. Voucher is a necessary to audit the accounts. The transactions are recorded through voucher entry in Tally. They are two types of vouchers:-

1. **Accounting Vouchers:** Used to record account related transactions .

2. **Inventory Vouchers:** Used to enter the movement of goods i.e. receipt or issue of goods.



To make Voucher Entries first select **Accounting Vouchers** from **Gateway of Tally**.

Tally provides 22 predefined vouchers that can be used for recording various transactions. These predefined fulfill your normal transaction needs.

F6-RECEIPT:

F6-Receipt No. 1 Date: 21-Mar-2020 Tuesday		17. Inventory Voucher 18. Date 19. Currency 20. Units 21. Receipt 22. Journal 23. Sales 24. Credit Note 25. Purchase 26. Debit Note 27. Transfer Voucher 28. Abstract 29. Receipt 30. Receipt 31. Receipt 32. Receipt 33. Receipt 34. Receipt 35. Receipt 36. Receipt 37. Receipt 38. Receipt 39. Receipt 40. Receipt 41. Receipt 42. Receipt 43. Receipt 44. Receipt 45. Receipt 46. Receipt 47. Receipt 48. Receipt 49. Receipt 50. Receipt 51. Receipt 52. Receipt 53. Receipt 54. Receipt 55. Receipt 56. Receipt 57. Receipt 58. Receipt 59. Receipt 60. Receipt 61. Receipt 62. Receipt 63. Receipt 64. Receipt 65. Receipt 66. Receipt 67. Receipt 68. Receipt 69. Receipt 70. Receipt 71. Receipt 72. Receipt 73. Receipt 74. Receipt 75. Receipt 76. Receipt 77. Receipt 78. Receipt 79. Receipt 80. Receipt 81. Receipt 82. Receipt 83. Receipt 84. Receipt 85. Receipt 86. Receipt 87. Receipt 88. Receipt 89. Receipt 90. Receipt 91. Receipt 92. Receipt 93. Receipt 94. Receipt 95. Receipt 96. Receipt 97. Receipt 98. Receipt 99. Receipt 100. Receipt
Account: Cash Cr Bal: 10,00,000.00 Cr Particulars	Amount 10,00,000.00	
N.S.I. Vaya Cr Bal: 10,00,000.00 Dr		
Narration		10,00,000.00 Accept ? Tax = Nil
Q: Out J: Accept D: Delete K: Cancel		

F6-Payment : Payment entry. Rent paid is an Indirect Expenses.

F6-Payment No. 2 Date: 21-Mar-2020 Tuesday		17. Inventory Voucher 18. Date 19. Currency 20. Units 21. Receipt 22. Journal 23. Sales 24. Credit Note 25. Purchase 26. Debit Note 27. Transfer Voucher 28. Abstract 29. Receipt 30. Receipt 31. Receipt 32. Receipt 33. Receipt 34. Receipt 35. Receipt 36. Receipt 37. Receipt 38. Receipt 39. Receipt 40. Receipt 41. Receipt 42. Receipt 43. Receipt 44. Receipt 45. Receipt 46. Receipt 47. Receipt 48. Receipt 49. Receipt 50. Receipt 51. Receipt 52. Receipt 53. Receipt 54. Receipt 55. Receipt 56. Receipt 57. Receipt 58. Receipt 59. Receipt 60. Receipt 61. Receipt 62. Receipt 63. Receipt 64. Receipt 65. Receipt 66. Receipt 67. Receipt 68. Receipt 69. Receipt 70. Receipt 71. Receipt 72. Receipt 73. Receipt 74. Receipt 75. Receipt 76. Receipt 77. Receipt 78. Receipt 79. Receipt 80. Receipt 81. Receipt 82. Receipt 83. Receipt 84. Receipt 85. Receipt 86. Receipt 87. Receipt 88. Receipt 89. Receipt 90. Receipt 91. Receipt 92. Receipt 93. Receipt 94. Receipt 95. Receipt 96. Receipt 97. Receipt 98. Receipt 99. Receipt 100. Receipt
Account: Cash Cr Bal: 10,00,000.00 Cr Particulars	Amount 10,000.00	
N.S.I. Vaya Cr Bal: 10,00,000.00 Dr		
Narration		10,000.00 Accept ? Tax = Nil
Q: Out J: Accept D: Delete K: Cancel		

F4-Contra: Cash deposited into Andhra bank

Account - Cash		Amount
Cur Bal 10,00,000.00 Cr		
Particulars		
M. Sri Vijaya		80,000.00
Cur Bal 10,80,000.00 Dr		
Narration		
		80,000.00
		Average 7
		Yes or No

F9-Purchases:Purchase goods from Bala & Co

Name of Item	Quantity	Rate per	Amount
Crate Bettle	75 set	15.00 set	1,125.00
USB Cable	40 pieces	50.00 piece	2,000.00
A4 Paper	60 bundles	110.00 bundle	6,600.00
4GB Memorycards	35 pieces	110.00 piece	3,850.00
RAM	20 pieces	2,500.00 piece	50,000.00
4GB Ram	25 pieces	900.00 piece	22,500.00
Monitor	10 pieces	5,000.00 piece	50,000.00
DVD-Disk	100 pieces	30.00 piece	3,000.00
Mouse	45 boxes	60.00 box	2,700.00
Chair	20 pieces	750.00 piece	15,000.00
Table	15 pieces	1,000.00 piece	15,000.00
Colour Xerox	1 piece	60,000.00 piece	60,000.00
			2,41,125.00
CGST		2.50 %	6,028.13
SGST		2.50 %	6,028.13
Narration			2,53,181.26

F8-Sales: sales to Anand& Co

F8 Sales Invoice			
Accounting Number	Creation	8.4.2018	8.4.2018
Invoice No. 1	Date	31 Mar 2018	Tuesday
Supplier Invoice No.:	Date:		
Party A/c Name	Cash		
Current balance	10,85,000.00 Cr		
Purchase Ledger			
Name of Item	Quantity	Rate per	Amount
All Paper	50 bundle	110.00 each	6,050.00
Mouses	40 each	60.00 each	2,400.00
Case Battery	50 set	15.00 set	900.00
USB Cable	25 pieces	56.00 piece	1,750.00
4GB Memorycard	25 pieces	170.00 piece	4,250.00
RAM	10 pieces	2,500.00 piece	25,000.00
Monitor	8 pieces	5,500.00 piece	44,000.00
DVD Disk	25 pieces	80.00 piece	2,000.00
Web Cam	20 pieces	950.00 piece	19,000.00
			1,05,000.00
CGST		2.50 %	2,647.50
SGST		2.50 %	2,647.50
Total			1,10,295.00
Name:			Accept T Tm or Mm

F5-payment: Cash paid to Bala& Co

F5 Payment Voucher			
Accounting Number	Creation	8.4.2018	8.4.2018
Voucher No. 4	Date	31 Mar 2018	Tuesday
Account	Cash		
Cur Bal	12,20,000.00 Cr		
Particulars	Amount		
Bala Krishna	3,62,912.25		
Cur Bal	2,42,912.25 Dr		
Total			3,62,912.25
Name:			Accept T Tm or Mm

F5-payment: Select ALT+S To Statutory Payment

Tally ERP 9

File Edit View Options Database Tools Help

Statutory Payment Details

Payment No. 1

21 Mar 2018

Statutory Payment

Tax Type	GST	To	Type of Payment
Period From	1 Mar 2018		F Any
Payment Type	Current		Advance
			Receipt Liability
			Any Other

Paid CGST,SGST

Tally ERP 9

File Edit View Options Database Tools Help

Statutory Payment Details

Payment No. 2

21 Mar 2018

Account: CASH
Cur No. 123456789

Particulars	Amount
CGST Cur No. 800110	8,001.13
SGST Cur No. 800110	8,001.13
	16,002.26

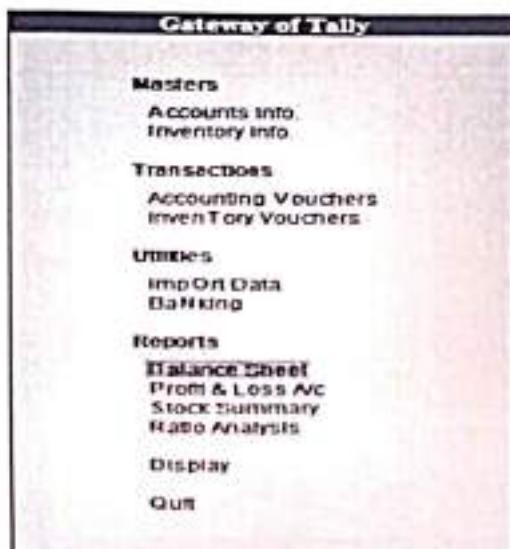
Narration

Account 7
Tax or No.

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- Now open GATEWAY OF TALLY
- And select BALANCE SHEET



Displayed Balance sheet

Company Name		As At	As At
22/01/2012		31/12/2011	31/12/2011
Current Liabilities			
Current Liabilities			
Current Assets		31,27,311.28	
Profit & Loss A/c			
Opening Balance			
Current Period			
Total	31,27,311.28	Total	31,27,311.28

- Againgoto GATEWAY OF TALLY

- And select PROFIT And LOSS A/c
- PROFIT & LOSS ACCOUNT

		Sales Accounts	4,800.00
		Closing Stock	1,760.00
Purchase Accounts	6,000.00		
Gross Profit c/b	560.00		
	<u>6,560.00</u>		<u>6,560.00</u>
Indirect Expenses	15,000.00	Gross Profit b/f	560.00
		Net Loss	14,440.00
Total	15,000.00	Total	15,000.00

Input Tax Credit (ITC)

Input Tax Credit or ITC is the tax that a business pays on a purchase and that it can use to reduce its tax liability when it makes a sale. In other words, businesses can reduce their tax liability by claiming credit to the extent of GST paid on purchases.

Goods and Services Tax (GST) is an integrated tax system where every purchase by a business should be matched with a sale by another business. This makes flow of credit across an entire supply chain a seamless process.

How does ITC work:

When a trader sells a good to consumers he collects GST based on the HSN of the goods sold and the place of destination. Let us assume that the MRP of the good is INR 1000 and the rate of applicable GST is 18%. The consumer will, therefore, pay a total of INR 1180 for the good which includes a GST of INR 180. Without ITC, the trader will have to pay INR 180 to the government. With input tax credit or ITC, the trader can reduce the total tax that it will have to pay the government. This is how it works.

Let us assume that the cost of the good in the hands of the trader is INR 825. This includes INR 125 as GST. The trader can claim INR 125 as input tax credit and reduce his original tax liability of INR 180 by this amount. In other words, the trader will need to pay only INR 55 (INR 180 – INR 125) to the government.

Conditions for claiming ITC:

A business can claim ITC provided the following conditions have been met

- It has a GST-compliant invoice
- Its supplier has uploaded the invoice to the GSTN
- Its supplier has paid GST to the government
- Returns have been filed

A business under composition scheme cannot avail of the input tax credit. ITC cannot be claimed for personal use or for goods that are exempt.

S. Jadhav

TALLY WITH GST APPLICATIONS
PROJECT WORK
2021-2022



Project by K. DEEPTHI

REG.NO:193128200003

Under the guidance of

Smt:K. LAKSHMI KANTHAM, M.Com, PHD

Sri.M. VENKATESH, M.C.A

R.R.D.S.GOV.T. DEGREE COLLEGE

BHIMAVARAM

K. Deepthi

**TALLY WITH GST APPLICATIONS
PROJECT WORK
2021-2022**



This is to certify that Ms: **K. DEEPTHI** bearing REG.NO: 193128200003 has done the project work of **TALLY WITH GST APPLICATIONS** during the academic year 2021-2022 and has submitted this bonafied record.

S. Jadhav
Sign of Faculty

Nandini
Sign of External Examiner

S. Jadhav
Sign of HOD

GST:

Goods and Service Tax (GST) is applicable in India from 1st July 2017. GST system in India contains three types of GST – Central GST (CGST), State GST (SGST), Integrated GST (IGST). CGST & SGST is applicable on intra-state sales (i.e sales within same state) and IGST is applicable on inter-state sales (i.e sales outside state). Total rate of GST will be same in both the cases.

V. K. Srinivasan
PRINCIPAL
R.R.D.S. Govt. Degree College
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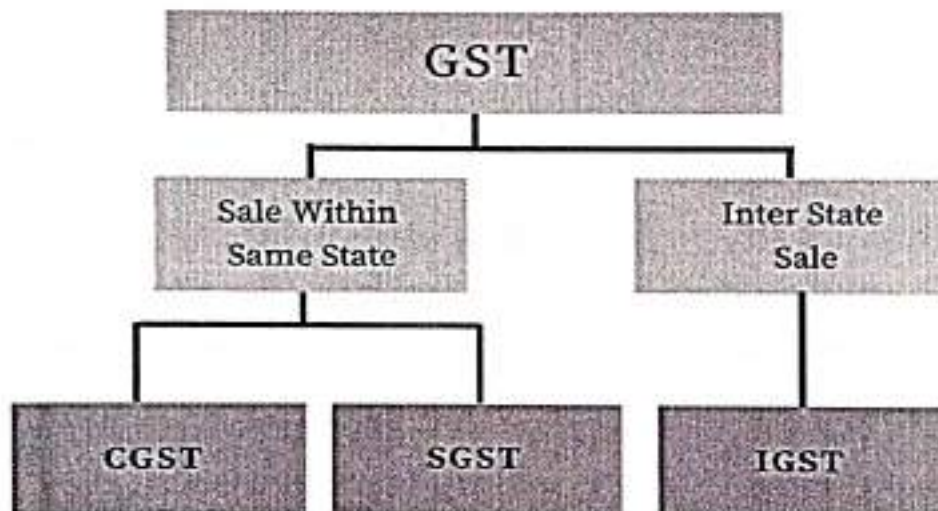


Definition of GST

Goods and Services Tax (GST) is an indirect tax (or consumption tax) levied in India on the supply of goods and services. GST is levied at every step in the production process, but is meant to be refunded to all parties in the various stages of production other than the final consumer.

Goods and services are divided into five tax slabs for collection of tax - 0%, 3%, 5%, 12%, 18% and 28%. However, Petroleum products, alcoholic drinks, electricity, are not taxed under GST and instead are taxed separately by the individual state governments, as per the previous tax regime. The tax came into effect from July 1, 2017 through the implementation of One Hundred and First Amendment of the Constitution of India by the Indian government.

TYPES OF GST:



Central Goods & Service Tax (CGST)

As per the Central Goods & Services Tax Act 2016, CGST is the centralized part of GST that subsumes the present central taxations and levies- Central Sales Tax, Central Excise Duty, Services Tax, Excise Duty under Medical & Toiletries Preparation Act, Additional Excise Duties Countervailing Duty (CVD), Additional Custom Duty and other centralized taxations.

CGST is applicable on the supply of goods and services of standard services and commodities which can be amended periodically by a specialized body under the central government. The revenue collected under CGST belongs to the central government. The input tax is given to the state governments which they can utilize only against the payment of CGST.

State Goods & Services Tax (SGST)

SGST is an important part of GST. It stands for State Goods & Services Tax as per the 2016 GST bill. Various taxations and levies under the state authority are subsumed by SGST as one uniform taxation. It includes the amalgamation of State Sales Tax, Luxury Tax, Entertainment Tax, Levies on Lottery, Entry Tax, Octroi and other taxations related to the movement of commodities and services under state authority through one uniform taxation- SGST. Revenue collected under SGST belongs to the State Government. However, the mainstream framework of the state governing body will be supervised by the central government. Each state will be having their own State Authority to collect SGST.

Integrated Goods & Services Tax (IGST)

GST focuses on the concept of one tax, one nation. IGST stands for Integrated Goods and Services Tax which is charged on the supply of commodities and services from one state to another state. For example, if the supply of goods and services occurs between Gujarat and Maharashtra, IGST will be applicable.

Under Article 269A of the Indian Constitution, the inter-state trade and commerce activities that involve the movement of commodities and services shall be levied with an integrated tax (IGST)

Union Territory Goods & Services Tax (UTGST)

As we have already learned about CGST and SGST which are intra-state taxations and IGST which is inter-state, the union territories in India are accounted under a specialized taxation called Union Territory Goods and Services Tax as per the GST regime 2016. It will subsume the various taxations, levies and duties with one uniform taxation in Union Territories as well.

Delhi (India's Capital Territory), Chandigarh, Dadra & Nagar Haveli, Andaman & Nicobar Islands, Daman & Diu, Lakshadweep and Puducherry are the prominent union territories in India. UTGST will account for all the taxations under these union territories in India. The parliament is looking forward to implement a separate act to impose and supervise GST in Union Territories under the name of UTGST act. The bill will be presented in respective union territories for further changes in the implementation of GST.

Registration of GST:

Introduction: In any tax system registration is the most fundamental requirement for identification of tax payers ensuring tax compliance in the economy. Registration of any business entity under the GST Law implies obtaining a unique number from the concerned tax authorities for the purpose of collecting tax on behalf of the government and to avail Input tax credit for the

taxes on his inward supplies. Without registration, a person can neither collect tax from his customers nor claim any input tax credit of tax paid by him.

Need and advantages of registration:

- He is legally recognized as supplier of goods or services.
- He is legally authorized to collect tax from his customers and pass on the credit of the taxes paid on the goods or services supplied to the purchasers/ recipients.
- He can claim input tax credit of taxes paid and can utilize the same for payment of taxes due on supply of goods or services.
- Seamless flow of Input Tax Credit from suppliers to recipients at the national level.

Nature of Registration: The registration in GST is PAN based and State specific. Supplier has to register in each of such State or Union territory from where he effects supply. In GST registration, the supplier is allotted a 15-digit GST identification number called "GSTIN" and a certificate of registration incorporating therein this GSTIN is made available to the applicant on the GSTN common portal. The first 2 digits of the GSTIN is the State code, next 10 digits are the PAN of the legal entity, the next two digits are for entity code, and the last digit is check sum number. Registration under GST is not tax specific which means that there is single registration for all the taxes i.e. CGST, SGST/UTGST, IGST and cesses.

Cancellation of Registration: The GST law provides for two scenarios where cancellation of registration can take place; the one when the taxable person no more requires it (voluntary cancellation), and another when the proper officer considers the registration liable for cancellation in view of certain specified defaults (Suo-motu cancellation) like when the registrant is not doing business from the registered place of business or if he issues tax invoice without making the supply of goods or services. The taxable person desirous of cancellation of Registration will apply on the common portal within 30 days of event warranting cancellation. He will also declare in the application the stock held on the date with effect from which he seeks cancellation. He will also work out and declare the quantum of dues of payments and credit reversal, and the particulars of payments made towards discharge of such liabilities.

Benefits of GST:

- **Reduction in Cascading of Taxes**
- **Overall Reduction in Prices**

- **Common National Market**
- **Benefits to Small Taxpayers**
- **Self-Regulating Tax System**
- **Non-Intrusive Electronic Tax System**
- **Simplified Tax Regime**
- **Reduction in Multiplicity of Taxes**
- **Consumption Based Tax**
- **Abolition of CST**
- **Exports to be Zero Rated**
- **Protection of Domestic Industry - IGST**

GST RATES :

GST is the biggest tax-related reform in the country bringing uniformity in the taxation structure and eliminating the cascading of taxes that was levied in the past. The GST Council meets from time to time to revise the GST rates for various products. The GST council has fitted over 1300 goods and 500 services under four tax slabs of 5%, 12%, 18% and 28% under GST. This is aside

the tax on gold that is kept at 3% and rough precious and semi-precious stones that are placed at a special rate of 0.25% under GST.
7% goods and services fall under this category.

Tax Rates	Products
5%	Household necessities such as edible oil, sugar, spices, tea, and coffee (except instant) are included. Coal , Mithai (Indian Sweets) and Lifesaving drugs are also covered under this GST slab
12%	This includes computers and processed food
18%	Hair oil, toothpaste and soaps, capital goods and industrial intermediaries are covered in this slab
28%	Luxury items such as small cars , consumer durables like AC and Refrigerators, premium cars, cigarettes and aerated drinks , High-end motorcycles are included here.

Various GST Tax Slabs in India

No Tax

- **Goods** – No taxes will be levied on goods like sanitary napkins, deities made of stone, marbles d, sindoor, natural honey, bangles, handloom, besan, flour, eggs, stamps, printed books, judicial papers, and newspapers.
- **Services** – All hotels and lodges who carry a tariff below ₹ 1,000 are exempted from taxes under GST.

GST Tax Slab of 5%

- **Goods** – The goods which will attract a taxation of 5% under GST include skimmed milk powder, fish fillet, frozen vegetables, coffee, coal, fertilizers, tea, spices, pizza bread, kerosene, ayurvedic medicines, agarbatti, sliced dry mango, insulin, cashew nuts, unbranded namkeen, lifeboats , Ethanol- Solid biofuel pellets- Handmade carpets and other handmade textile floor coverings (including namda/gabba)- Hand-made braids and ornamental trimming in the piece
- **Services** – Small restaurants along with transport services like railways and airways, Standalone ACs non-ACs Restaurants and those which serve liquor, Takeaway Food, Restaurants in hotels with a room tariff less than ₹7,500 (no input credit for these restaurants), will come under this category.

GST Tax Slab of 12%

- **Goods** – Items coming are the tax slab of 12% include frozen meat products, butter, cheese, ghee, pickles, sausage, fruit juices, namkeen, tooth powder, medicine, umbrella, instant food mix, cell phones, sewing machine, man-made yarn, -Handbags including pouches and purses; jewellery box, Wooden frames for painting, photographs, mirrors etc, Ornamental framed mirrors, Brass Kerosene Pressure Stove, Art ware of iron, etc.
- **Services** – Business class air tickets will attract a tax of 12% under GST.

GST Tax Slab of 18%

- **Goods** – As mentioned above, most of the items are part of this tax slab. Some of the items are flavored refined sugar, cornflakes, pasta, pastries and cakes, detergents, washing and cleaning preparations, safety glass, mirror, glassware, sheets, pumps, compressors, fans, light fitting, chocolate, preserved vegetables, tractors, ice cream, sauces, soups, mineral water, deodorants, suitcase, brief case, vanity case, oil powder, chewing gum, hair shampoo, preparation for facial make-up, shaving and after-shave items, washing powder, Refrigerators, Water Heaters, Washing Machines, Televisions (up to 68 cm), Vacuum Cleaners, Paints, Hair Shavers, Hair Curlers, Hair Dryers, Scent Sprays, Lithium-ion batteries, detergent, stones used in flooring, marble & granite, sanitaryware, leather clothing, wrist watches, cookers, stoves, cutlery, telescope, goggles, binoculars, oil powder, cocoa butter, fat, artificial fruits, artificial flowers, foliage, physical exercise equipment, musical instruments and their parts, stationery items like clips, some diesel engine parts, some parts of pumps, electrical boards, panels, wires, razor and razor blades, furniture, mattress, cartridges, multi-functional printers, door, windows, aluminium frames, .
- **Services** – Restaurants located inside hotels with tariffs of ₹7,500 and above, outdoor catering(input tax credit to be available) , Actual bill of hotel stay below ₹7,500, IT and Telecom services and financial services along with branded garments will be part of this tax slab.

TALLY SUM:

N.srivijaya started a business worth of capital @ 1000000

- Rent paid for shop@15000
- Cash deposited into Andhra bank @50000
- Plant and machinery Purchased @60000

Purchase as follows from Bala& co

- CMOS Batteries 75 sets each one @15
- USB cables 40 pieces each one @50
- A4 papers 50 bundels each one @110
- Mouse 40 boxes each one @60
- 4GB memory cards 35 pieces@170
- RAMS 20 pieces@2500
- Monitors 15 pieces each one @5500
- 8GB RAM 25 pieces each one @950
- Chairs 20 pieces each one @750
- DVD - disks 100 pieces each one@30
- Tables 15 pieces @1000
- Colour Xerox machine 1 pieces @60000

Sales as follows to Anand& co

- USB cables 35 pieces each one @50
- A4 paper 55 bundels each one @110
- CMOS batteries 60 sets each one @15
- Mouses 40 boxes each one@60
- 4GB memory cards 25 pieces each one@170
- RAM 10 pieces each one @1500
- Monetors 8 pieces each one@ 5500
- DVD- disks 85 pieces each one @30
- 8GB ram 20 pieces each one @950

Cash paid to Bala& Co

Cash received from Anand& Co

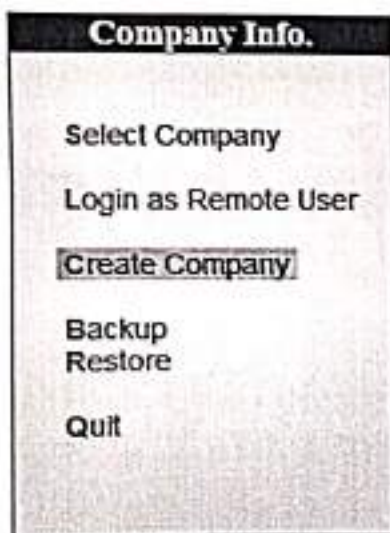
GST:5%

Creation of company:

Lets start from the very beginning. If you are using Tally first time after installation,you will have a screen like below.This is the initial screen of the company .The right hand side you will find a menu box namely 'Company info'.

You are in company info menu.Now,How to create company in Tally erp9?

Select **Create company** from the menu using up and down arrow key and Hit Enter Key.



Company Creation screen will be displayed.

P: Print E: Export F: F.A.M. O: Book S: TallyShop T: TallyScreen K: Keyboard C: Control Centre S: Support Centre H: Help			
Company Creation			
Directory	C:\Users\Public\Tally.ERP60Data		<u>Books and Financial Year Details</u>
Name	N. Srivijaya	Financial year begins from	1.4.2019
	<u>Primary Mailing Details</u>	Books beginning from	31.3.2019
Mailing name	N. Srivijaya	<u>Security Control</u>	
Address	Ganapavaram	TallyVault password (if any)	
Country	India	Repeat password	
State	Andhra Pradesh	(Warning: Forgetting TallyVault password will render your data inaccessible.)	
Pincode	524108	Use security control	<input checked="" type="checkbox"/> No
	<u>Contact Details</u>	(Enable security to avail TSS features)	
Phone no.	967612345		
Mobile no.	967612345		
Fax no.			
E-mail	vd@vama@gmail.com		
Website	www.gst.gov.in		
<u>Base Currency Information</u>			
Base currency symbol	₹	Number of decimal places	2
Formal name	INR	Word representing amount after decimal	
Suffix symbol to amount	<input type="checkbox"/> No	No. of decimal places for amount in word	<input type="checkbox"/> Accept ?
Just space between amount and symbol	<input type="checkbox"/> Yes		<input type="checkbox"/> Yes or No
Show amount in indian	<input type="checkbox"/> No		
<input type="button" value="OK"/> <input type="button" value="Cancel"/> <input type="button" value="Help"/>			

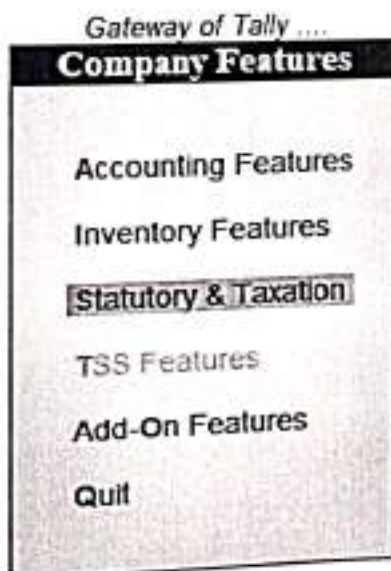
In this company creation screen, you should enter all the details of the company

Enable GST for Company

The procedure for implementation of GST in Tally is very simple. First of all the GST option for the company should be enabled or activated in Tally. To use Tally.ERP 9 for CST compliance, you need to activate the GST feature. Once GST option is activated for company then all GST-related features are available in ledgers, stock items and transactions, and GST returns can be generated.

To activate or enable the GST feature following are the steps:

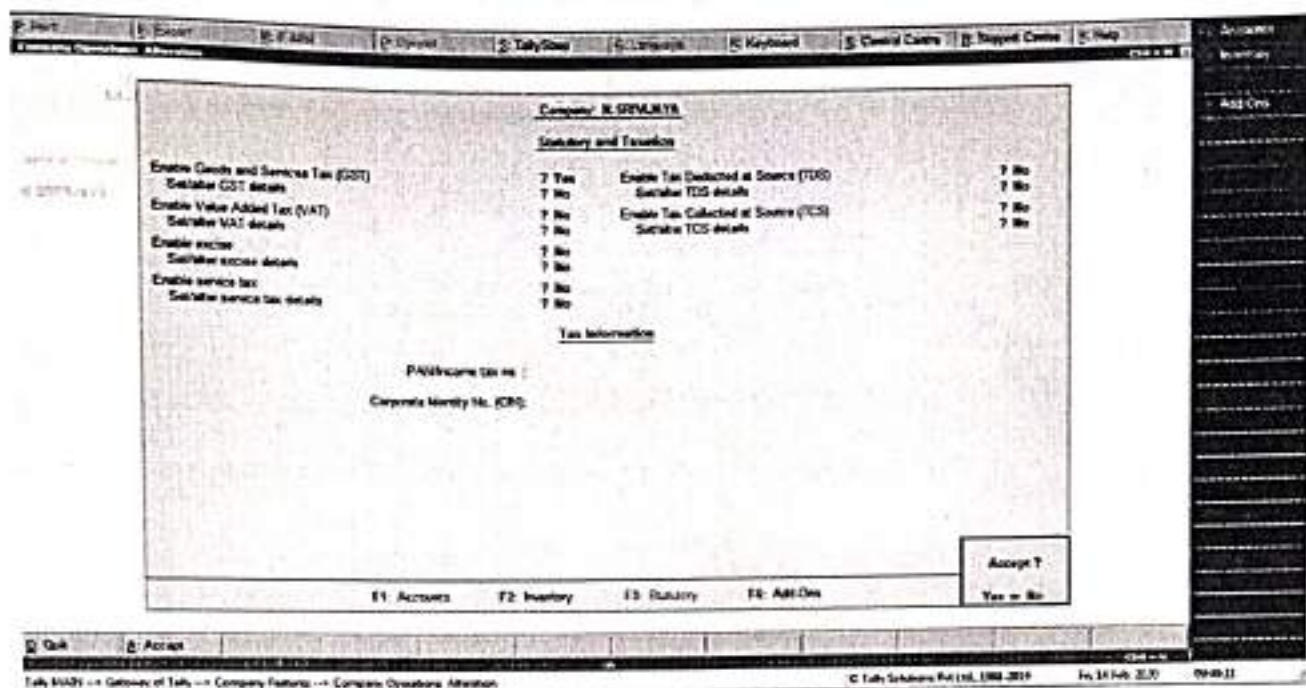
1. Select the company for which GST need to be activate or enabled as in case Four Pillar Enterprises selected.
2. At gateway of tally Press F11 (Features) the following so screen will displayed



3. Select Statutory & taxation o F3 to enable GST to your Company.

It will display the screen as follows

In the screen you will find options.



4. Enable goods and service tax (GST) : Yes

5. Set/alter GST Details : Yes

Units Creation

Stock Items are mainly purchased and sold on the basis of quantity. The quantity in turn is measured by units. In such cases, it is necessary to create the Unit of Measure. The Units of Measure can either be simple or compound. Examples of simple units are: sets, boxes, litres, pieces, trays, packets, etc.

To create Simple Units of Measure



Go to Gateway of Tally > Inventory Info > Units of Measure

Unit Creation	
Type	: Simple
Symbol	: boxes
Formal name	:
Unit Quantity Code (UQC):	Not
Number of decimal places:	0
Accept ?	
Yes or No	

2. After selecting the units of measure it displays the following screen:

This field will show the **Type** of Units.

- Simple
- Compound.

Simple units are **nos**, **pcs**, and so on. Compound unit is a combination of two simple units. By default Tally.ERP 9 will show the **Simple** unit for creating the unit of measure.

You can select the **Compound Units** by clicking on that field or by using **SHIFT+TAB** [cursor will go to the previous field].

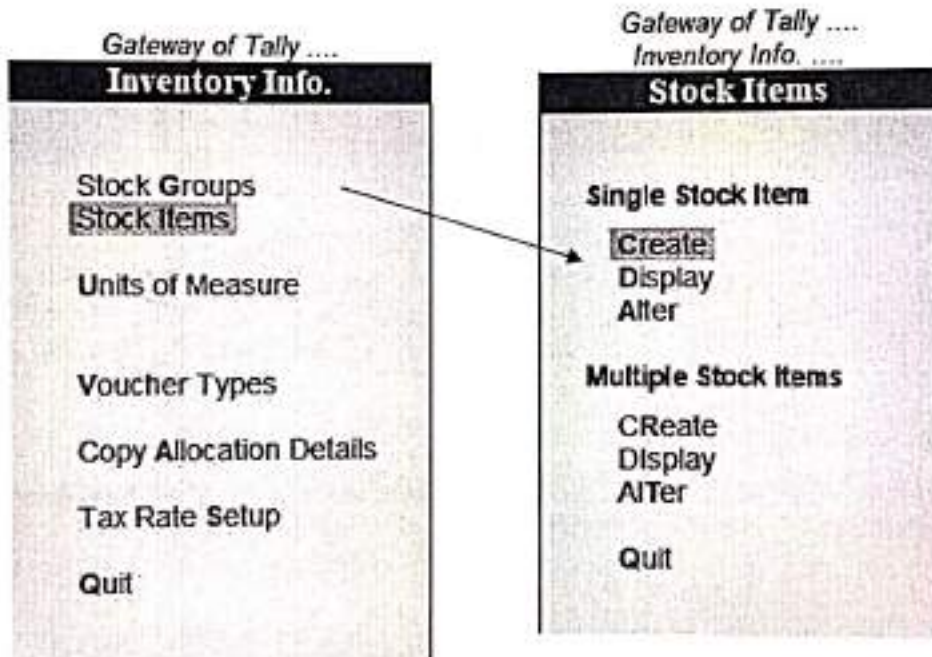
2. Define the **Symbol** of the unit, for example, Nos. This symbol is used in all displays and printouts.
3. Specify the **Formal Name** of the symbol, for example, Numbers. This formal name is useful during the consolidation of data of different companies, where the symbols might be the same but are assigned to different units. The formal name will be used to match them.
4. In this field you can specify the **Number decimal places** for the Units from 0 to 4. This field is useful for Units measured in fraction.
5. Save the unit by selecting 'yes'.

Stock Items Creation

CREATION OF STOCK ITEM IN TALLY.ERP 9

Stock items are goods that a business Purchase, Manufacture or Sell. Stock Items in Inventory transactions are similar to ledgers being used in accounting transactions. Therefore, Stock Items are important in an inventory just as ledgers are important in accounting. Like Ledgers, stock items are the primary inventory entity. You will use stock items while recording their receipts and issues. This is the lowest level of information about your inventory. Each item that is required to be accounted for, needs to be created. Following are steps for single stock item creation under Tally

1. Go to Gateway of Tally > Inventory Info. Choose Stock Items from Inventory Info.



2. Choose Create from Single Stock Item from Stock Items.

Opening Balance	Quantity	Rate per	Value
-----------------	----------	----------	-------

It opens the Stock Item Creation form as follows.

3. For the field 'Name', enter name of stock item
4. For the field 'Under, select 'Primary'
5. For the field 'Units' select unit of measure like sets,pieces.
6. Set GST as applicable to 'yes'.

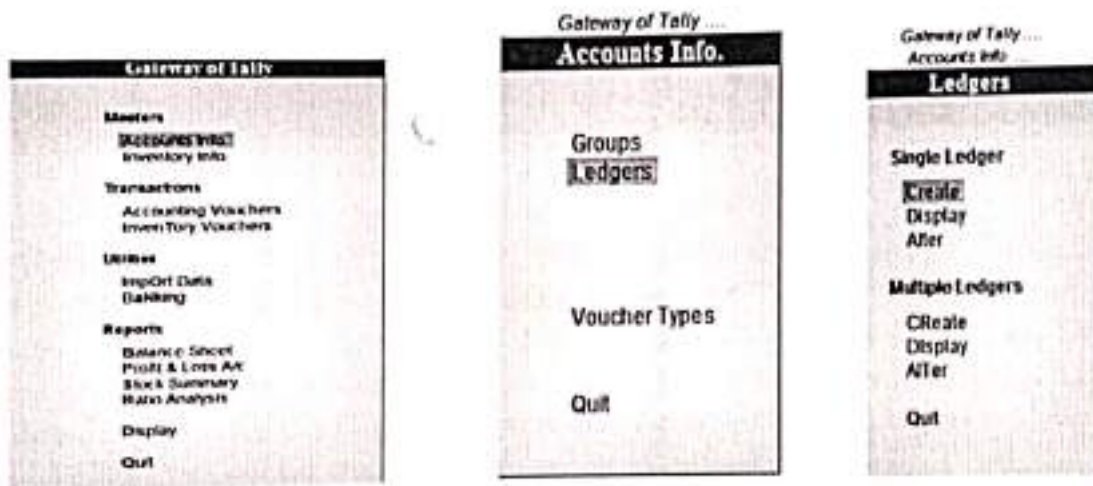
After that it opens GST details form as follows.

Ledgers in TallyERP.9

After creating the company in Tally, Ledger creation is the preliminary steps to start with recording of transactions. A Ledger is the actual account head to which you identify a transaction and must be used in all Accounting Vouchers without a ledger we cannot record any transactions.

Creating a Single Ledger

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



1. Go to Gateway of Tally > Accounts Info

Gateway of Tally is displayed as follows:

After selecting the Accounting Info from Gateway of Tally. Select 'Ledgers' from Accounts Info and select create from Single Ledgers as below:

After selecting Single Ledgers it opens 'Ledger Creation' form as follows:

Name : R.Srivijaya (alias) :		Total Opening Balance	
Under : Capital Account	Making Details Name : R.Srivijaya Address : Ganapavaram Country : India State : Andhra Pradesh Provide bank details : No Pincode : 524198 Tax Registration Details PAN/TIN No :		
Inventory values are affected : No	Accept ? Yes or No		
Opening Balance (on 31.Mar.2005) :			

Name: Enter the Name of the account. You can provide the full name of the account. Tally.ERP 9 fits it all in. Press Enter to move to the next field. Tally.ERP 9 does not allow the entry of duplicate names. The uniqueness check is made here itself. Note that the punctuation and other non-relevant information are ignored by Tally.ERP 9 in its recognition of a name. Thus, CST, C.S.T. and C. S. T. are all considered as same. Tally.ERP 9 converts the first letter of all relevant words to upper case, which helps you; speed up data entry.

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

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

Opening Balance : If yours is an existing company whose books you are entering into Tally.ERP 9, Opening Balance would be applicable in circumstances where the Ledger is an asset or a liability and if it has a balance in the account as on the date of beginning of books in Tally.ERP 9. Tally.ERP 9 recognizes normal accounting principles of debit balances for Assets and credit balances for Liabilities.

Press Enter or Y to Accept.

N.srivijaya (owner) invests some money as **Capital** so it is treated as **Duties & Taxes**

And also create CGST ,SGST& IGST

The GST details of CGST,SGST,IGST are shown below in detail manner

> CGST details

Name (party) : C_GST		Total Opening Balance	
Under :	Duties & Taxes (Current Capitalizing)	Name :	Business Details
Type of duty/tax :	GST	Address :	
Tax type :	Central Tax	Provide bank details :	Y No
Inventory values are affected :	No	CGST No. :	Tax Registration Details
Percentage of calculation :	1.50 %		
Rounding method :	Normal Rounding		
Rounding kind :	1		
Opening Balance (on 31 Dec 2015)		Accept ?	
		Yes or No	

> SGST details

Name		Total Opening Balance	
Name (select)		SGST	
Order		Duties & Taxes (Current Ledgers)	
Type of duty/tax	CGST	Name	
Tax type	State Tax	Address	
Inventory values are affected	<input type="checkbox"/> No	Provide bank details <input type="checkbox"/> No	
Percentage of calculation	7.250 %	PAN/TIN No	
Rounding method	Normal Rounding	Tax Registration Details	
Rounding limit	2	<input type="checkbox"/> Accept ? <input type="checkbox"/> Tax is No	
Opening Balance (on 31-Mar-2020)			

Tally M201 -> Gateway of Tally -> Accounts Info -> Ledgers -> Ledger Creation

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> IGST details

Name		Total Opening Balance	
Name (select)		IGST	
Order		Duties & Taxes (Current Ledgers)	
Type of duty/tax	IGST	Name	
Tax type	Integrated Tax	Address	
Inventory values are affected	<input type="checkbox"/> No	Provide bank details <input type="checkbox"/> No	
Percentage of calculation	7.25 %	PAN/TIN No	
Rounding method	Normal Rounding	Tax Registration Details	
Rounding limit	2	<input type="checkbox"/> Accept ? <input type="checkbox"/> Tax is No	
Opening Balance (on 31-Mar-2020)			

Tally M201 -> Gateway of Tally -> Accounts Info -> Ledgers -> Ledger Creation

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Accounting Vouchers

A voucher is a written document in support of a transaction. It is a proof that a particular transaction has taken place for the value stated in the voucher. Some examples of the vouchers are sales invoice, counter foil of a pay-in slip, pay register, purchase invoice, record slip etc. the vouchers validate the expenditure done on some item or the income earned. It is a proof that a particular transaction has taken place for the value stated in the voucher. Voucher is a necessary to audit the accounts. The transactions are recorded through voucher entry in Tally. They are two types of vouchers:-

1. **Accounting Vouchers:** Used to record account related transactions .
2. **Inventory Vouchers:** Used to enter the movement of goods i.e. receipt or issue of goods.



To make Voucher Entries first select Accounting Vouchers from Gateway of Tally.

Tally provides 22 predefined vouchers that can be used for recording various transactions. These predefined fulfill your normal transaction needs.

F6-RECEIPT:

Account		Amount
Account: Cash Dr Bal: 10,00,000.00 Cr		
Particulars		Amount
R. Sri Varma Cr Bal: 10,00,000.00 Dr		10,00,000.00
Number		10,00,000.00
		Accept ? Yes / No

F6-Payment : Payment entry. Rent paid is an Indirect Expenses.

Account		Amount
Account: Cash Dr Bal: 10,00,000.00 Cr		
Particulars		Amount
R. Sri Varma Cr Bal: 10,00,000.00 Dr		10,00,000.00
Number		10,00,000.00
		Accept ? Yes / No

F4-Contra: Cash deposited into Andhra bank

Journal No: 3 Date: 31-Mar-2028
Tuesday

Account: Cash
 Cur Ref: 10,45,000.00 Cr
Particulars Amount

R.S.V. Vlogs 80,000.00
 Cur Bal: 10,45,000.00 Dr

Narration: 80,000.00

F9-Purchases:Purchase goods from Bala& Co

Invoice No: 1 Date: 31-Mar-2028
Tuesday

Supplier Invoice No: Date:

Party Ac Name: Cash
 Current Balance: 10,45,000.00 Cr
 Purchase Ledger:

Name of Item	Quantity	Rate per	Amount
Canon Batteries	71 set	15.00 set	1,125.00
USB Cable	40 pieces	50.00 piece	2,000.00
A4 Paper	42 bundles	110.00 bundle	4,620.00
ACB Memory cards	25 pieces	170.00 piece	4,250.00
RAM	20 pieces	2,500.00 piece	50,000.00
ACB Sams	25 pieces	850.00 piece	21,250.00
Monitor	10 pieces	5,500.00 piece	55,000.00
DVD-Drive	100 pieces	30.00 piece	3,000.00
Mouse	45 boxes	50.00 box	2,250.00
Chair	20 pieces	750.00 piece	15,000.00
Table	15 pieces	1,000.00 piece	15,000.00
Colour Xerox	1 pieces	80,000.00 piece	80,000.00
			2,40,125.00
CGST		2.50 %	6,003.13
Total			2,46,128.13

Narration: 2,46,128.13

F8-Sales: sales to Anand & Co

F8 Sales			
Particulars	No. 8	Date	Amount
Party A/c Name	Cash		
Current Address	96, 95, 94, 93 Cr		
Purchase Invoice			
Particulars	Quantity	Rate per	Amount
Al Paper	25 bundles	116.00 each	2,900.00
Books	48 books	65.00 each	3,120.00
Class Books	60 sets	17.00 set	1,020.00
DIN Cards	20 pieces	86.00 each	1,720.00
RGB Memorabilia	25 pieces	176.00 each	4,400.00
RAM	10 pieces	2,300.00 each	23,000.00
Monitor	8 pieces	5,500.00 each	44,000.00
DVD Disk	85 pieces	30.00 each	2,550.00
MSN Rom	20 pieces	95.00 each	1,900.00
			1,00,000.00
CGST		2.50 %	2,500.00
SGST		2.50 %	2,500.00
Total			1,07,500.00

F5-payment: Cash paid to Bala & Co

F5 Payment			
Account	No. 8	Date	Amount
Account	Cash		
Current Address	96, 95, 94, 93 Cr		
Particulars			
Bala Krishna			8,81,313.00
Current Address	96, 95, 94, 93 Cr		
Total			8,81,313.00

F5-payment: Select ALT+S To Statutory Payment

TaxSlip F5.0
 F5: Payment
 F5: Payment Details
 Payment No: 1
 Date: 21-Mar-2020
 Time: 10:59:29

Statutory Payment

Tax Type	GST	Type of Payment	Any
Payed From	1 Mar 2020	Account	Bank and Salary
Payment Type	Statutory	Amount	

Paid CGST,SGST

TaxSlip F5.0
 F5: Payment
 F5: Payment Details
 Payment No: 1
 Date: 21-Mar-2020
 Time: 10:59:29

Particulars	Amount
Account - Cash Cur No. 11-00-0000000000	
CGST Cur No. 11-00-0000000000	9,902.13
SGST Cur No. 11-00-0000000000	9,902.13

Amount: 19,804.26

Accept 7
 Tax Slip No: 11-00-0000000000

TaxSlip F5.0 -> Entry of Tax Slips -> Accounting Voucher -> Confirms
 © Tally Software Pvt Ltd, 2006-2020
 Tue, 24-Mar-2020 10:59:29

- And select PROFIT And LOSS A/c
- PROFIT & LOSS ACCOUNT

Opening Stock		Sales Accounts	4,800.00
Purchase Accounts	6,000.00	Closing Stock	1,760.00
Gross Profit c/b	560.00		
	<u>6,560.00</u>		<u>6,560.00</u>
Indirect Expenses	15,000.00	Gross Profit b/f	560.00
		Net Loss	14,440.00
Total	15,000.00	Total	15,000.00

S. J. Hill.

Input Tax Credit (ITC)

Input Tax Credit or ITC is the tax that a business pays on a purchase and that it can use to reduce its tax liability when it makes a sale. In other words, businesses can reduce their tax liability by claiming credit to the extent of GST paid on purchases.

Goods and Services Tax (GST) is an integrated tax system where every purchase by a business should be matched with a sale by another business. This makes flow of credit across an entire supply chain a seamless process.

How does ITC work:

When a trader sells a good to consumers he collects GST based on the HSN of the goods sold and the place of destination. Let us assume that the MRP of the good is INR 1000 and the rate of applicable GST is 18%. The consumer will, therefore, pay a total of INR 1180 for the good which includes a GST of INR 180. Without ITC, the trader will have to pay INR 180 to the government. With input tax credit or ITC, the trader can reduce the total tax that it will have to pay the government. This is how it works.

Let us assume that the cost of the good in the hands of the trader is INR 825. This includes INR 125 as GST. The trader can claim INR 125 as input tax credit and reduce his original tax liability of INR 180 by this amount. In other words, the trader will need to pay only INR 55 (INR 180 – INR 125) to the government.

Conditions for claiming ITC:

A business can claim ITC provided the following conditions have been met

- It has a GST-compliant invoice
- Its supplier has uploaded the invoice to the GSTN
- Its supplier has paid GST to the government
- Returns have been filed

A business under composition scheme cannot avail of the input tax credit. ITC cannot be claimed for personal use or for goods that are exempt.

TALLY WITH GST APPLICATIONS
PROJECT WORK
2021-2022



Project by P. HEMA

REG.NO:193128200004

Under the guidance of

Smt:K. LAKSHMI KANTHAM, M.Com, PHD

Sri.M. VENKATESH, M.C.A

R.R.D.S.GOVT. DEGREE COLLEGE

BHIMAVARAM

P. Hema .

TALLY WITH GST APPLICATIONS
PROJECT WORK
2021-2022



This is to certify that Ms: P.HEMA bearing REG.NO: 193128200004 has done the project work of **TALLY WITH GST APPLICATIONS** during the academic year 2021-2022 and has submitted this bonafied record.

S. Jeeva
Sign of Faculty

Sai Ganesh D.
Sign of External Examiner

S. Jeeva
Sign of HOD

GST:

Goods and Service Tax (GST) is applicable in India from 1st July 2017. GST system in India contains three types of GST – Central GST (CGST), State GST (SGST), Integrated GST (IGST). CGST & SGST is applicable on intra-state sales (i.e sales within same state) and IGST is applicable on inter-state sales (i.e sales outside state). Total rate of GST will be same in both the cases.



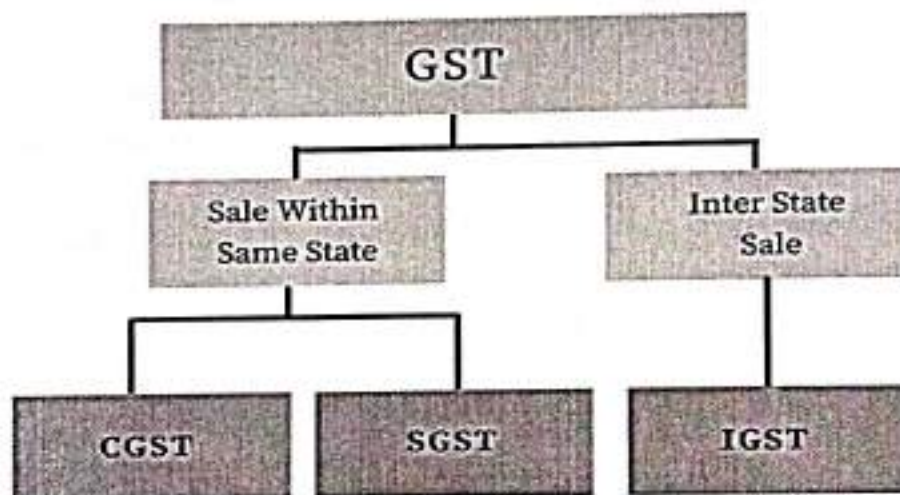
V. Sudhakar
PRINCIPAL
R.R.D.S. Govt. Degree College,
BHIMAVARAM-534 202

Definition of GST

Goods and Services Tax (GST) is an indirect tax (or consumption tax) levied in India on the supply of goods and services. GST is levied at every step in the production process, but is meant to be refunded to all parties in the various stages of production other than the final consumer.

Goods and services are divided into five tax slabs for collection of tax - 0%, 3%, 5%, 12%, 18% and 28%. However, Petroleum products, alcoholic drinks, electricity, are not taxed under GST and instead are taxed separately by the individual state governments, as per the previous tax regime. The tax came into effect from July 1, 2017 through the implementation of One Hundred and First Amendment of the Constitution of India by the Indian government.

TYPES OF GST:



Central Goods & Service Tax (CGST)

As per the Central Goods & Services Tax Act 2016, CGST is the centralized part of GST that subsumes the present central taxations and levies- Central Sales Tax, Central Excise Duty, Services Tax, Excise Duty under Medical & Toiletries Preparation Act, Additional Excise Duties Countervailing Duty (CVD), Additional Custom Duty and other centralized taxations.

CGST is applicable on the supply of goods and services of standard services and commodities which can be amended periodically by a specialized body under the central government. The revenue collected under CGST belongs to the central government. The input tax is given to the state governments which they can utilize only against the payment of CGST.

State Goods & Services Tax (SGST)

SGST is an important part of GST. It stands for State Goods & Services Tax as per the 2016 GST bill. Various taxations and levies under the state authority are subsumed by SGST as one uniform taxation. It includes the amalgamation of State Sales Tax, Luxury Tax, Entertainment Tax, Levies on Lottery, Entry Tax, Octroi and other taxations related to the movement of commodities and services under state authority through one uniform taxation- SGST. Revenue collected under SGST belongs to the State Government. However, the mainstream framework of the state governing body will be supervised by the central government. Each state will be having their own State Authority to collect SGST.

Integrated Goods & Services Tax (IGST)

GST focuses on the concept of one tax, one nation. IGST stands for Integrated Goods and Services Tax which is charged on the supply of commodities and services from one state to another state. For example, if the supply of goods and services occurs between Gujarat and Maharashtra, IGST will be applicable.

Under Article 269A of the Indian Constitution, the inter-state trade and commerce activities that involve the movement of commodities and services shall be levied with an integrated tax (IGST)

Union Territory Goods & Services Tax (UTGST)

As we have already learned about CGST and SGST which are intra-state taxations and IGST which is inter-state, the union territories in India are accounted under a specialized taxation called Union Territory Goods and Services Tax as per the GST regime 2016. It will subsume the various taxations, levies and duties with one uniform taxation in Union Territories as well.

Delhi (India's Capital Territory), Chandigarh, Dadra & Nagar Haveli, Andaman & Nicobar Islands, Daman & Diu, Lakshadweep and Puducherry are the prominent union territories in India. UTGST will account for all the taxations under these union territories in India. The parliament is looking forward to implement a separate act to impose and supervise GST in Union Territories under the name of UTGST act. The bill will be presented in respective union territories for further changes in the implementation of GST.

Registration of GST:

Introduction: In any tax system registration is the most fundamental requirement for identification of tax payers ensuring tax compliance in the economy. Registration of any business entity under the GST Law implies obtaining a unique number from the concerned tax authorities for the purpose of collecting tax on behalf of the government and to avail Input tax credit for the

taxes on his inward supplies. Without registration, a person can neither collect tax from his customers nor claim any input tax credit of tax paid by him.

Need and advantages of registration:

- He is legally recognized as supplier of goods or services.
- He is legally authorized to collect tax from his customers and pass on the credit of the taxes paid on the goods or services supplied to the purchasers/ recipients.
- He can claim input tax credit of taxes paid and can utilize the same for payment of taxes due on supply of goods or services.
- Seamless flow of Input Tax Credit from suppliers to recipients at the national level.

Nature of Registration: The registration in GST is PAN based and State specific. Supplier has to register in each of such State or Union territory from where he effects supply. In GST registration, the supplier is allotted a 15-digit GST identification number called "GSTIN" and a certificate of registration incorporating therein this GSTIN is made available to the applicant on the GSTN common portal. The first 2 digits of the GSTIN is the State code, next 10 digits are the PAN of the legal entity, the next two digits are for entity code, and the last digit is check sum number. Registration under GST is not tax specific which means that there is single registration for all the taxes i.e. CGST, SGST/UTGST, IGST and cesses.

Cancellation of Registration: The GST law provides for two scenarios where cancellation of registration can take place; the one when the taxable person no more requires it (voluntary cancellation), and another when the proper officer considers the registration liable for cancellation in view of certain specified defaults (Suo-motu cancellation) like when the registrant is not doing business from the registered place of business or if he issues tax invoice without making the supply of goods or services. The taxable person desirous of cancellation of Registration will apply on the common portal within 30 days of event warranting cancellation. He will also declare in the application the stock held on the date with effect from which he seeks cancellation. He will also work out and declare the quantum of dues of payments and credit reversal, and the particulars of payments made towards discharge of such liabilities.

Benefits of GST:

- Reduction in Cascading of Taxes
- Overall Reduction in Prices

- **Common National Market**
- **Benefits to Small Taxpayers**
- **Self-Regulating Tax System**
- **Non-Intrusive Electronic Tax System**
- **Simplified Tax Regime**
- **Reduction in Multiplicity of Taxes**
- **Consumption Based Tax**
- **Abolition of CST**
- **Exports to be Zero Rated**
- **Protection of Domestic Industry - IGST**

GST RATES :

GST is the biggest tax-related reform in the country bringing uniformity in the taxation structure and eliminating the cascading of taxes that was levied in the past. The GST Council meets from time to time to revise the GST rates for various products. The GST council has fitted over 1300 goods and 500 services under four tax slabs of 5%, 12%, 18% and 28% under GST. This is aside

the tax on gold that is kept at 3% and rough precious and semi-precious stones that are placed at a special rate of 0.25% under GST.

7% goods and services fall under this category.

Tax Rates	Products
5%	Household necessities such as edible oil, sugar, spices, tea, and coffee (except instant) are included. Coal, Mithai (Indian Sweets) and Lifesaving drugs are also covered under this GST slab
12%	This includes computers and processed food
18%	Hair oil, toothpaste and soaps, capital goods and industrial intermediaries are covered in this slab
28%	Luxury items such as small cars, consumer durables like AC and Refrigerators, premium cars, cigarettes and aerated drinks, High-end motorcycles are included here.

Various GST Tax Slabs in India

No Tax

- **Goods** – No taxes will be levied on goods like sanitary napkins, deities made of stone, marbles, sindoor, natural honey, bangles, handloom, besan, flour, eggs, stamps, printed books, judicial papers, and newspapers.
- **Services** – All hotels and lodges who carry a tariff below ₹ 1,000 are exempted from taxes under GST.

GST Tax Slab of 5%

- **Goods** – The goods which will attract a taxation of 5% under GST include skimmed milk powder, fish fillet, frozen vegetables, coffee, coal, fertilizers, tea, spices, pizza bread, kerosene, ayurvedic medicines, agarbatti, sliced dry mango, insulin, cashew nuts, unbranded namkeen, lifeboats, Ethanol- Solid biofuel pellets- Handmade carpets and other handmade textile floor coverings (including namda/gabba)- Hand-made braids and ornamental trimming in the piece
- **Services** – Small restaurants along with transport services like railways and airways, Standalone ACs non-ACs Restaurants and those which serve liquor, Takeaway Food, Restaurants in hotels with a room tariff less than ₹7,500 (no input credit for these restaurants), will come under this category.

GST Tax Slab of 12%

- **Goods** – Items coming under the tax slab of 12% include frozen meat products, butter, cheese, ghee, pickles, sausage, fruit juices, namkeen, tooth powder, medicine, umbrella, instant food mix, cell phones, sewing machine, man-made yarn, -Handbags including pouches and purses; jewellery box, Wooden frames for painting, photographs, mirrors etc, Ornamental framed mirrors, Brass Kerosene Pressure Stove, Art ware of iron, etc.
- **Services** – Business class air tickets will attract a tax of 12% under GST.

GST Tax Slab of 18%

- **Goods** – As mentioned above, most of the items are part of this tax slab. Some of the items are flavored refined sugar, cornflakes, pasta, pastries and cakes, detergents, washing and cleaning preparations, safety glass, mirror, glassware, sheets, pumps, compressors, fans, light fitting, chocolate, preserved vegetables, tractors, ice cream, sauces, soups, mineral water, deodorants, suitcase, brief case, vanity case, oil powder, chewing gum, hair shampoo, preparation for facial make-up, shaving and after-shave items, washing powder, Refrigerators, Water Heaters, Washing Machines, Televisions (up to 68 cm), Vacuum Cleaners, Paints, Hair Shavers, Hair Curlers, Hair Dryers, Scent Sprays, Lithium-ion batteries, detergent, stones used in flooring, marble & granite, sanitaryware, leather clothing, wrist watches, cookers, stoves, cutlery, telescope, goggles, binoculars, oil powder, cocoa butter, fat, artificial fruits, artificial flowers, foliage, physical exercise equipment, musical instruments and their parts, stationery items like clips, some diesel engine parts, some parts of pumps, electrical boards, panels, wires, razor and razor blades, furniture, mattress, cartridges, multi-functional printers, door, windows, aluminium frames, .
- **Services** – Restaurants located inside hotels with tariffs of ₹7,500 and above, outdoor catering(input tax credit to be available) , Actual bill of hotel stay below ₹7,500, IT and Telecom services and financial services along with branded garments will be part of this tax slab.

TALLY SUM:

N.srivijaya started a business worth of capital @ 1000000

- Rent paid for shop@15000
- Cash deposited into Andhra bank @50000
- Plant and machinery Purchased @60000

Purchase as follows from Bala& co

- CMOS Batteries 75 sets each one @15
- USB cables 40 pieces each one @50
- A4 papers 50 bundels each one @110
- Mouse 40 boxes each one @60
- 4GB memory cards 35 pieces@170
- RAMS 20 pieces@2500
- Monitors 15 pieces each one @5500
- 8GB RAM 25 pieces each one @950
- Chairs 20 pieces each one @750
- DVD - disks 100 pieces each one@30
- Tables 15 pieces @1000
- Colour Xerox machine 1 pieces @60000

Sales as follows to Anand& co

- USB cables 35 pieces each one @50
- A4 paper 55 bundels each one @110
- CMOS batteries 60 sets each one @15
- Mouses 40 boxes each one@60
- 4GB memory cards 25 pieces each one@170
- RAM 10 pieces each one @1500
- Monetors 8 pieces each one@ 5500
- DVD- disks 85 pieces each one @30
- 8GB ram 20 pieces each one @950

Cash paid to Bala& Co

Cash received from Anand& Co

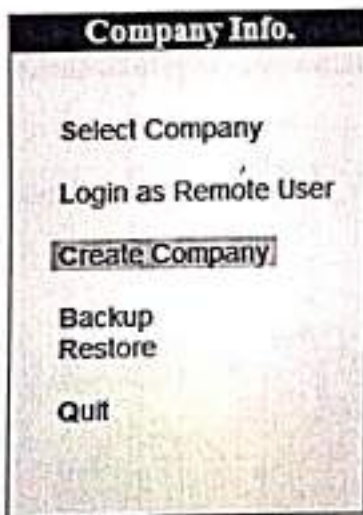
GST:5%

Creation of company:

Lets start from the very beginning. If you are using Tally first time after installation,you will have a screen like below.This is the initial screen of the company .The right hand side you will find a menu box namely 'Company info'.

You are in company info menu.Now,How to create company in Tally erp9?

Select Create company from the menu using up and down arrow key and Hit Enter Key.



Company Creation screen will be displayed.

Directory		Books and Financial Year Details	
Name	C:\Users\Public\Daily ERP\Details N. Sriharys	Financial year begins from	1.4.2012
		Books beginning from	21-3-2012
Primary Mailing Details		Security Control	
Mailing name	N. Sriharys	TallyVault password (if any)	
Address	Ganapatharam	Repeat password	
		<i>(Warning: Forgetting TallyVault password will render your data inaccessible.)</i>	
Country	India	Use security control	<input type="checkbox"/> No
State	Andhra Pradesh	<i>(Enable security to avoid TDS features)</i>	
Pincode	521028		
Contact Details			
Phone no.	967012345		
Mobile no.	967012345		
Fax no.			
E-mail	slg@nara.com		
Website	www.gst.gov.in		
Base Currency Information			
Base currency symbol	₹	Number of decimal places	2
Formal name	INR	Word representing amount after decimal	
Symbol symbol to amount	<input type="checkbox"/> No	No. of decimal places for amount in word	
Add space between amount and symbol	<input type="checkbox"/> Yes	Accept ?	
Show amount in millions	<input type="checkbox"/> No	Yes / No	

In this company creation screen, you should enter all the details of the company

Enable GST for Company

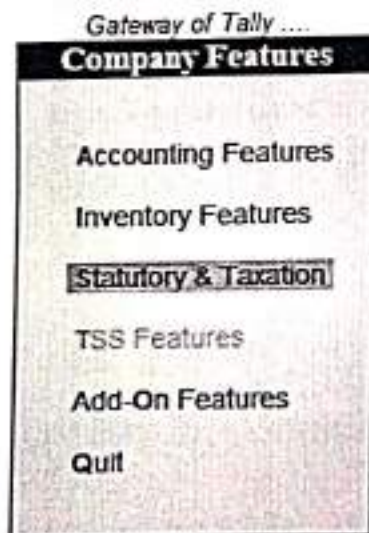
The procedure for implementation of GST in Tally is very simple. First of all the GST option for the company should be enabled or activated in Tally. To use Tally.ERP 9 for GST compliance, you need to activate the GST feature. Once GST option is activated for company then all GST-related features are available in ledgers, stock items and transactions, and GST returns can be generated.

To activate or enable the GST feature following are the steps:

1. Select the company for which GST need to be activate or enabled as in case

Four Pillar Enterprises selected.

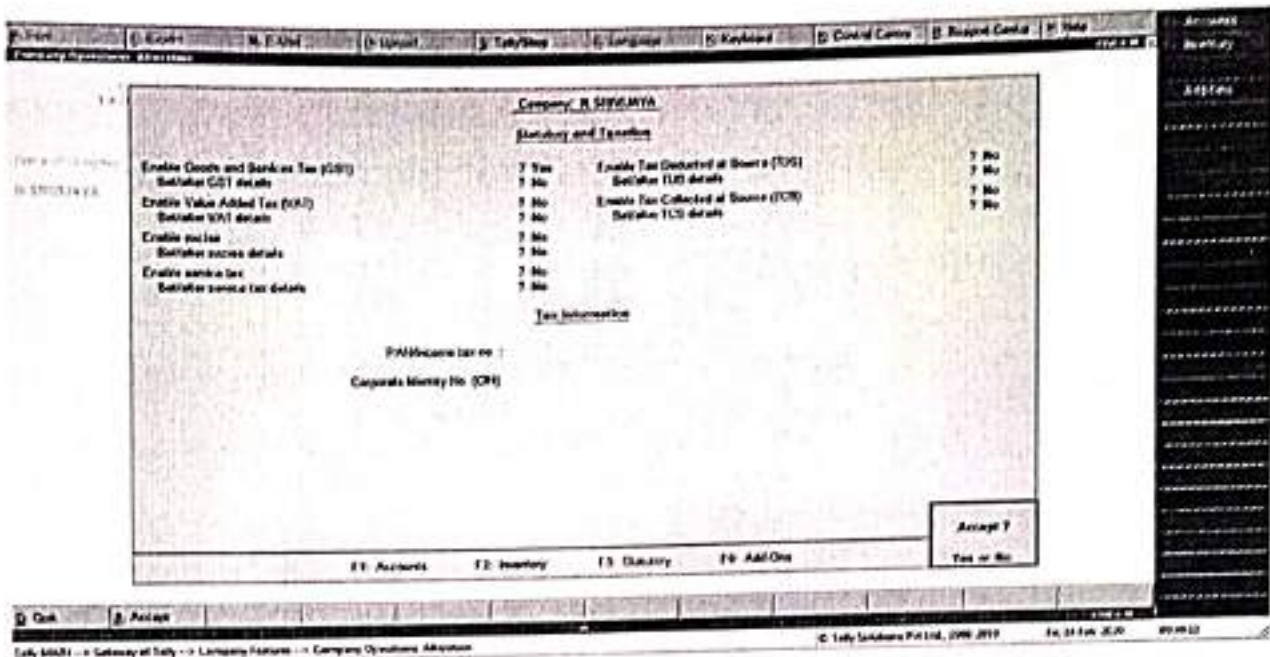
2. At gateway of tally Press F11 (Features) the following so screen will displayed



3. Select Statutory & taxation o F3 to enable GST to your Company.

It will display the screen as follows

In the screen you will find options.



4. Enable goods and service tax (GST) : Yes

5. Set/alter GST Details : Yes

Units Creation

Stock Items are mainly purchased and sold on the basis of quantity. The quantity in turn is measured by units. In such cases, it is necessary to create the Unit of Measure. The Units of Measure can either be simple or compound. Examples of simple units are: sets, boxes, litres, pieces, trays, packets, etc.

To create Simple Units of Measure



Go to Gateway of Tally >Inventory Info > Units of Measure

Unit Creation	
Type	: Simple
Symbol	: boxes
Formal name	:
Unit Quantity Code (UQC):	Not
Number of decimal places:	0
Accept ?	
Yes or No	

2. After selecting the units of measure it displays the following screen:

This field will show the Type of Units.

- Simple
- Compound.

Simple units are nos, pcs, and so on. Compound unit is a combination of two simple units. By default Tally.ERP 9 will show the **Simple unit** for creating the unit of measure.

You can select the **Compound Units** by clicking on that field or by using **SHIFT+TAB** [cursor will go to the previous field].

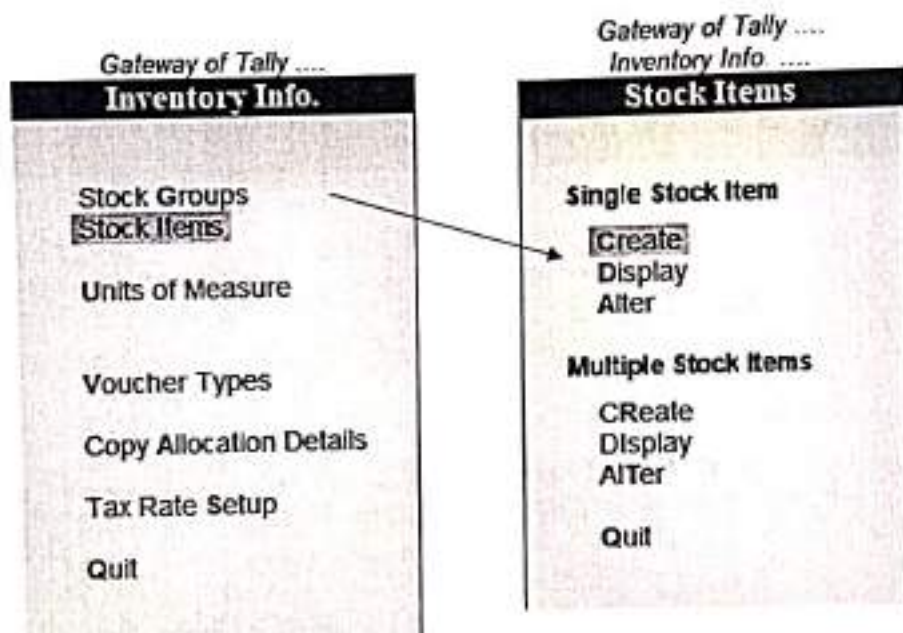
2. Define the **Symbol** of the unit, for example, Nos. This symbol is used in all displays and printouts.
3. Specify the **Formal Name** of the symbol, for example, Numbers. This formal name is useful during the consolidation of data of different companies, where the symbols might be the same but are assigned to different units. The formal name will be used to match them.
4. In this field you can specify the **Number decimal places** for the Units from 0 to 4. This field is useful for Units measured in fraction.
5. Save the unit by selecting 'Yes'.

Stock Items Creation

CREATION OF STOCK ITEM IN TALLY.ERP 9

Stock items are goods that a business Purchase, Manufacture or Sell. Stock Items in Inventory transactions are similar to ledgers being used in accounting transactions. Therefore, Stock Items are important in an inventory just as ledgers are important in accounting. Like Ledgers, stock items are the primary inventory entity. You will use stock items while recording their receipts and issues. This is lowest level of information about your inventory. Each item that is required to be accounted for, needs to be created. Following are steps for single stock item creation under Tally

1. Go to Gateway of Tally > Inventory Info. Choose Stock Items from Inventory Info.



2. Choose Create from Single Stock Item from Stock Items.

Opening Balance	Quantity	Rate per	Value
-----------------	----------	----------	-------

GST Details	
GST Code	
GST Rate	
GST Type	

It opens the Stock Item Creation form as follows.

3. For the field 'Name', enter name of stock item
4. For the field 'Under, select 'Primary'
5. For the field 'Units' select unit of measure like sets,pieces.
- 6.Set GST as applicable to 'yes'.

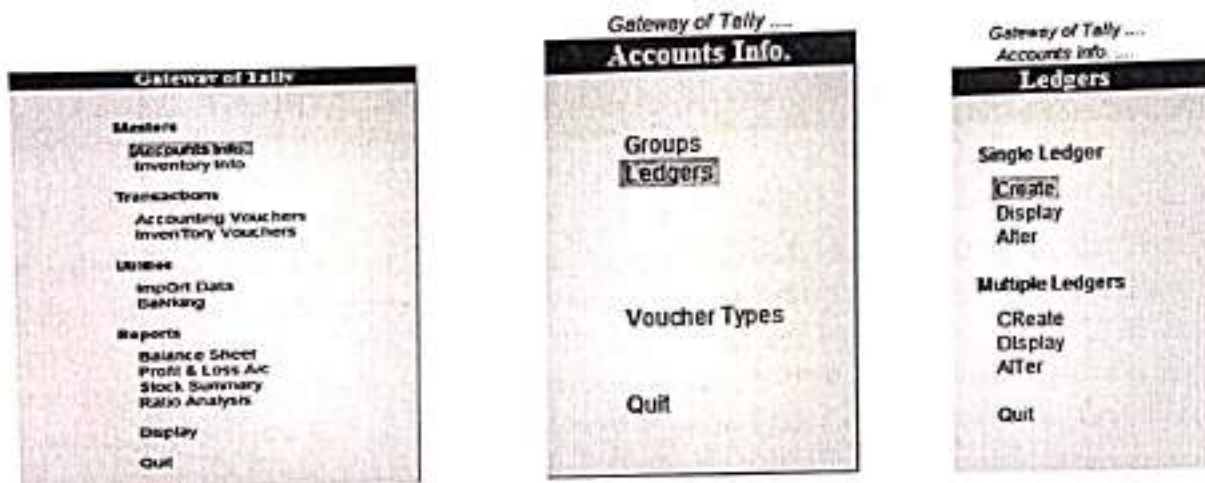
After that it opens GST details form as follows.

Ledgers in TallyERP.9

After creating the company in Tally, Ledger creation is the preliminary steps to start with recording of transactions. A Ledger is the actual account head to which you identify a transaction and must be used in all Accounting Vouchers without a ledger we cannot record any transactions.

Creating a Single Ledger

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



1. Go to Gateway of Tally > Accounts Info

Gateway of Tally is displayed as follows:

After selecting the Accounting Info from Gateway of Tally. Select 'Ledgers' from Accounts Info and select create from Single Ledgers as below:

After selecting Single Ledgers it opens 'Ledger Creation' form as follows:

Name		Address		Country		State		Pincode		Total Opening Balance	
R. Sridjaya				India		Andhra Pradesh		524138			
Opening Balance		[on 31-Mar-2005]									

Name: Enter the Name of the account. You can provide the full name of the account. Tally.ERP 9 fits it all in. Press Enter to move to the next field. Tally.ERP 9 does not allow the entry of duplicate names. The uniqueness check is made here itself. Note that the punctuation and other non-relevant information are ignored by Tally.ERP 9 in its recognition of a name. Thus, CST, C.S.T. and C. S. T. are all considered as same. Tally.ERP 9 converts the first letter of all relevant words to upper case, which helps you; speed up data entry.

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

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

Opening Balance : If yours is an existing company whose books you are entering into Tally.ERP 9, Opening Balance would be applicable in circumstances where the Ledger is an asset or a liability and if it has a balance in the account as on the date of beginning of books in Tally.ERP 9. Tally.ERP 9 recognizes normal accounting principles of debit balances for Assets and credit balances for Liabilities.

Press Enter or Y to Accept.

N.srivijaya (owner) invests some money as Capital so it is treated as Duties & Taxes

And also create CGST ,SGST& IGST

The GST details of CGST,SGST,IGST are shown below in detail manner

> CGST details

The screenshot displays the 'Mailing Details' window in Tally ERP 9. The window title is 'Mailing Details' and it shows the following information:

Name Location		Total Opening Balance
Name	C_GST	
Mailing Details		
Order	Duties & Taxes (Current Lab/Prod)	Name
Type of entry/tax	GST	Address
Tax type	Central Tax	
Inventory values are affected	Yes	Friends bank details
Percentage of calculation	2.50 %	Yes No
Rounding method	Normal Rounding	Tax Registration Details
Rounding limit	2	
Opening Balance (on 31 Mar 2019)		Accept ?
		Yes or No

At the bottom of the window, there are buttons for 'Quit', 'Accept', and 'Cancel'. The status bar at the very bottom shows '© Tally Solutions Pvt Ltd. 1992-2019' and 'Verd 28 Feb 2019 09:37:36'.

> SGST details

Ledger Creation		Name (Mandatory)		Total Opening Balance
Name (Mandatory)		: SGST		
Under	: Duties & Taxes (Current Ledgers)	Name Address	Billing Details	
Type of duty/tax	: GST	Provide bank details	: No	
Tax type	: Sales Tax		Tax Registration Details	
Inventory values are affected	: No	PAN/TIN No.		
Percentage of calculation	: 2.50 %			
Rounding method	: Normal Rounding			
Rounding level	: 2			
Opening Balance (on 31-Mar-2019)				Accept ? Yes or No

Tally M2019 -- Gateway of Tally -- Accounts Info --> Ledgers --> Ledger Creation

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> IGST details

Ledger Creation		Name (Mandatory)		Total Opening Balance
Name (Mandatory)		: IGST		
Under	: Duties & Taxes (Current Ledgers)	Name Address	Billing Details	
Type of duty/tax	: GST	Provide bank details	: No	
Tax type	: Integrated Tax		Tax Registration Details	
Inventory values are affected	: No	PAN/TIN No.		
Percentage of calculation	: 5 %			
Rounding method	: Normal Rounding			
Rounding level	: 2			
Opening Balance (on 31-Mar-2019)				Accept ? Yes or No

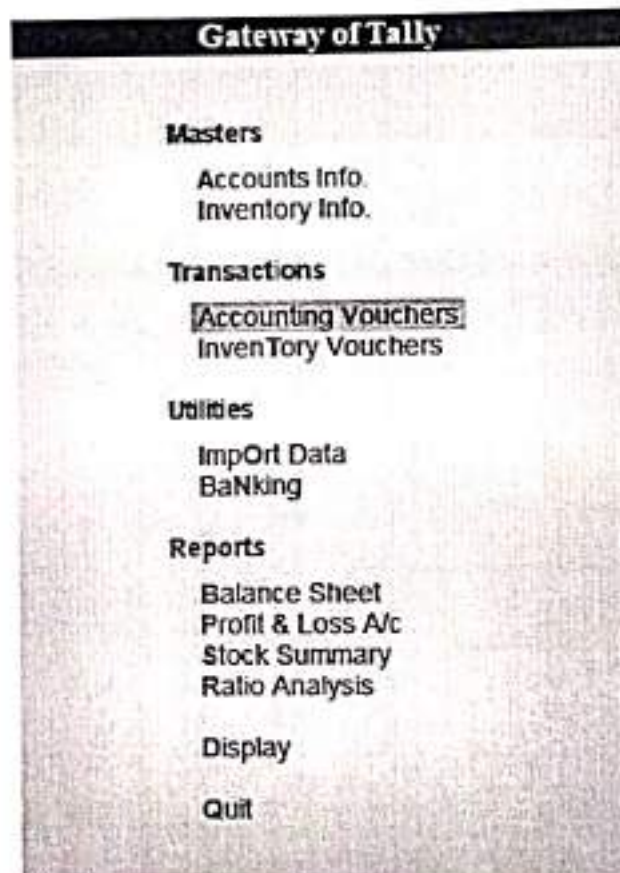
Tally M2019 -- Gateway of Tally -- Accounts Info --> Ledgers --> Ledger Creation

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Accounting Vouchers

A voucher is a written document in support of a transaction. It is a proof that a particular transaction has taken place for the value stated in the voucher. Some examples of the vouchers are sales invoice, counter foil of a pay-in slip, pay register, purchase invoice, record slip etc. the vouchers validate the expenditure done on some item or the income earned. It is a proof that a particular transaction has taken place for the value stated in the voucher. Voucher is a necessary to audit the accounts. The transactions are recorded through voucher entry in Tally. They are two types of vouchers:-

1. **Accounting Vouchers:** Used to record account related transactions .
2. **Inventory Vouchers:** Used to enter the movement of goods i.e. receipt or issue of goods.



To make Voucher Entries first select Accounting Vouchers from Gateway of Tally.

Tally provides 22 predefined vouchers that can be used for recording various transactions. These predefined fulfill your normal transaction needs.

F6-RECEIPT:

Account - Cash		Amount
Cr Bal	10,00,00.00 Cr	
Particulars		Amount
R Sri Vajra	Cr Bal 10,00,00.00 Cr	10,00,00.00
Narration		
		10,00,00.00
		Accept ?
		Yes or No

F6-Payment : Payment entry. Rent paid is an Indirect Expenses.

Account - Cash		Amount
Cr Bal	10,00,00.00 Cr	
Particulars		Amount
R Sri Vajra	Cr Bal 10,00,00.00 Cr	10,00.00
Narration		
		10,00.00
		Accept ?
		Yes or No

F4-Contr: Cash deposited into Andhra bank

Accounting Standard: Indian

Account: Cash
Cur Bal: 10,85,000.00 Cr

Particulars

N.B.V. Vjaya
Cur Bal: 10,85,000.00 Dr

Date: 31-Mar-2019
Tuesday

Amount: 85,000.00

Accepted ?
You or Me

F9-Purchases:Purchase goods from Bala & Co

Accounting Standard: Indian

Purchase No: 1

Supplier: Bala & Co

Date: 31-Mar-2019
Tuesday

Party Ac name: Cash
Current balance: 10,85,000.00 Cr

Purchase ledger

Name of Item	Quantity	Rate per	Amount
75 sets	15.00 sets		1,125.00
75 sets	40 pieces	50.00 per	2,000.00
75 sets	60 bundles	150.00 bundle	9,000.00
75 sets	25 pieces	170.00 per	5,950.00
75 sets	20 pieces	2,500.00 per	50,000.00
75 sets	25 pieces	950.00 per	23,750.00
75 sets	10 pieces	3,500.00 per	35,000.00
75 sets	100 pieces	30.00 per	3,000.00
75 sets	45 boxes	60.00 box	2,700.00
75 sets	20 pieces	750.00 per	15,000.00
75 sets	15 pieces	1,800.00 per	27,000.00
75 sets	1 pieces	60,000.00 per	60,000.00
			2,42,125.00
CGST		2.50 %	6,053.13
SGST		2.50 %	6,053.13
			2,54,231.26

F8-Sales: sales to Anand & Co

Accounting Standard Location			Date
Supplier Invoice No. 1			31 Mar 2020
Party Account Code			Tuesday
Supplier Invoice No.			
Party Account Code			
Current Balance			
Purchase Ledger			
Number of Rows			
Particulars	Quantity	Rate per	Amount
A4 Paper	25 bundles	110.00 bundle	2,750.00
Miscellaneous	20 boxes	60.00 box	1,200.00
Canon Batteries	50 sets	11.00 set	550.00
USB Cables	25 pieces	50.00 piece	1,250.00
RAM Memory Cards	25 pieces	170.00 piece	4,250.00
SSD	10 pieces	2,500.00 piece	25,000.00
Monitor	8 pieces	5,000.00 piece	40,000.00
DVD Disk	25 pieces	30.00 piece	750.00
MSD Fans	20 pieces	95.00 piece	1,900.00
			1,25,000.00
CGST		1.50 %	1,875.00
SGST		1.50 %	1,875.00
Narration			
			Accept ?
			Yes or No

F5-payment: Cash paid to Bala & Co

Accounting Standard Location			Date
Payment No. 4			31 Mar 2020
Party Account Code			Tuesday
Supplier Invoice No.			
Party Account Code			
Current Balance			
Particulars			
Bala Hardware			8,62,312.50
Ca. No. 240,112,24-D			
Narration			
			Accept ?
			Yes or No

F5-payment: Select ALT+S To Statutory Payment

Tally ERP 9.0

Payment No. 8

21-Mar-2018

13,000.00

Statutory Payment

Tax Type : GST
 Period From : 1-Mar-2018 To :
 Payment Type : Regular

Type of Payment

1. Any
 2. Advance
 3. Recipient Liability
 4. Regular

Paid CGST,SGST

Tally ERP 9.0

Payment No. 8

21-Mar-2018

13,000.00

Particulars	Amount
Account: Cash	
Cur Bal. 13,000.00 Cr	
CGST	8,802.13
Cur Bal. 8,802.13 Dr	
SGST	8,802.13
Cur Bal. 8,802.13 Dr	
Total	13,000.00

13,000.00

Accept ?
Yes or No

Tally Solutions Pvt Ltd, 1994-2019

- Now open GATEWAY OF TALLY
- And select BALANCE SHEET



Displayed Balance sheet

Liabilities		Assets	
As at 31 Mar 2020		As at 31 Mar 2020	
Capital Account		Capital Account	13,37,313.26
Current Liabilities	13,37,313.26		
Current Assets			
Profit & Loss A/c			
Opening Balance			
Current Period			
Total	13,37,313.26	Total	13,37,313.26

- Again goto GATEWAY OF TALLY

Input Tax Credit (ITC)

Input Tax Credit or ITC is the tax that a business pays on a purchase and that it can use to reduce its tax liability when it makes a sale. In other words, businesses can reduce their tax liability by claiming credit to the extent of GST paid on purchases.

Goods and Services Tax (GST) is an integrated tax system where every purchase by a business should be matched with a sale by another business. This makes flow of credit across an entire supply chain a seamless process.

How does ITC work:

When a trader sells a good to consumers he collects GST based on the HSN of the goods sold and the place of destination. Let us assume that the MRP of the good is INR 1000 and the rate of applicable GST is 18%. The consumer will, therefore, pay a total of INR 1180 for the good which includes a GST of INR 180. Without ITC, the trader will have to pay INR 180 to the government. With input tax credit or ITC, the trader can reduce the total tax that it will have to pay the government. This is how it works.

Let us assume that the cost of the good in the hands of the trader is INR 825. This includes INR 125 as GST. The trader can claim INR 125 as input tax credit and reduce his original tax liability of INR 180 by this amount. In other words, the trader will need to pay only INR 55 (INR 180 – INR 125) to the government.

Conditions for claiming ITC:

A business can claim ITC provided the following conditions have been met

- It has a GST-compliant invoice
- Its supplier has uploaded the invoice to the GSTN
- Its supplier has paid GST to the government
- Returns have been filed

A business under composition scheme cannot avail of the input tax credit. ITC cannot be claimed for personal use or for goods that are exempt.

S. J. K. L.

TALLY WITH GST APPLICATIONS
PROJECT WORK
2021-2022



Project by B. KALYANI SAI

REG.NO:193128200001

Under the guidance of

Smt:K. LAKSHMI KANTHAM, M.Com, PHD

Sri.M. VENKATESH, M.C.A

R.R.D.S.GOVT. DEGREE COLLEGE

BHIMAVARAM

B. Kalyani Sai

TALLY WITH GST APPLICATIONS
PROJECT WORK
2021-2022



This is to certify that Ms: **B. KALYANI SAI** bearing REG.NO: 193128200001 has done the project work of **TALLY WITH GST APPLICATIONS** during the academic year 2021-2022 and has submitted this bonafied record.

S. Jeyanthi
Sign of Faculty

Sai Anesh D
Sign of External Examiner

S. Jeyanthi
Sign of HOD

GST:

Goods and Service Tax (GST) is applicable in India from 1st July 2017. GST system in India contains three types of GST - Central GST (CGST), State GST (SGST), Integrated GST (IGST). CGST & SGST is applicable on intra-state sales (i.e sales within same state) and IGST is applicable on inter-state sales (i.e sales outside state). Total rate of GST will be same in both the cases.

V. Anandma
PRINCIPAL
R.D.S. Govt. Degree College
BHIMAVARAM, NELLORE

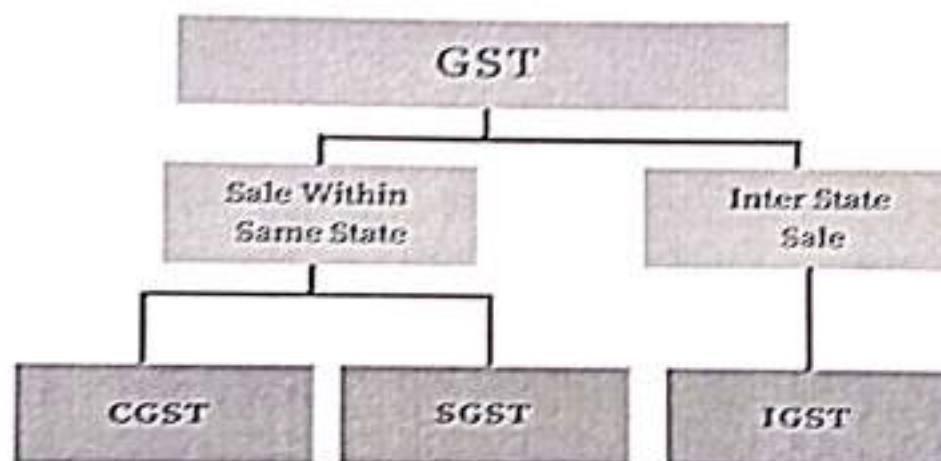


Definition of GST

Goods and Services Tax (GST) is an indirect tax (or consumption tax) levied in India on the supply of goods and services. GST is levied at every step in the production process, but is meant to be refunded to all parties in the various stages of production other than the final consumer.

Goods and services are divided into five tax slabs for collection of tax - 0%, 3%, 5%, 12%, 18% and 28%. However, Petroleum products, alcoholic drinks, electricity, are not taxed under GST and instead are taxed separately by the individual state governments, as per the previous tax regime. The tax came into effect from July 1, 2017 through the implementation of One Hundred and First Amendment of the Constitution of India by the Indian government.

TYPES OF GST:



Central Goods & Service Tax (CGST)

As per the Central Goods & Services Tax Act 2016, CGST is the centralized part of GST that subsumes the present central taxations and levies- Central Sales Tax, Central Excise Duty, Services Tax, Excise Duty under Medical & Toiletries Preparation Act, Additional Excise Duties Countervailing Duty (CVD), Additional Custom Duty and other centralized taxations.

CGST is applicable on the supply of goods and services of standard services and commodities which can be amended periodically by a specialized body under the central government. The revenue collected under CGST belongs to the central government. The input tax is given to the state governments which they can utilize only against the payment of CGST.

State Goods & Services Tax (SGST)

SGST is an important part of GST. It stands for State Goods & Services Tax as per the 2016 GST bill. Various taxations and levies under the state authority are subsumed by SGST as one uniform taxation. It includes the amalgamation of State Sales Tax, Luxury Tax, Entertainment Tax, Levies on Lottery, Entry Tax, Octroi and other taxations related to the movement of commodities and services under state authority through one uniform taxation- SGST. Revenue collected under SGST belongs to the State Government. However, the mainstream framework of the state governing body will be supervised by the central government. Each state will be having their own State Authority to collect SGST.

Integrated Goods & Services Tax (IGST)

GST focuses on the concept of one tax, one nation. IGST stands for Integrated Goods and Services Tax which is charged on the supply of commodities and services from one state to another state. For example, if the supply of goods and services occurs between Gujarat and Maharashtra, IGST will be applicable.

Under Article 269A of the Indian Constitution, the inter-state trade and commerce activities that involve the movement of commodities and services shall be levied with an integrated tax (IGST)

Union Territory Goods & Services Tax (UTGST)

As we have already learned about CGST and SGST which are intra-state taxations and IGST which is inter-state, the union territories in India are accounted under a specialized taxation called Union Territory Goods and Services Tax as per the GST regime 2016. It will subsume the various taxations, levies and duties with one uniform taxation in Union Territories as well.

Delhi (India's Capital Territory), Chandigarh, Dadra & Nagar Haveli, Andaman & Nicobar Islands, Daman & Diu, Lakshadweep and Puducherry are the prominent union territories in India. UTGST will account for all the taxations under these union territories in India. The parliament is looking forward to implement a separate act to impose and supervise GST in Union Territories under the name of UTGST act. The bill will be presented in respective union territories for further changes in the implementation of GST.

Registration of GST:

Introduction:In any tax system registration is the most fundamental requirement for identification of tax payers ensuring tax compliance in the economy. Registration of any business entity under the GST Law implies obtaining a unique number from the concerned tax authorities for the purpose of collecting tax on behalf of the government and to avail Input tax credit for the

taxes on his inward supplies. Without registration, a person can neither collect tax from his customers nor claim any input tax credit of tax paid by him.

Need and advantages of registration:

- He is legally recognized as supplier of goods or services.
- He is legally authorized to collect tax from his customers and pass on the credit of the taxes paid on the goods or services supplied to the purchasers/ recipients.
- He can claim input tax credit of taxes paid and can utilize the same for payment of taxes due on supply of goods or services.
- Seamless flow of Input Tax Credit from suppliers to recipients at the national level.

Nature of Registration: The registration in GST is PAN based and State specific. Supplier has to register in each of such State or Union territory from where he effects supply. In GST registration, the supplier is allotted a 15-digit GST identification number called "GSTIN" and a certificate of registration incorporating therein this GSTIN is made available to the applicant on the GSTN common portal. The first 2 digits of the GSTIN is the State code, next 10 digits are the PAN of the legal entity, the next two digits are for entity code, and the last digit is check sum number. Registration under GST is not tax specific which means that there is single registration for all the taxes i.e. CGST, SGST/UTGST, IGST and cesses.

Cancellation of Registration: The GST law provides for two scenarios where cancellation of registration can take place; the one when the taxable person no more requires it (voluntary cancellation), and another when the proper officer considers the registration liable for cancellation in view of certain specified defaults (Suo-motu cancellation) like when the registrant is not doing business from the registered place of business or if he issues tax invoice without making the supply of goods or services. The taxable person desirous of cancellation of Registration will apply on the common portal within 30 days of event warranting cancellation. He will also declare in the application the stock held on the date with effect from which he seeks cancellation. He will also work out and declare the quantum of dues of payments and credit reversal, and the particulars of payments made towards discharge of such liabilities.

Benefits of GST:

- **Reduction in Cascading of Taxes**
- **Overall Reduction in Prices**

- **Common National Market**
- **Benefits to Small Taxpayers**
- **Self-Regulating Tax System**
- **Non-Intrusive Electronic Tax System**
- **Simplified Tax Regime**
- **Reduction in Multiplicity of Taxes**
- **Consumption Based Tax**
- **Abolition of CST**
- **Exports to be Zero Rated**
- **Protection of Domestic Industry - IGST**

GST RATES :

GST is the biggest tax-related reform in the country bringing uniformity in the taxation structure and eliminating the cascading of taxes that was levied in the past. The GST Council meets from time to time to revise the GST rates for various products. The GST council has fitted over 1300 goods and 500 services under four tax slabs of 5%, 12%, 18% and 28% under GST. This is aside

the tax on gold that is kept at 3% and rough precious and semi-precious stones that are placed at a special rate of 0.25% under GST.

7% goods and services fall under this category.

Tax
Rates

Products

5%

Household necessities such as edible oil, sugar, spices, tea, and coffee (except instant) are included. Coal, Mithai (Indian Sweets) and Lifesaving drugs are also covered under this GST slab

12%

This includes computers and processed food

18%

Hair oil, toothpaste and soaps, capital goods and industrial intermediaries are covered in this slab

28%

Luxury items such as small cars, consumer durables like AC and Refrigerators, premium cars, cigarettes and aerated drinks, High-end motorcycles are included here.

Various GST Tax Slabs in India

No Tax

- **Goods** – No taxes will be levied on goods like sanitary napkins, deities made of stone, marbles d, sindoor, natural honey, bangles, handloom, besan, flour, eggs, stamps, printed books, judicial papers, and newspapers.
- **Services** – All hotels and lodges who carry a tariff below ₹ 1,000 are exempted from taxes under GST.

GST Tax Slab of 5%

- **Goods** – The goods which will attract a taxation of 5% under GST include skimmed milk powder, fish fillet, frozen vegetables, coffee, coal, fertilizers, tea, spices, pizza bread, kerosene, ayurvedic medicines, agarbatti, sliced dry mango, insulin, cashew nuts, unbranded namkeen, lifeboats , Ethanol- Solid biofuel pellets- Handmade carpets and other handmade textile floor coverings (including namda/gabba)- Hand-made braids and ornamental trimming in the piece
- **Services** – Small restaurants along with transport services like railways and airways, Standalone ACs non-ACs Restaurants and those which serve liquor, Takeaway Food, Restaurants in hotels with a room tariff less than ₹7,500 (no input credit for these restaurants), will come under this category.

GST Tax Slab of 12%

- **Goods** – Items coming are the tax slab of 12% include frozen meat products, butter, cheese, ghee, pickles, sausage, fruit juices, namkeen, tooth powder, medicine, umbrella, instant food mix, cell phones, sewing machine, man-made yarn, -Handbags including pouches and purses; jewellery box, Wooden frames for painting, photographs, mirrors etc, Ornamental framed mirrors, Brass Kerosene Pressure Stove, Art ware of iron, etc.
- **Services** – Business class air tickets will attract a tax of 12% under GST.

GST Tax Slab of 18%

- **Goods** – As mentioned above, most of the items are part of this tax slab. Some of the items are flavored refined sugar, cornflakes, pasta, pastries and cakes, detergents, washing and cleaning preparations, safety glass, mirror, glassware, sheets, pumps, compressors, fans, light fitting, chocolate, preserved vegetables, tractors, ice cream, sauces, soups, mineral water, deodorants, suitcase, brief case, vanity case, oil powder, chewing gum, hair shampoo, preparation for facial make-up, shaving and after-shave items, washing powder, Refrigerators, Water Heaters, Washing Machines, Televisions (up to 68 cm), Vacuum Cleaners, Paints, Hair Shavers, Hair Curlers, Hair Dryers, Scent Sprays, Lithium-ion batteries, detergent, stones used in flooring, marble & granite, sanitaryware, leather clothing, wrist watches, cookers, stoves, cutlery, telescope, goggles, binoculars, oil powder, cocoa butter, fat, artificial fruits, artificial flowers, foliage, physical exercise equipment, musical instruments and their parts, stationery items like clips, some diesel engine parts, some parts of pumps, electrical boards, panels, wires, razor and razor blades, furniture, mattress, cartridges, multi-functional printers, door, windows, aluminium frames, .
- **Services** – Restaurants located inside hotels with tariffs of ₹7,500 and above, outdoor catering(input tax credit to be available) , Actual bill of hotel stay below ₹7,500, IT and Telecom services and financial services along with branded garments will be part of this tax slab.

TALLY SUM:

N.srivijaya started a business worth of capital @ 1000000

- Rent paid for shop@15000
- Cash deposited into Andhra bank @50000
- Plant and machinery Purchased @60000

Purchase as follows from Bala& co

- CMOS Batteries 75 sets each one @15
- USB cables 40 pieces each one @50
- A4 papers 50 bundels each one @110
- Mouse 40 boxes each one @60
- 4GB memory cards 35 pieces@170
- RAMS 20 pieces@2500
- Monitors 15 pieces each one @5500
- 8GB RAM 25 pieces each one @950
- Chairs 20 pieces each one @750
- DVD - disks 100 pieces each one@30
- Tables 15 pieces @1000
- Colour Xerox machine 1 pieces @60000

Sales as follows to Anand& co

- USB cables 35 pieces each one @50
- A4 paper 55 bundels each one @110
- CMOS batteries 60 sets each one @15
- Mouses 40 boxes each one@60
- 4GB memory cards 25 pieces each one@170
- RAM 10 pieces each one @1500
- Monetors 8 pieces each one@ 5500
- DVD- disks 85 pieces each one @30
- 8GB ram 20 pieces each one @950

Cash paid to Bala& Co

Cash received from Anand& Co

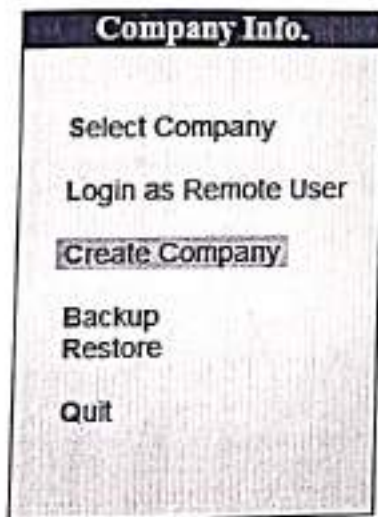
GST:5%

Creation of company:

Lets start from the very beginning. If you are using Tally first time after installation, you will have a screen like below. This is the initial screen of the company. The right hand side you will find a menu box namely 'Company info'.

You are in company info menu. Now, How to create company in Tally erp9?

Select **Create company** from the menu using up and down arrow key and Hit Enter Key.



Company Creation screen will be displayed.

Company Creation		Company Details	
Directory Name	C:\Users\Public\Italy ERP\0000	Financial year begins from	Books and Financial Year Starts
Mailing name	N. Srinivas	Books beginning from	11.2018
Address	Primary Mailing Details		31.3.2018
Country	India	Security Control	
State	Andhra Pradesh	TallyVault password (if any)	
Pincode	521108	Payroll password	
Phone no	9876543210	(Warning: Forgetting TallyVault password will render your data inaccessible)	
Mobile no	9876543210	Use security control	
Fax no		Enable security to avoid TDS default	
E-mail	ns@ns.com		
Website	www.get.gov.in		
Base Currency Information			
Base currency symbol	₹	Number of decimal places	2
Fiscal year	365	What representing amount of in decimal	
Suffix symbol to amount	₹ No	No. of decimal places for amount in amount	Accept ?
Add space between amount and symbol	Yes		Yes - No
Show amount in millions	No		

In this company creation screen, you should enter all the details of the company

Enable GST for Company

The procedure for implementation of GST in Tally is very simple. First of all the GST option for the company should be enabled or activated in Tally. To use Tally.ERP 9 for GST compliance, you need to activate the GST feature. Once GST option is activated for company then all GST-related features are available in ledgers, stock items and transactions, and GST returns can be generated.

To activate or enable the GST feature following are the steps:

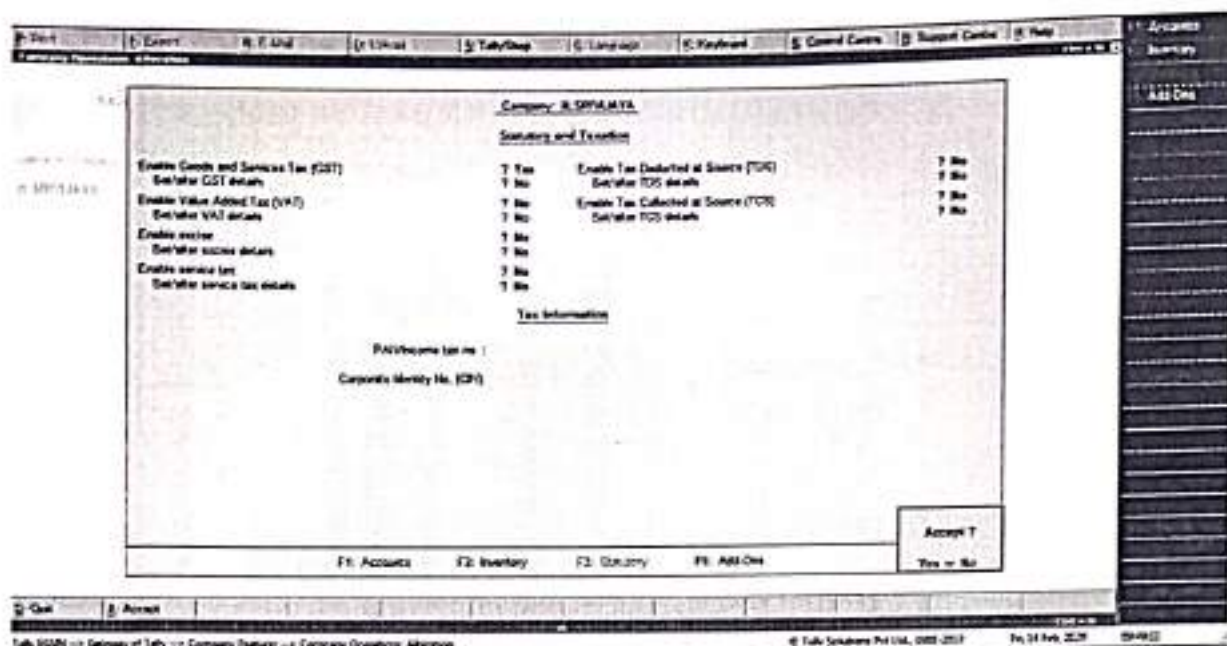
1. Select the company for which GST need to be activate or enabled as in case Four Pillar Enterprises selected.
2. At gateway of tally Press F11 (Features) the following so screen will displayed



3. Select Statutory & taxation o F3 to enable GST to your Company.

It will display the screen as follows

In the screen you will find options.



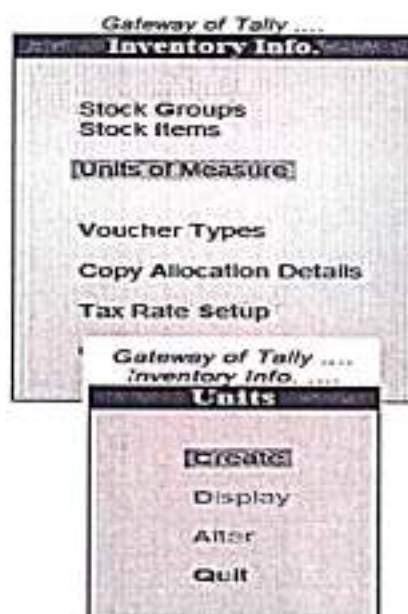
4. Enable goods and service tax (GST) : Yes

5. Set/alter GST Details : Yes

Units Creation

Stock Items are mainly purchased and sold on the basis of quantity. The quantity in turn is measured by units. In such cases, it is necessary to create the Unit of Measure. The Units of Measure can either be simple or compound. Examples of simple units are: sets, boxes, litres, pieces, trays, packets, etc.

To create Simple Units of Measure

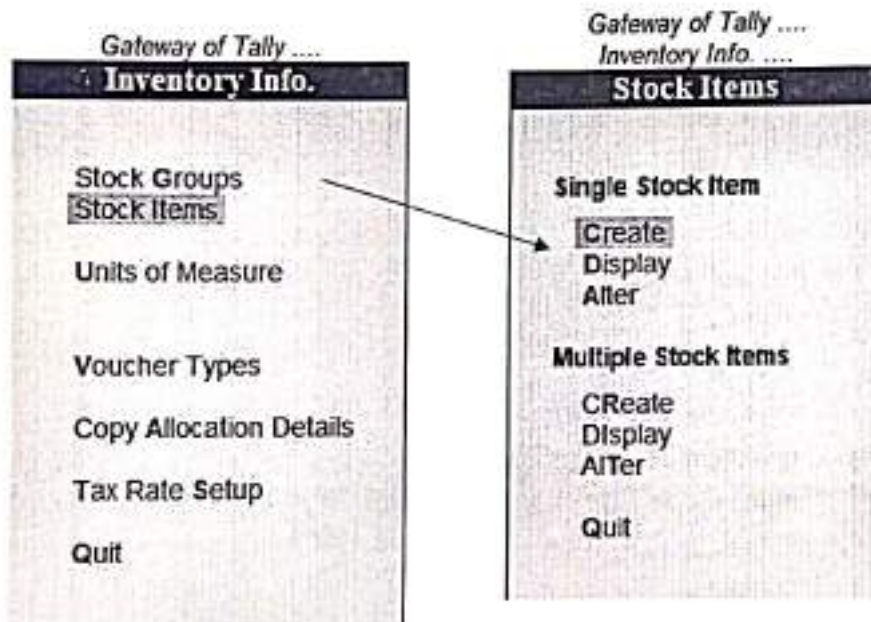


Stock Items Creation

CREATION OF STOCK ITEM IN TALLY.ERP 9

Stock items are goods that a business Purchase, Manufacture or Sell. Stock Items in Inventory transactions are similar to ledgers being used in accounting transactions. Therefore, Stock Items are important in an inventory just as ledgers are important in accounting. Like Ledgers, stock items are the primary inventory entity. You will use stock items while recording their receipts and issues. This is the lowest level of information about your inventory. Each item that is required to be accounted for, needs to be created. Following are steps for single stock item creation under Tally

1. Go to Gateway of Tally > Inventory Info. Choose Stock Items from Inventory Info.

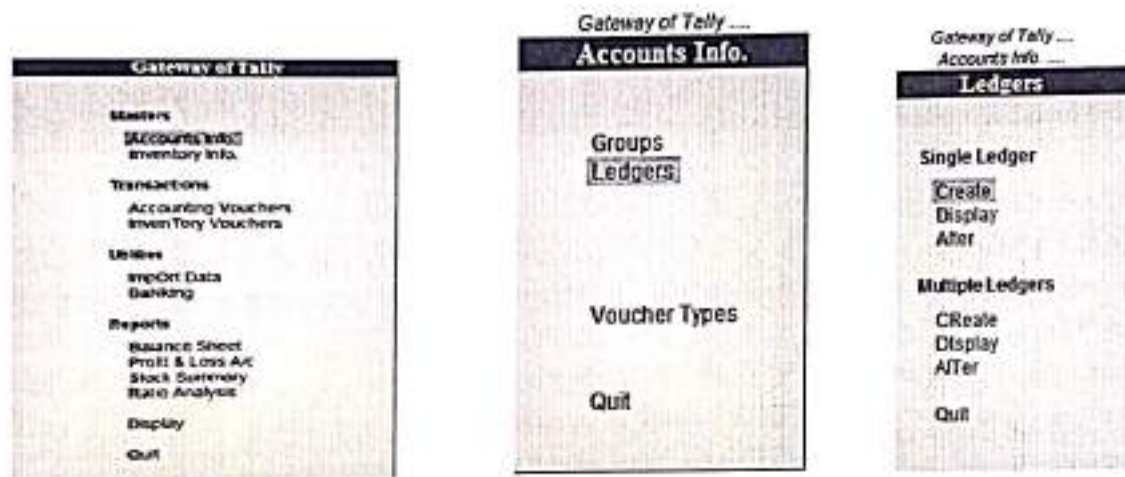


Ledgers in TallyERP.9

After creating the company in Tally, Ledger creation is the preliminary steps to start with recording of transactions. A Ledger is the actual account head to which you identify a transaction and must be used in all Accounting Vouchers without a ledger we cannot record any transactions.

Creating a Single Ledger

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



1. Go to Gateway of Tally > Accounts Info

Gateway of Tally is displayed as follows:

After selecting the Accounting Info from Gateway of Tally. Select 'Ledgers' from Accounts Info and select create from Single Ledgers as below:

After selecting Single Ledgers it opens 'Ledger Creation' form as follows:

Name : R. Sridhara		Total Opening Balance	
Under : Capital Account	Name : R. Sridhara	Mailing Details	
Inventory values are affected ? No	Address : Ganapavaram	Country : India	Pincode : 534198
	State : Andhra Pradesh	Provide bank details ? No	
	Tax Registration Details		
	PAN/TIN No :		
Opening Balance (as on 31 Mar 2008)		Accept ?	
		Yes or No	

Name: Enter the Name of the account. You can provide the full name of the account. Tally.ERP 9 fits it all in. Press Enter to move to the next field. Tally.ERP 9 does not allow the entry of duplicate names. The uniqueness check is made here itself. Note that the punctuation and other non-relevant information are ignored by Tally.ERP 9 in its recognition of a name. Thus, CST, C.S.T. and C. S. T. are all considered as same. Tally.ERP 9 converts the first letter of all relevant words to upper case, which helps you; speed up data entry.

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

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

Opening Balance : If yours is an existing company whose books you are entering into Tally.ERP 9, Opening Balance would be applicable in circumstances where the Ledger is an asset or a liability and if it has a balance in the account as on the date of beginning of books in Tally.ERP 9. Tally.ERP 9 recognizes normal accounting principles of debit balances for Assets and credit balances for Liabilities.

Press Enter or Y to Accept.

N.srivijaya (owner) invests some money as Capital so it is treated as Duties & Taxes

And also create CGST ,SGST& IGST

The GST details of CGST,SGST,IGST are shown below in detail manner

> CGST details

Tally ERP 9

Name (Party): C_GST

Total Opening Balance

Duties & Taxes (Current Ledgers):
CGST
Central Tax
T No
T 2.50 %

Rounding method: Normal Rounding
Rounding time: 2

Mailing Details:
Name
Address
FANFT No
Tax Registration Details

Bank details: T No

Accept

Opening Balance (on 31-Mar-2019)

Tally ERP 9 -> Gateway of Tally -> Accounts Info -> Ledgers -> Ledger Creation

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Wed, 28 Feb, 2018

MCD26

> SGST details

Ledger Creation		Final Opening Balance	
Name : SGST (select)			
Under	Duties & Taxes (Current Ledgers)	Name	Address
Type of duty/tax	: GST	Provide bank details ? No	
Tax type	: State Tax	Tax Representative Details	
Inventory values are affected	: No	PAN/IN No.	
Percentage of calculation	: 2.50 %	Accept ? Yes or No	
Rounding method	: Normal Rounding		
Rounding limit	: 2		
Opening Balance (on 31 Mar 2019) :			
Dr. Out		Cr. In	

Tally M201 → Gateway of Tally → Accounts Info → Ledgers → Ledger Creation

© Tally Solutions Pvt Ltd, 1995-2019 Sat, 15 Feb, 2019 00:00:04

> IGST details

Ledger Creation		Final Opening Balance	
Name : IGST (select)			
Under	Duties & Taxes (Current Ledgers)	Name	Address
Type of duty/tax	: GST	Provide bank details ? No	
Tax type	: Integrated Tax	Tax Representative Details	
Inventory values are affected	: No	PAN/IN No.	
Percentage of calculation	: 2.5 %	Accept ? Yes or No	
Rounding method	: Normal Rounding		
Rounding limit	: 2		
Opening Balance (on 31 Mar 2019) :			
Dr. Out		Cr. In	

Tally M201 → Gateway of Tally → Accounts Info → Ledgers → Ledger Creation

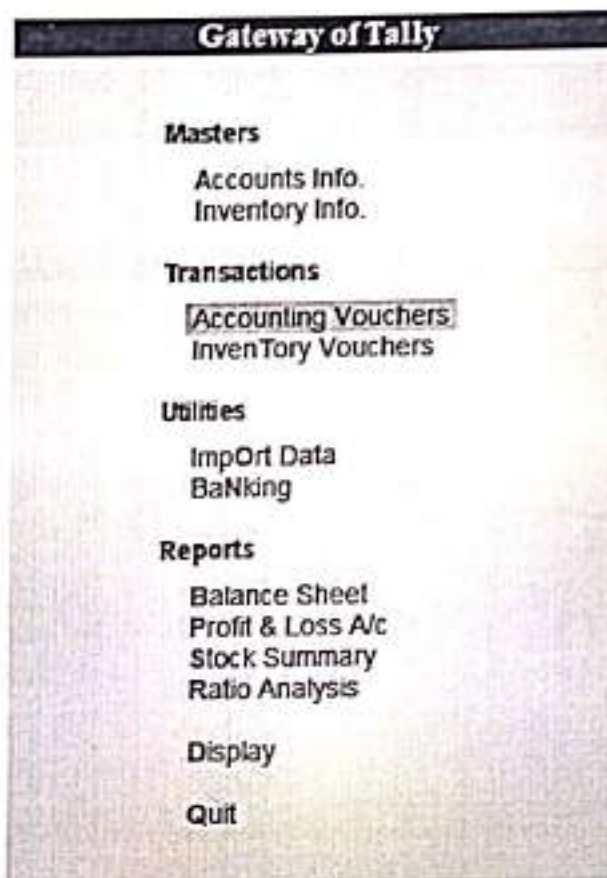
© Tally Solutions Pvt Ltd, 1995-2019 Sat, 15 Feb, 2019 00:00:04

Accounting Vouchers

A voucher is a written document in support of a transaction. It is a proof that a particular transaction has taken place for the value stated in the voucher. Some examples of the vouchers are sales invoice, counter foil of a pay-in slip, pay register, purchase invoice, record slip etc. the vouchers validate the expenditure done on some item or the income earned. It is a proof that a particular transaction has taken place for the value stated in the voucher. Voucher is a necessary to audit the accounts. The transactions are recorded through voucher entry in Tally. They are two types of vouchers:-

1. Accounting Vouchers: Used to record account related transactions .

2. Inventory Vouchers: Used to enter the movement of goods i.e. receipt or issue of goods.



To make Voucher Entries first select Accounting Vouchers from Gateway of Tally.

Tally provides 22 predefined vouchers that can be used for recording various transactions. These predefined fulfill your normal transaction needs.

F6-RECEIPT:

Account: Cash		Amount
Cur Bal: 10,00,000.00 Cr		
Particulars		
M.Sri Vignya		10,00,000.00
Cur Bal: 10,00,000.00 Dr		
Narration		
		10,00,000.00
		Accept ?
		Yes = No

F6-Payment : Payment entry. Rent paid is an Indirect Expenses.

Account: Cash		Amount
Cur Bal: 10,00,000.00 Cr		
Particulars		
M.Sri Vignya		10,000.00
Cur Bal: 10,00,000.00 Dr		
Narration		
		10,000.00
		Accept ?
		Yes = No

F8-Sales: sales to Anand& Co

F8 Sales Invoice			
Customer		Invoice No.	
Supplier Invoice No.		21 Mar 2008	
Date		Tuesday	
Party A/c Name : Cash			
Current Balance : 10,400.00 Cr			
Purchase Ledger			
Name of Item	Quantity	Rate per	Amount
All Paper	50 bundles	110.00 each	5,500.00
Books	40 books	50.00 each	2,000.00
Cross Batteries	50 sets	15.00 set	750.00
USB Cable	20 pieces	35.00 piece	700.00
ACB Memorycards	20 pieces	175.00 piece	3,500.00
RAM	10 pieces	2,000.00 piece	20,000.00
Monitor	8 pieces	5,500.00 piece	44,000.00
DVD Disk	10 pieces	30.00 piece	300.00
CD Rom	20 pieces	950.00 piece	19,000.00
			1,25,500.00
CGST		2.50 %	2,647.50
SGST		2.50 %	2,647.50
Narration			Accept ?
			Yes / No

F5-payment: Cash paid to Bala& Co

F5 Payment Voucher			
Customer		Invoice No.	
Supplier Invoice No.		21 Mar 2008	
Date		Tuesday	
Account - Cash			
Cur Bal: 11,27,713.28 Cr			
Particulars		Amount	
Bala Krishna			2,42,313.24
Cur Bal: 2,42,313.24 Cr			
Narration			Accept ?
			Yes / No

F5-payment: Select ALT+S To Statutory Payment

Tally ERP 9.0

File Edit View Options Database Tools Help

Print Payment Details M: E Mail D: Upload J: TallyShop L: Language K: Keyboard C: Control Centre S: Support Centre H: Help

Payment 11.3 21 Mar 2020 11:41 AM

Particulars Amount

Statutory Payment		Type of Payment	
Tax Type	: GST	1 Any	
Period From	: 1 Mar 2020	Advance	
Payment Type	: Regular	Receipt Liability	
		Statutory	

Paid CGST,SGST

Tally ERP 9.0

File Edit View Options Database Tools Help

Print Voucher Creation M: E Mail D: Upload J: TallyShop L: Language K: Keyboard C: Control Centre S: Support Centre H: Help

Voucher No: 8 21 Mar 2020 11:41 AM

Account Cash 11.3

Particulars Amount

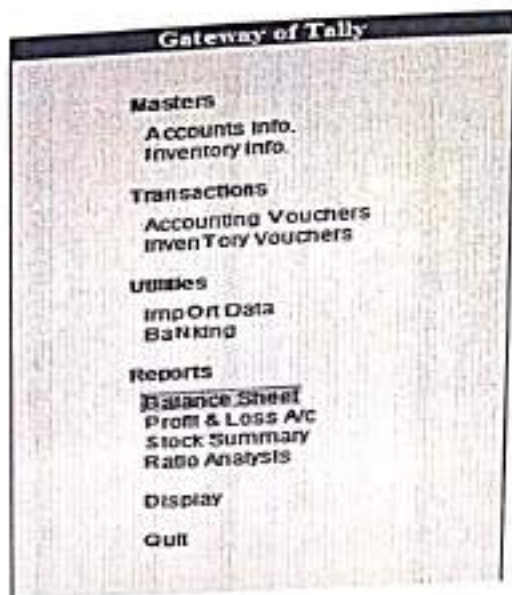
CGST	Cr. Bal. 8,002.13 Dr.	8,002.13
SGST	Cr. Bal. 8,002.13 Dr.	8,002.13

narration

Accept F Yes or No

Tally ERP 9.0 → Gateway of Tally → Accounting Voucher Creation © Tally Software Pvt. Ltd. 1999-2019 Tue, 24 Mar 2020 11:41 AM

- Now open GATEWAY OF TALLY
- And select BALANCE SHEET



Displayed Balance sheet

Liabilities		Assets	
Current Liabilities		Capital Account	10,21,313.26
Current Liabilities	10,21,313.26		
Profit & Loss A/c			
Current Period			
Total	10,21,313.26	Total	10,21,313.26

- Again goto GATEWAY OF TALLY

- And select PROFIT And LOSS A/c
- PROFIT & LOSS ACCOUNT

Opening Stock	4,000.00	Sales Accounts	4,000.00
Purchase Accounts	500.00	Closing Stock	1,700.00
Gross Profit c/b	<u>4,500.00</u>		<u>5,500.00</u>
Indirect Expenses	15,000.00	Gross Profit b/f	500.00
		Net Loss	14,400.00
Total	15,000.00	Total	15,000.00

Input Tax Credit (ITC)

Input Tax Credit or ITC is the tax that a business pays on a purchase and that it can use to reduce its tax liability when it makes a sale. In other words, businesses can reduce their tax liability by claiming credit to the extent of GST paid on purchases.

Goods and Services Tax (GST) is an integrated tax system where every purchase by a business should be matched with a sale by another business. This makes flow of credit across an entire supply chain a seamless process.

How does ITC work:

When a trader sells a good to consumers he collects GST based on the HSN of the goods sold and the place of destination. Let us assume that the MRP of the good is INR 1000 and the rate of applicable GST is 18%. The consumer will, therefore, pay a total of INR 1180 for the good which includes a GST of INR 180. Without ITC, the trader will have to pay INR 180 to the government. With input tax credit or ITC, the trader can reduce the total tax that it will have to pay the government. This is how it works.

Let us assume that the cost of the good in the hands of the trader is INR 825. This includes INR 125 as GST. The trader can claim INR 125 as input tax credit and reduce his original tax liability of INR 180 by this amount. In other words, the trader will need to pay only INR 55 (INR 180 – INR 125) to the government.

Conditions for claiming ITC:

A business can claim ITC provided the following conditions have been met

- It has a GST-compliant invoice
- Its supplier has uploaded the invoice to the GSTN
- Its supplier has paid GST to the government
- Returns have been filed

A business under composition scheme cannot avail of the input tax credit. ITC cannot be claimed for personal use or for goods that are exempt.

S. Jha: 

TALLY WITH GST APPLICATIONS
PROJECT WORK
2021-2022



Project by V. SUBHASH

REG.NO:193128200006

Under the guidance of

Smt:K. LAKSHMI KANTHAM, M.Com, PHD

Sri.M. VENKATESH, M.C.A

R.R.D.S.GOVT. DEGREE COLLEGE

BHIMAVARAM

V. Subhash

TALLY WITH GST APPLICATIONS
PROJECT WORK
2021-2022



This is to certify that Ms: **V. SUBHASH** bearing REG.NO: 193128200006 has done the project work of **TALLY WITH GST APPLICATIONS** during the academic year 2021-2022 and has submitted this bonafied record.

S. Jadhav
Sign of Faculty

Manasa
Sign of External Examiner

S. Jadhav
Sign of HOD

GST:

Goods and Service Tax (GST) is applicable in India from 1st July 2017. GST system in India contains three types of GST – Central GST (CGST), State GST (SGST), Integrated GST (IGST). CGST & SGST is applicable on intra-state sales (i.e sales within same state) and IGST is applicable on inter-state sales (i.e sales outside state). Total rate of GST will be same in both the cases.



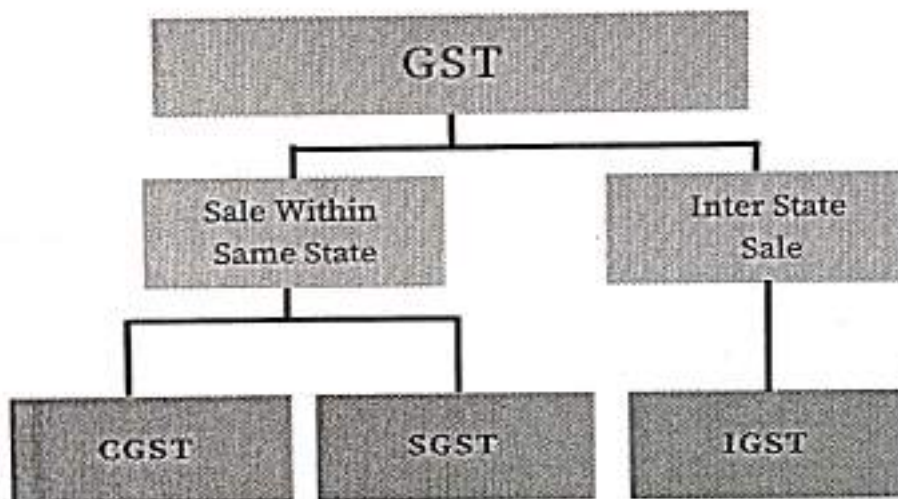
V. Subhash
PRINCIPAL
H.D.S. Govt. Degree College
BHIMAVARAM-534 202

Definition of GST

Goods and Services Tax (GST) is an indirect tax (or consumption tax) levied in India on the supply of goods and services. GST is levied at every step in the production process, but is meant to be refunded to all parties in the various stages of production other than the final consumer.

Goods and services are divided into five tax slabs for collection of tax - 0%, 3%, 5%, 12%, 18% and 28%. However, Petroleum products, alcoholic drinks, electricity, are not taxed under GST and instead are taxed separately by the individual state governments, as per the previous tax regime. The tax came into effect from July 1, 2017 through the implementation of One Hundred and First Amendment of the Constitution of India by the Indian government.

TYPES OF GST:



Central Goods & Service Tax (CGST)

As per the Central Goods & Services Tax Act 2016, CGST is the centralized part of GST that subsumes the present central taxations and levies- Central Sales Tax, Central Excise Duty, Services Tax, Excise Duty under Medical & Toiletries Preparation Act, Additional Excise Duties Countervailing Duty (CVD), Additional Custom Duty and other centralized taxations.

CGST is applicable on the supply of goods and services of standard services and commodities which can be amended periodically by a specialized body under the central government. The revenue collected under CGST belongs to the central government. The input tax is given to the state governments which they can utilize only against the payment of CGST.

State Goods & Services Tax (SGST)

SGST is an important part of GST. It stands for State Goods & Services Tax as per the 2016 GST bill. Various taxations and levies under the state authority are subsumed by SGST as one uniform taxation. It includes the amalgamation of State Sales Tax, Luxury Tax, Entertainment Tax, Levies on Lottery, Entry Tax, Octroi and other taxations related to the movement of commodities and services under state authority through one uniform taxation- SGST. Revenue collected under SGST belongs to the State Government. However, the mainstream framework of the state governing body will be supervised by the central government. Each state will be having their own State Authority to collect SGST.

Integrated Goods & Services Tax (IGST)

GST focuses on the concept of one tax, one nation. IGST stands for Integrated Goods and Services Tax which is charged on the supply of commodities and services from one state to another state. For example, if the supply of goods and services occurs between Gujarat and Maharashtra, IGST will be applicable.

Under Article 269A of the Indian Constitution, the inter-state trade and commerce activities that involve the movement of commodities and services shall be levied with an integrated tax (IGST)

Union Territory Goods & Services Tax (UTGST)

As we have already learned about CGST and SGST which are intra-state taxations and IGST which is inter-state, the union territories in India are accounted under a specialized taxation called Union Territory Goods and Services Tax as per the GST regime 2016. It will subsume the various taxations, levies and duties with one uniform taxation in Union Territories as well.

Delhi (India's Capital Territory), Chandigarh, Dadra & Nagar Haveli, Andaman & Nicobar Islands, Daman & Diu, Lakshadweep and Puducherry are the prominent union territories in India. UTGST will account for all the taxations under these union territories in India. The parliament is looking forward to implement a separate act to impose and supervise GST in Union Territories under the name of UTGST act. The bill will be presented in respective union territories for further changes in the implementation of GST.

Registration of GST:

Introduction: In any tax system registration is the most fundamental requirement for identification of tax payers ensuring tax compliance in the economy. Registration of any business entity under the GST Law implies obtaining a unique number from the concerned tax authorities for the purpose of collecting tax on behalf of the government and to avail Input tax credit for the

taxes on his inward supplies. Without registration, a person can neither collect tax from his customers nor claim any input tax credit of tax paid by him.

Need and advantages of registration:

- He is legally recognized as supplier of goods or services.
- He is legally authorized to collect tax from his customers and pass on the credit of the taxes paid on the goods or services supplied to the purchasers/ recipients.
- He can claim input tax credit of taxes paid and can utilize the same for payment of taxes due on supply of goods or services.
- Seamless flow of Input Tax Credit from suppliers to recipients at the national level.

Nature of Registration: The registration in GST is PAN based and State specific. Supplier has to register in each of such State or Union territory from where he effects supply. In GST registration, the supplier is allotted a 15-digit GST identification number called "GSTIN" and a certificate of registration incorporating therein this GSTIN is made available to the applicant on the GSTN common portal. The first 2 digits of the GSTIN is the State code, next 10 digits are the PAN of the legal entity, the next two digits are for entity code, and the last digit is check sum number. Registration under GST is not tax specific which means that there is single registration for all the taxes i.e. CGST, SGST/UTGST, IGST and cesses.

Cancellation of Registration: The GST law provides for two scenarios where cancellation of registration can take place; the one when the taxable person no more requires it (voluntary cancellation), and another when the proper officer considers the registration liable for cancellation in view of certain specified defaults (Suo-motu cancellation) like when the registrant is not doing business from the registered place of business or if he issues tax invoice without making the supply of goods or services. The taxable person desirous of cancellation of Registration will apply on the common portal within 30 days of event warranting cancellation. He will also declare in the application the stock held on the date with effect from which he seeks cancellation. He will also work out and declare the quantum of dues of payments and credit reversal, and the particulars of payments made towards discharge of such liabilities.

Benefits of GST:

- **Reduction in Cascading of Taxes**
- **Overall Reduction in Prices**

- **Common National Market**
- **Benefits to Small Taxpayers**
- **Self-Regulating Tax System**
- **Non-Intrusive Electronic Tax System**
- **Simplified Tax Regime**
- **Reduction in Multiplicity of Taxes**
- **Consumption Based Tax**
- **Abolition of CST**
- **Exports to be Zero Rated**
- **Protection of Domestic Industry - IGST**

GST RATES :

GST is the biggest tax-related reform in the country bringing uniformity in the taxation structure and eliminating the cascading of taxes that was levied in the past. The GST Council meets from time to time to revise the GST rates for various products. The GST council has fitted over 1300 goods and 500 services under four tax slabs of 5%, 12%, 18% and 28% under GST. This is aside

the tax on gold that is kept at 3% and rough precious and semi-precious stones that are placed at a special rate of 0.25% under GST.
7% goods and services fall under this category.

Tax Rates	Products
5%	Household necessities such as edible oil, sugar, spices, tea, and coffee (except instant) are included. Coal, Mithai (Indian Sweets) and Lifesaving drugs are also covered under this GST slab
12%	This includes computers and processed food
18%	Hair oil, toothpaste and soaps, capital goods and industrial intermediaries are covered in this slab
28%	Luxury items such as small cars, consumer durables like AC and Refrigerators, premium cars, cigarettes and aerated drinks, High-end motorcycles are included here.

Various GST Tax Slabs in India

No Tax

- **Goods** – No taxes will be levied on goods like sanitary napkins, deities made of stone, marbles d, sindoor, natural honey, bangles, handloom, besan, flour, eggs, stamps, printed books, judicial papers, and newspapers.
- **Services** – All hotels and lodges who carry a tariff below ₹ 1,000 are exempted from taxes under GST.

GST Tax Slab of 5%

- **Goods** – The goods which will attract a taxation of 5% under GST include skimmed milk powder, fish fillet, frozen vegetables, coffee, coal, fertilizers, tea, spices, pizza bread, kerosene, ayurvedic medicines, agarbatti, sliced dry mango, insulin, cashew nuts, unbranded namkeen, lifeboats , Ethanol- Solid biofuel pellets- Handmade carpets and other handmade textile floor coverings (including namda/gabba)- Hand-made braids and ornamental trimming in the piece
- **Services** – Small restaurants along with transport services like railways and airways, Standalone ACs non-ACs Restaurants and those which serve liquor, Takeaway Food, Restaurants in hotels with a room tariff less than ₹7,500 (no input credit for these restaurants), will come under this category.

GST Tax Slab of 12%

- **Goods** – Items coming are the tax slab of 12% include frozen meat products, butter, cheese, ghee, pickles, sausage, fruit juices, namkeen, tooth powder, medicine, umbrella, instant food mix, cell phones, sewing machine, man-made yarn, -Handbags including pouches and purses; jewellery box, Wooden frames for painting, photographs, mirrors etc, Ornamental framed mirrors, Brass Kerosene Pressure Stove, Art ware of iron, etc.
- **Services** – Business class air tickets will attract a tax of 12% under GST.

GST Tax Slab of 18%

- **Goods** – As mentioned above, most of the items are part of this tax slab. Some of the items are flavored refined sugar, cornflakes, pasta, pastries and cakes, detergents, washing and cleaning preparations, safety glass, mirror, glassware, sheets, pumps, compressors, fans, light fitting, chocolate, preserved vegetables, tractors, ice cream, sauces, soups, mineral water, deodorants, suitcase, brief case, vanity case, oil powder, chewing gum, hair shampoo, preparation for facial make-up, shaving and after-shave items, washing powder, Refrigerators, Water Heaters, Washing Machines, Televisions (up to 68 cm), Vacuum Cleaners, Paints, Hair Shavers, Hair Curlers, Hair Dryers, Scent Sprays, Lithium-ion batteries, detergent, stones used in flooring, marble & granite, sanitaryware, leather clothing, wrist watches, cookers, stoves, cutlery, telescope, goggles, binoculars, oil powder, cocoa butter, fat, artificial fruits, artificial flowers, foliage, physical exercise equipment, musical instruments and their parts, stationery items like clips, some diesel engine parts, some parts of pumps, electrical boards, panels, wires, razor and razor blades, furniture, mattress, cartridges, multi-functional printers, door, windows, aluminium frames, .
- **Services** – Restaurants located inside hotels with tariffs of ₹7,500 and above, outdoor catering(input tax credit to be available) , Actual bill of hotel stay below ₹7,500, IT and Telecom services and financial services along with branded garments will be part of this tax slab.

TALLY SUM:

N.srivijaya started a business worth of capital @ 1000000

- Rent paid for shop@15000
- Cash deposited into Andhra bank @50000
- Plant and machinery Purchased @60000

Purchase as follows from Bala& co

- CMOS Batteries 75 sets each one @15
- USB cables 40 pieces each one @50
- A4 papers 50 bundels each one @110
- Mouse 40 boxes each one @60
- 4GB memory cards 35 pieces@170
- RAMS 20 pieces@2500
- Monitors 15 pieces each one @5500
- 8GB RAM 25 pieces each one @950
- Chairs 20 pieces each one @750
- DVD - disks 100 pieces each one@30
- Tables 15 pieces @1000
- Colour Xerox machine 1 pieces @60000

Sales as follows to Anand& co

- USB cables 35 pieces each one @50
- A4 paper 55 bundels each one @110
- CMOS batteries 60 sets each one @15
- Mouses 40 boxes each one@60
- 4GB memory cards 25 pieces each one@170
- RAM 10 pieces each one @1500
- Monetors 8 pieces each one@ 5500
- DVD- disks 85 pieces each one @30
- 8GB ram 20 pieces each one @950

Cash paid to Bala& Co

Cash received from Anand& Co

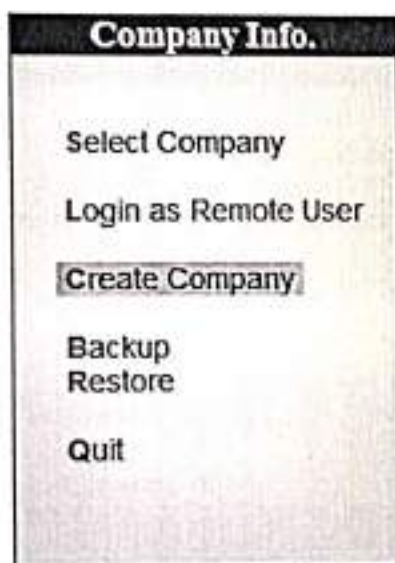
GST:5%

Creation of company:

Lets start from the very beginning. If you are using Tally first time after installation,you will have a screen like below.This is the initial screen of the company .The right hand side you will find a menu box namely 'Company info'.

You are in company info menu.Now,How to create company in Tally erp9?

Select **Create company** from the menu using up and down arrow key and Hit Enter Key.



Company Creation screen will be displayed.

Directory		Books and Financial Year Details	
Name	C:\Users\Public\Tally.ERP60\data N. Srivijaya	Financial year begins from	1-4-2013
<u>Primary Mailing Details</u>		Books beginning from	1-3-2013
Mailing name	N. Srivijaya	<u>Security Control</u>	
Address	Ganapatharam	TallyVault password (Easy)	
Country	India	Repeat password	
State	Andhra Pradesh	(Warning: Forgetting TallyVault password will render your data inaccessible.)	
Pincode	514 008	Use security control	<input type="checkbox"/> No
<u>Contact Details</u>		(Enable security to avail TSS features)	
Phone no.	970512345		
Mobile no.	970512345		
Fax no.			
E-mail	vij@virmaa@gmail.com		
Website	www.gst.gov.in		
<u>Base Currency Information</u>			
Base currency symbol	- ₹	Number of decimal places	2
Formal name	- INR	Word representing amount after decimal	
Suffix symbol to amount	<input type="checkbox"/> No	No. of decimal places for amount in word	<input type="checkbox"/> Accept ?
Add space between amount and symbol	<input type="checkbox"/> Yes		
Show amount in millions	<input type="checkbox"/> No		

In this company creation screen, you should enter all the details of the company

Enable GST for Company

The procedure for implementation of GST in Tally is very simple. First of all the GST option for the company should be enabled or activated in Tally. To use Tally.ERP 9 for CST compliance, you need to activate the GST feature. Once GST option is activated for company then all GST-related features are available in ledgers, stock items and transactions, and GST returns can be generated.

To activate or enable the GST feature following are the steps:

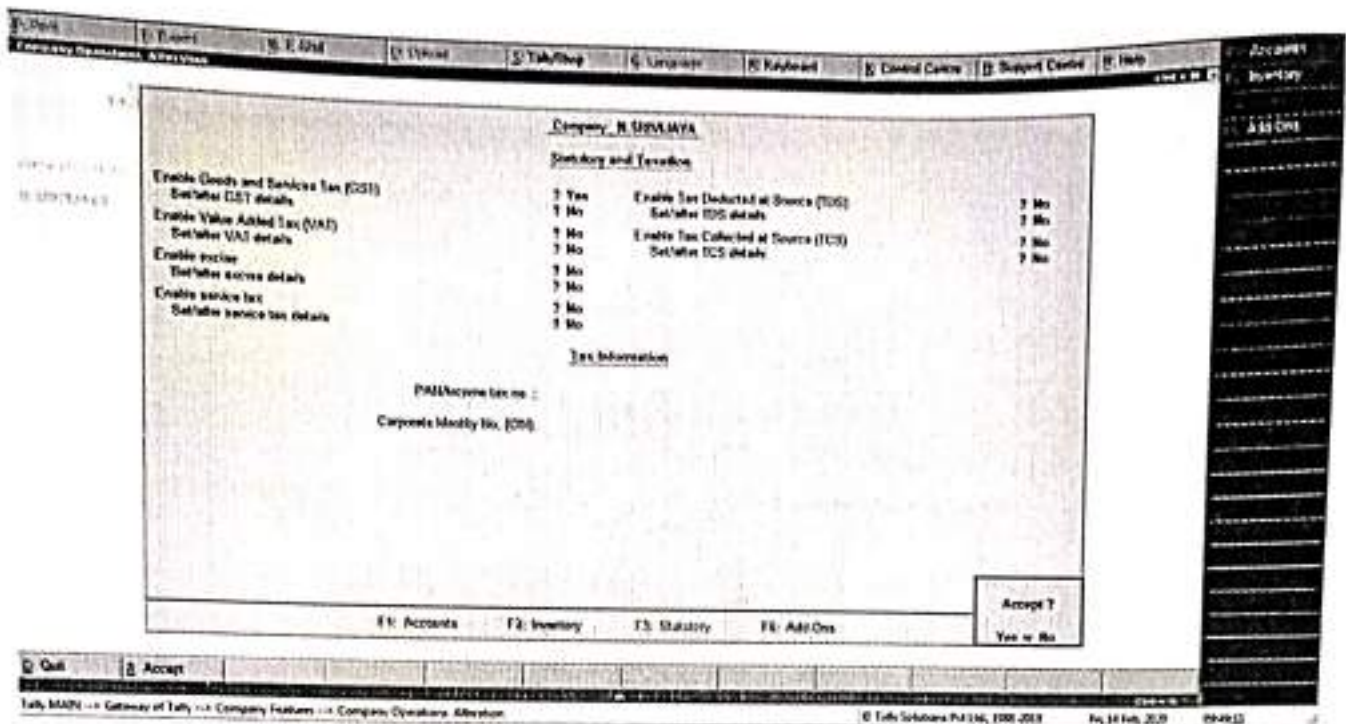
1. Select the company for which GST need to be activate or enabled as in case Four Pillar Enterprises selected.
2. At gateway of tally Press F11 (Features) the following so screen will displayed



3. Select Statutory & taxation or F3 to enable GST to your Company.

It will display the screen as follows

In the screen you will find options.



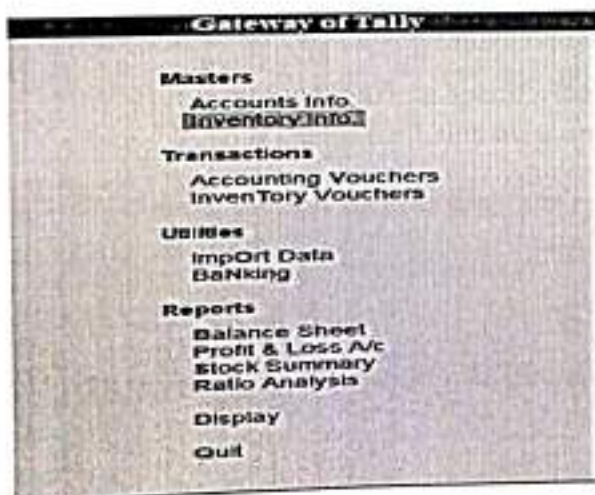
4. Enable goods and service tax (GST) : Yes

5. Set/alter GST Details : Yes

Units Creation

Stock Items are mainly purchased and sold on the basis of quantity. The quantity in turn is measured by units. In such cases, it is necessary to create the Unit of Measure. The Units of Measure can either be simple or compound. Examples of simple units are: sets, boxes, litres, pieces, trays, packets, etc.

To create Simple Units of Measure



Go to Gateway of Tally > Inventory Info > Units of Measure

Unit Creation	
Type	: Simple
Symbol	: boxes
Formal name	:
Unit Quantity Code (UQC):	Not
Number of decimal places:	0
Accept ?	
Yes or No	

2. After selecting the units of measure it displays the following screen:

This field will show the Type of Units.

- Simple
- Compound.

Simple units are nos, pcs, and so on. Compound unit is a combination of two simple units. By default Tally.ERP 9 will show the Simple unit for creating the unit of measure.

You can select the Compound Units by clicking on that field or by using SHIFT+TAB [cursor will go to the previous field].

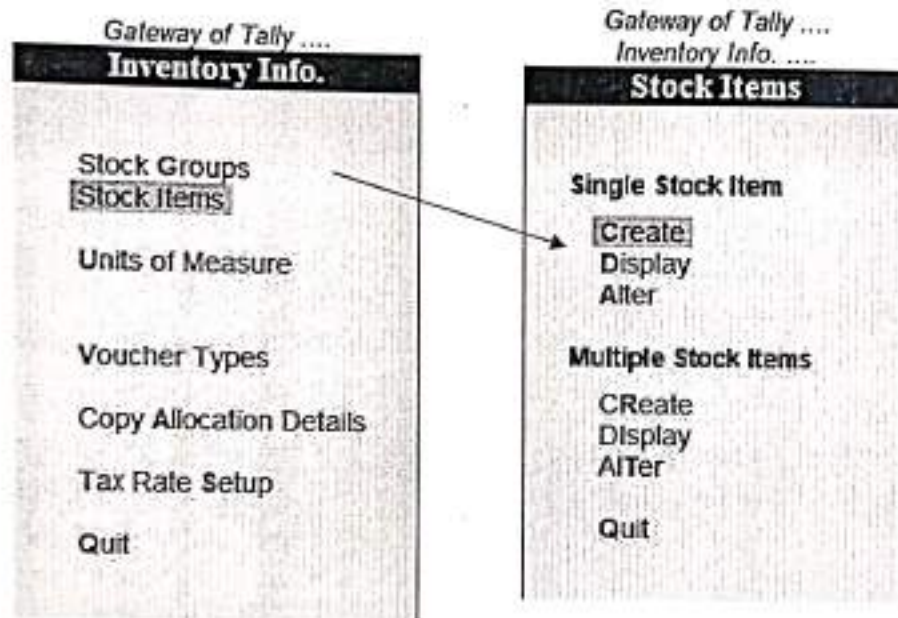
2. Define the Symbol of the unit, for example, Nos. This symbol is used in all displays and printouts.
3. Specify the Formal Name of the symbol, for example, Numbers. This formal name is useful during the consolidation of data of different companies, where the symbols might be the same but are assigned to different units. The formal name will be used to match them.
4. In this field you can specify the Number decimal places for the Units from 0 to 4. This field is useful for Units measured in fraction.
5. Save the unit by selecting 'yes'.

Stock Items Creation

CREATION OF STOCK ITEM IN TALLY.ERP 9

Stock items are goods that a business Purchase, Manufacture or Sell. Stock Items in Inventory transactions are similar to ledgers being used in accounting transactions. Therefore, Stock Items are important in an inventory just as ledgers are important in accounting. Like Ledgers, stock items are the primary inventory entity. You will use stock items while recording their receipts and issues. This is the lowest level of information about your inventory. Each item that is required to be accounted for, needs to be created. Following are steps for single stock item creation under Tally

1. Go to Gateway of Tally > Inventory Info. Choose Stock Items from Inventory Info.



2. Choose Create from Single Stock Item from Stock Items.

Stock Item Creation

Name (press F2) : RAM Memory Card

Under : Primary	Secondary Information
Units : Not Applicable	Rate of Duty (per %)

Opening Balance	Quantity	Rate per	Value
-----------------	----------	----------	-------

Buttons: Create, Units, Voucher Type, Features, Default

It opens the Stock Item Creation form as follows.

3. For the field 'Name', enter name of stock item
4. For the field 'Under', select 'Primary'
5. For the field 'Units' select unit of measure like sets,pieces.
6. Set GST as applicable to 'yes'.

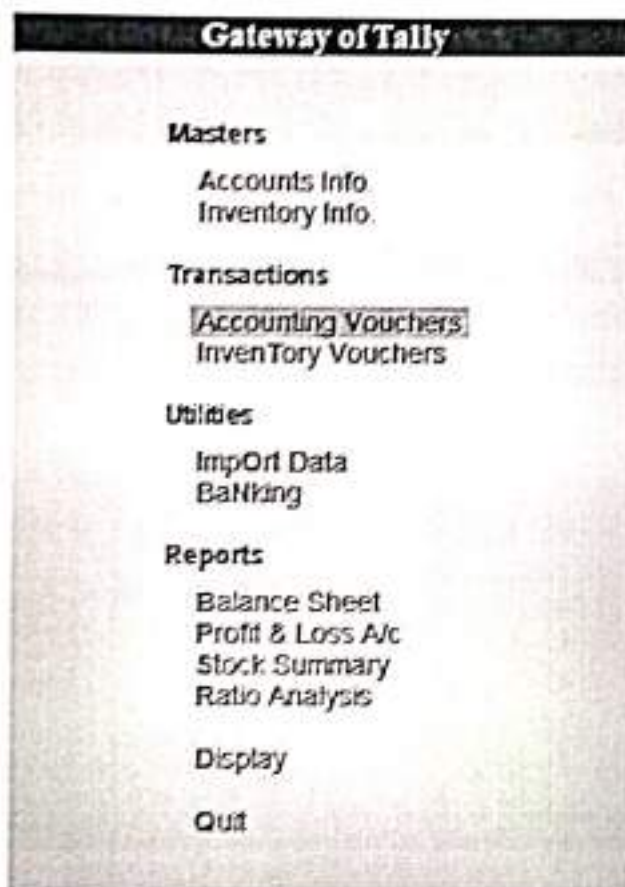
After that it opens GST details form as follows.

Accounting Vouchers

A voucher is a written document in support of a transaction. It is a proof that a particular transaction has taken place for the value stated in the voucher. Some examples of the vouchers are sales invoice, counter foil of a pay-in slip, pay register, purchase invoice, record slip etc. the vouchers validate the expenditure done on some item or the income earned. It is a proof that a particular transaction has taken place for the value stated in the voucher. Voucher is a necessary to audit the accounts. The transactions are recorded through voucher entry in Tally. They are two types of vouchers:-

1. **Accounting Vouchers:** Used to record account related transactions .

2. **Inventory Vouchers:** Used to enter the movement of goods i.e. receipt or issue of goods.



To make Voucher Entries first select Accounting Vouchers from Gateway of Tally.

Tally provides 22 predefined vouchers that can be used for recording various transactions. These predefined fulfill your normal transaction needs.

F6-RECEIPT:

Accounting Voucher Number: 10000000										11. Date: 31 Mar 2008	
Payment No. 1										TallyShop	
Account: Cash										Amount	
Cur Bal: 10,00,00.00 Cr											
Particulars											
N.S.R. Vigns										10,00,00.00	
Cur Bal: 10,00,00.00 Dr											
Narrative										10,00,00.00	
										Accept ?	
										Yes or No	

F6-Payment : Payment entry. Rent paid is an Indirect Expenses.

Accounting Voucher Number: 10000000										11. Date: 31 Mar 2008	
Payment No. 2										TallyShop	
Account: Cash										Amount	
Cur Bal: 10,00,00.00 Cr											
Particulars											
N.S.R. Vigns										10,000.00	
Cur Bal: 10,10,00.00 Dr											
Narrative										10,000.00	
										Accept ?	
										Yes or No	

F4-Contra: Cash deposited into Andhra bank

P: Paid		E: Export		M: E-Mail		D: D-Mail		T: Tally/Dr		C: C-Dr		R: Keyboard		G: Control Centre		S: Support Centre		H: Help					
Transaction Number Creation																							
No. 3																		Date		21-Mar-2019		Tuesday	
Account - Cash																							
Cur Ref: 52,85,89,89 Cr																		Amount		80,000.00			
Particulars																							
N.B.I Vlogs																		Cur Ref: 52,85,89,89 Cr		80,000.00			
Narration																							
Account 7																		No. in Bk.					
D: Del																							
A: Accept																							
D: Debit																							
C: Credit																							

F9-Purchases:Purchase goods from Bala& Co

P: Paid		E: Export		M: E-Mail		D: D-Mail		T: Tally/Dr		C: C-Dr		R: Keyboard		G: Control Centre		S: Support Centre		H: Help					
Transaction Number Creation																							
No. 1																		Date		21-Mar-2019		Tuesday	
Supplier Invoice no.																							
Party A/c name - Cash																							
Current balance																		18,45,000.00 Cr					
Purchase Invoice																							
Name of Item					Quantity					Rate per					Amount								
Cassio Battery					75 set					15.00 set					1,125.00								
USB Cable					40 pieces					50.00 piece					2,000.00								
A4 Paper					50 bundles					110.00 bundle					5,500.00								
AGS Memorycards					30 pieces					170.00 piece					5,100.00								
RAM					20 pieces					2,025.00 piece					40,500.00								
RGB Fans					25 pieces					550.00 piece					13,750.00								
Monitor					10 pieces					5,500.00 piece					55,000.00								
DVD/Ded					100 pieces					30.00 piece					3,000.00								
Mouse					45 items					60.00 item					2,700.00								
Chair					20 pieces					750.00 piece					15,000.00								
Table					10 pieces					1,500.00 piece					15,000.00								
Colour Xerox					1 pieces					42,000.00 piece					42,000.00								
CGST										2.50 %					6,900.00								
SGST										2.50 %					6,900.00								
Narration																		2,41,125.00					
D: Del																							
A: Accept																							
D: Debit																							
C: Credit																							

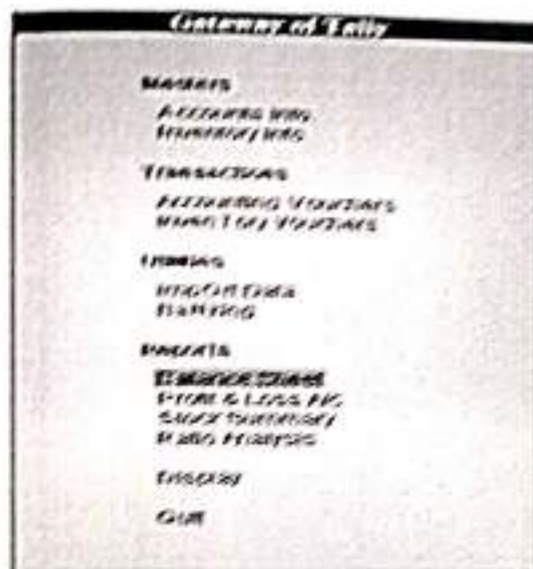
F8-Sales: sales to Anand & Co

F8 Sales			
Customer	Account	Invoice No.	Invoice Date
Customer: Anand & Co	Account: Cash	Invoice No: 1	Invoice Date: 21 May 2019
Supplier Invoice No:	Date:		
Party Ac Name:	Party Ac No:		
Current Balance:	Purchase Order:		
Purchase Order:	Name of Item:		
All Parts		Quantity	Rate per
Items			Amount
Cable Network	20 bundles	110.00 per	2,200.00
USB Cable	10 boxes	35.00 per	3,500.00
USB Memory cards	10 sets	15.00 per	150.00
RAM	20 pieces	70.00 per	1,400.00
Monitor	20 pieces	170.00 per	3,400.00
DVD-Drive	10 pieces	2,000.00 per	20,000.00
MSB Disk	8 pieces	5,000.00 per	40,000.00
	20 pieces	30.00 per	6,000.00
	20 pieces	500.00 per	10,000.00
COST			1,01,000.00
SOST			1,01,000.00
		2.00 %	2,020.00
		2.00 %	2,020.00
Remarks:		Accepted	

F5-payment: Cash paid to Bala & Co

F5 Payment			
Customer	Account	Invoice No.	Invoice Date
Customer: Bala & Co	Account: Cash	Invoice No: 4	Invoice Date: 21 May 2019
Supplier Invoice No:	Date:		
Party Ac Name:	Party Ac No:		
Current Balance:	Purchase Order:		
Purchase Order:	Name of Item:		
Particulars		Quantity	Amount
Bala & Co			2,02,020.00
Cash			2,02,020.00
Remarks:		Accepted	

- Now open GATEWAY OF TALLY
- And select BALANCE SHEET



Displayed Balance sheet

Liabilities		Assets	
Capital Account		Capital Account	100000.00
Current Liabilities			
Current Assets	100000.00		
Profit & Loss A/c			
Opening Balance			
Current Period			
Total	100000.00	Total	100000.00

- Applying to GATEWAY OF TALLY

- And select PROFIT And LOSS A/c
- PROFIT & LOSS ACCOUNT

Opening Stock		Sales Accounts	4,800.00
Purchase Accounts		Closing Stock	1,200.00
Gross Profit c/o	6,000.00		
	660.00		
	<u>6,560.00</u>		<u>6,560.00</u>
Indirect Expenses	15,000.00	Gross Profit b/f	600.00
		Net Loss	14,400.00
Total	15,000.00	Total	15,000.00

Input Tax Credit (ITC)

Input Tax Credit or ITC is the tax that a business pays on a purchase and that it can use to reduce its tax liability when it makes a sale. In other words, businesses can reduce their tax liability by claiming credit to the extent of GST paid on purchases.

Goods and Services Tax (GST) is an integrated tax system where every purchase by a business should be matched with a sale by another business. This makes flow of credit across an entire supply chain a seamless process.

How does ITC work:

When a trader sells a good to consumers he collects GST based on the HSN of the goods sold and the place of destination. Let us assume that the MRP of the good is INR 1000 and the rate of applicable GST is 18%. The consumer will, therefore, pay a total of INR 1180 for the good which includes a GST of INR 180. Without ITC, the trader will have to pay INR 180 to the government. With input tax credit or ITC, the trader can reduce the total tax that it will have to pay the government. This is how it works.

Let us assume that the cost of the good in the hands of the trader is INR 825. This includes INR 125 as GST. The trader can claim INR 125 as input tax credit and reduce his original tax liability of INR 180 by this amount. In other words, the trader will need to pay only INR 55 (INR 180 - INR 125) to the government.

Conditions for claiming ITC:

A business can claim ITC provided the following conditions have been met

- It has a GST-compliant invoice
- Its supplier has uploaded the invoice to the GSTN
- Its supplier has paid GST to the government
- Returns have been filed

A business under composition scheme cannot avail of the input tax credit. ITC cannot be claimed for personal use or for goods that are exempt.

S. J. K. L.