

# **SUMMER INTERNSHIP PROJECT**

**“Accounting Practices in Tally ERP9 At True Choice”**

Submitted to:

**DMSR**

**G.S. College of Commerce and Economics, Nagpur**

**(An Autonomous Institution)**

Affiliated to:

**Rashtrasant Tukadoji Maharaj Nagpur University, Nagpur**

Submitted by:

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Company Guide:

**CA Yogita Loiya**

Faculty Guide:

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**Department of Management Sciences and Research,  
G.S. College Commerce & Economics, Nagpur NAAC  
Accredited "A" Grade Institution**



**Academic Year 2022-23**



## CERTIFICATE

This is to certify that the investigation describes in this report titled “**Accounting Practices in Tally. ERP 9 at True Choice**” has been carried out by **Miss. Arti Ramrao Dhurve** during the summer internship Project. This study was done under **CA at True Choice, in** partial fulfillment of the requirement for the degree of Master of Business Administration of G.S. College of Commerce & Economics (An Autonomous Institute) affiliated to R.T.M.N.U., Nagpur. This work is the own work of the candidate, complete in all respect and is to sufficiently high standard to warrant its submission to the said degree. The assistance and resources used for the work are daily acknowledged.

**Dr.Archana Dadhe**  
(Faculty Guide)

**Dr.Sonali Gadekar**  
(MBA Co-ordinator)



## CERTIFICATE

We hereby certify that **Ms. Arti Ramrao Dhurve** has worked with us as a Accounted For 19 Sep.2022 to 31 Oct.2022. During her tenure of service we found her character and conduct to be good. We wish all success in her future.

**TRUE CHOICE**

Mr Ujjwal loiya

Proprietor

---

**True Choice.**

Groba Maidan ,Shastri Nagar Chowk

Behind Bhart Petrol Pump Nagpur 08.

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## ACKNOWLEDGEMENT

It is a matter of pride and privilege for me to have done a summer internship project at “**CA Batra & Association.**” and I am sincerely thankful to them for providing this opportunity to me.

I am thankful to **Mrs. Yogita Loiya** for guiding me throughout this project and continuously encouraging me. It would not have been possible to complete his project without his support.

I am also thankful to all the faculty members of Department of Management Sciences and Research, G.S. College of Commerce and Economics, Nagpur and particularly my mentor and coordinator **Dr. Sonali Gadekar** for helping me during this project.

I'm thankful to the principal of G.S. College of Commerce and Economics, Nagpur, **Dr. S. S. Kathaley** and to the Dean of DMSR, **Mr. Anand Kale**.

Finally, I am grateful to my family and friends for the iron ending support.

**Arti Ramrao Dhurve**

~V~

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## INTRODUCTION

Tally ERP9 is the world's fastest and most powerful concurrent multi-lingual business Accounting and Inventory Management software.

TALLY ERP9 is easy to install, learn and use. TALLY ERP9 is designed to automate and integrate all business operations, viz, sales, finance,

Purchasing, inventory and manufacturing and so on. TALLY ERP9 facilities accurate and up-to-date business information at our fingertips anywhere.

Tally provides single user & multi user licenses depending on the size of business. Tally is accounting software used for completing various accounting tasks quickly with perfection including reliable for inventory management & Payroll management.

The company uses Tally. ERP9 to maintain store & manage all accounting information's. In this part of this report, I have discussed about the Tally software & explain how CA Batra & Association uses the software along the way.

### **Accounting Software (Tally ERP9):**

Tally is one of the integrated business management software. Tally ERP 9 is user friendly software. It is packed with all the features that required for regular business operations.

## COMPANY PROFILE:

**Address** : Garoba Maidan, Shastri Nagar Chowk , Behind  
Bharat Petrol Pump Nagpur. 08

**Profession  
Consultancy Etc.** : Practicing Chartered Accountants **Corporate**

**Status** : Partnership

**Established** : Year of 2021.

**Name Of CA** : Yogita Loiya

**Partners in Practice** : Since year of 2014

**No of professionals Associated** : 2 (Two)

**Telephone** : 9890082221

**E-mail** : truechoicenagpur@gmail.com

- **ACTIVITIES IN NUTSHELL**

The firm is engaged in the activities in the line of Corporate Law, Secretarial Compliances, Tax Matter, audit and accountancy covering a wide range of sub activities related to the profession. The major and significant activities taken care by the organization are as follows:

- **Audit:**

- 1) Statutory audit
- 2) Internal audit
- 3) Management audit
- 4) Secretarial audit
- 5) Propriety audit
- 6) Stock audit
- 7) Tax audit

This may not be the exclusive list of the audit assignments conducted by the firm.



- **Taxation:**

- Direct Taxes - Income tax & Wealth tax
  - Indirect Taxes - GST/Professional Tax
  - Excise/ Customs & Other related duties

- **Consultancy:-**

- Corporate Compliances

- **Secretarial works**

- Maintenance of secretarial books & records
  - Filing of Returns with ROC.
  - Meetings, Minutes.
  - Legal Assistance & Liaoning.
  - All Compliances under Company Law

- **Accounting**

- Management accounting system development
  - Budgeting
  - Stores Accounting
  - Accounting of receivables
  - Book keeping & general accounting

- **Valuation**

- Valuation / revaluation of fixed assets
  - Valuation of investments
  - Valuation of inventories
  - Receivable valuation & planning

## **TERMINOLOGIES**

### **1) AUDIT:**

- I. Vouching: - Vouching is a technical term which refers to the inspection of documentary evidence supporting and substantiating a transaction, by an auditor. It is the practice followed in an audit, with the objective of establishing the authenticity of the transaction recorded in the primary books of account. It essentially consists of verifying a transaction recorded in the books of account with the relevant documentary and the authority on the basis of which the entry has been made, also confirming that the authority on the basis of which the entry has been made; also confirming that the amount mentioned in the voucher has been made; also confirming that the amount mentioned In the voucher has been posted to an appropriate account which would describe the nature of the transaction on its inclusion in the final statements in account Vouching do not include valuation.
  
- II. Verification: -Verification enables an auditor to confirm the result of Vouching about the ownership or the existence of the assets and the liabilities.

Essential to discharge the legal duties imposed on the auditor by Companies Ordinance sub-section 3 of section 255.

Enable an auditor to submit the report addressed to the shareholders.

### **2) TAXATION:**

Indirect (gst): -•GST (goods and service tax) is a indirect tax levied on goods and services. GST is a single tax on the supply of goods and services.

GST improve overall economic growth of the nation.

GST is a comprehensive indirect tax levy on manufacture, sale and consumption of goods as well as services at the national level.

It will replace all indirect taxes levied on goods and services by states and central.

Direct (income tax): - Income Tax is a direct and single tax charged on the income of any person for a relevant income year in relevant assessment year.

That means, in order to generate revenues, Government imposes tax on various areas. Of them Income Tax is the tax which is levied on the taxable income of a person or entity as per the provisions of the income Tax Ordinance, 1984.

### **3) PROJECT FINANCING: -**

The International Project Finance Association defines Project finance as “financing of long-term infrastructure, industrial projects, power plant, etc., where project debt and equity used to finance the project are paid back from the cash-flow generated by the project.” The two key aspects of project financing are:

1. The project revenues (cash flows) are expected to service debt or equity interest taken by the providers of capital.
2. The loans are secured by the project assets or, to the extent security interests are restricted or have limited value, are secured by contingent support from sponsors and other project participants.

- **OBJECTIVES OF STUDY:**

The main objective is to know about the overall finance & accounting practice maintain by true Choice.

The specific objective is:

- To identify the accounting Practices in Tally at True Choice.
- To be familiarized with the tally software and how it works.
- To acknowledge about the Voucher sin Tally software and the option so creating vouchers in Tally software.

I am trying my best to write down in this report as MBA Student.

- **SCOPE OF SIP:**

The report covers the organizational structure, background, functions and the performance of the CA Batra & Association at true choice.

## **NEED OF SIP**

1. To know the operations and responsibilities carried out by various departments.
2. To acquainted with the working environment in the corporate world.
3. To see have employees develop and maintain inter personal relationships with their colleagues.
4. To see how the power flow sin the financial in statute and how they take actions in or dart improve the customer service.

## **CONTRIBUTION DURING SIP:**

1. 1st and 2<sup>nd</sup> week
  - 1.Introduction to tally
  2. How to use ERP 9 software
  - 3.Ledger creation.
  
2. 3<sup>rd</sup>-4<sup>th</sup> week: Details about vouchers, types of vouchers
  1. Receipt voucher
  - 2.Payment voucher
  3. Journal voucher
  4. Sales voucher
  5. purchase voucher
  6. Trial Balance sheet etc.
  
3. 5<sup>th</sup>-6<sup>th</sup> week: Actual practice at royal infield workshop Wardha which is related with accounting practices in tally ERP 9.

## **LIMITATIONS**

There were some limitations of the report otherwise overall report is informative. Some information was not included, due to obligation as a part of management. Accounts & Finance department activities are so vast, so it's not possible to include all information within short time of internship period.



- **RESEARCH METHODOLOGY**

**Data collection: -**

Data collection is the systematic approach to gathering and measuring information from variety of sources to get a complete and accurate picture of an area of interest. I have prepared this report on the basis of my experience gathered and from respected sir. I have disclosed my experience and finding in the analysis part by using different charts and tables. The methodology of the study mainly supplies the statistical methodology in collecting data and necessary analysis on different applicable laws and act. The details of the study are described below:

- **PRIMARY DATA**

Data used in research originally obtained through the direct efforts of the researchers through the time of internship. data collected by working with several audit teams. discussing with managers, seniors and articulated students. circulars published by newspapers.

- **SECONDARY DATA:**

Secondary data refers to data that was collected by someone other than the user. Secondary data can be collected through references as website. Secondary data analysis can save time that would otherwise be spent collecting data and, particularly in the case of quantitative data, can provide larger and higher-quality databases that would be unfeasible for any individual researcher to collect on their own

# INTERPRATION OF DATA AND FACTS

## How to use ERP 9 Software.

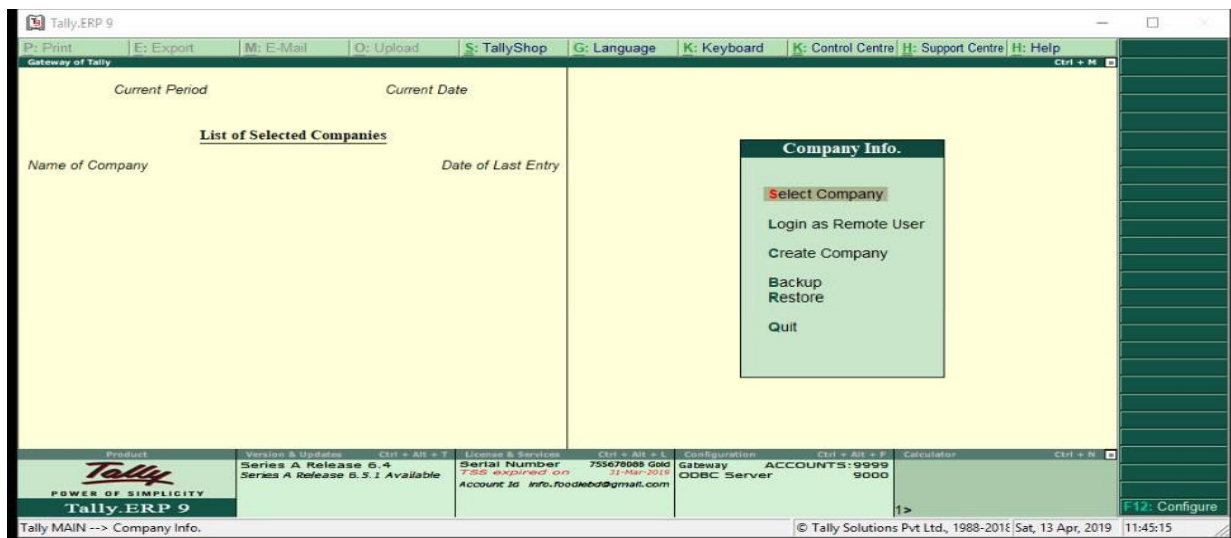
For the use of Tally, following steps must be followed:

1. Create a company
2. Enable GST features
3. Ledger creation

Below discuss the details:

### 1. How to create a company?

- Go to Gate way of Tally> Alt+F3>Create Company
- Enterthebasicinformation, i.e., name, mailingnameandaddressofthecompany, currencysymboletc.
- In the ‘maintain field’, select Accounts Only or Accounts with In vent grasper the company requirements.
- In the Financial Year from, the firstdayofthecurrentfinancialyearfore.g.,1-7-20178willbe displayed by default, which can be changed as per requirement.
- Enter the Tally Vault Password if required.
- Press Enter accept tan save.



## **2. Enabling GST features in Tally**

1. Go to Gateway of Tally>F11:Features>F3:Statutory&Taxation
2. In the screen you will find following options:
3. Enable goods and service tax(GST):Yes, Set/alter GST Details: Yes.
  - This will display another screen where you can set GST details of the company such as the state in which company is registered, registration type, GST IN number etc.
  - Press Y or Enter accept and save.

### **1. Ledger Creation**

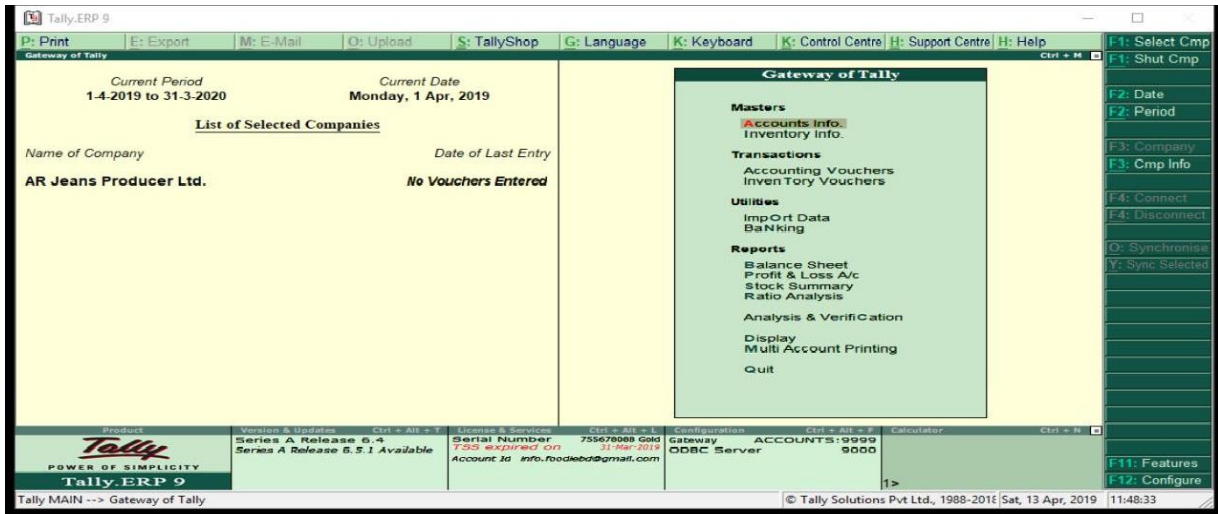
After creating a company and activating GST features, you need to create ledgers that will enable you to pass accounting entries in Tally.

Here are the following steps:

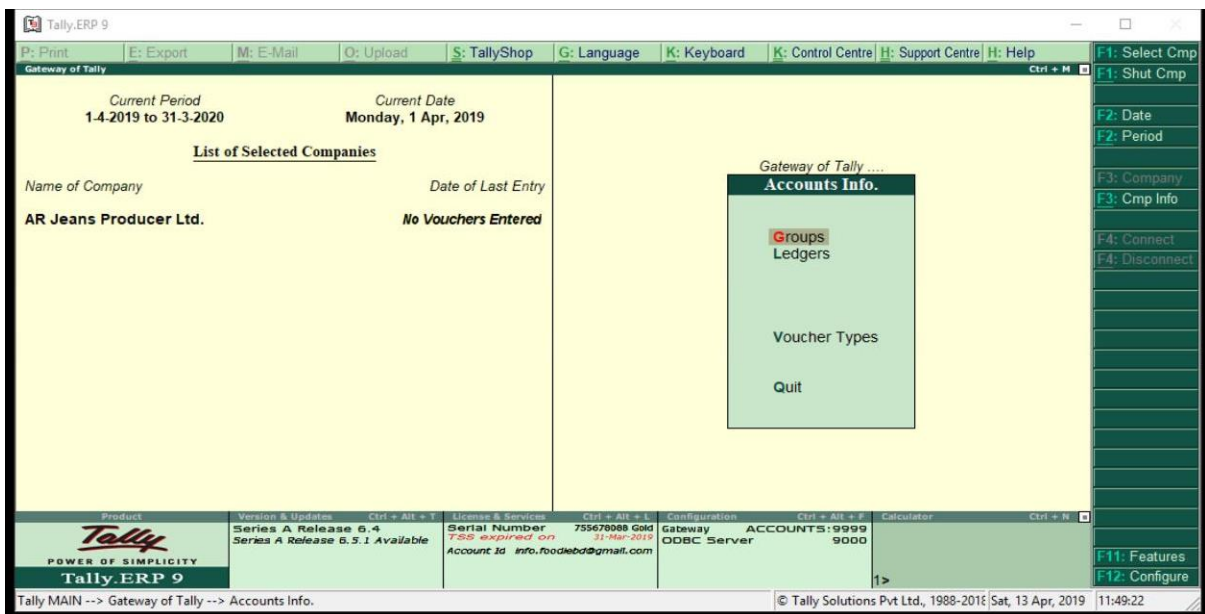
- Go to Gate way of Tally>Accounts Info>Ledgers>Create
- Enter the Name for the ledger want to create such as purchase, sales, receive etc.
- Select the appropriate group to which such ledger belongs for example state tax under duties and taxes group.
- Enter the other relate din formation required and press Y or Enter to accept and save.

After having done the above 3 steps, you can start entering accounting entries in Tally. For this, Go to Gateway of Tally >Accounting Vouchers. There are many accountings Vouchers in Tally such as Payment, Receipt, Contra, Sales, Purchase, etc. Choose the relevant Voucher and start passing the accounting entries.

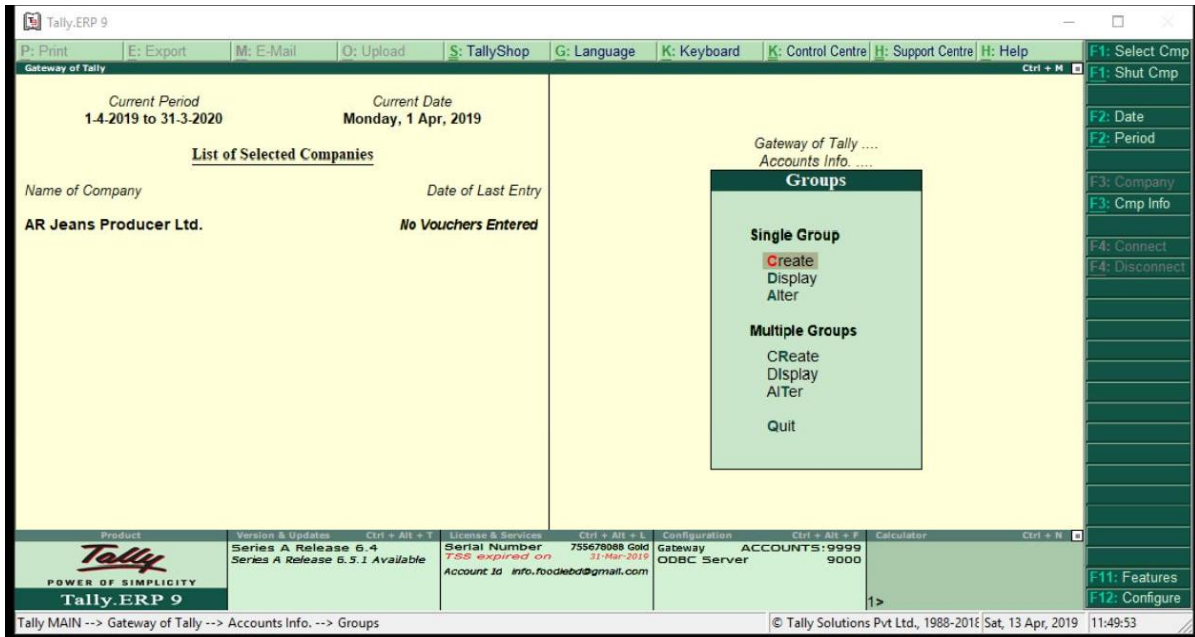
Step:1 (Go to Account Info)



Step:2 (Select Group/ Ledgers)



### Step:3 Create Group/ Ledger



### 3.2 Types of Voucher

Below is the voucher, books & register of Tally software:

**Receipt Voucher:** To Receipt voucher records all receipt in to Bank or Cash Accounts. Such as receipt from debtors, any income refund of loan or advance, sales of fixed assets etc.

Go to Gate way to Tally → Accounting Voucher → Click on F6: Receipt button presentation the button panel to have the Receipt Voucher Creation Screen.

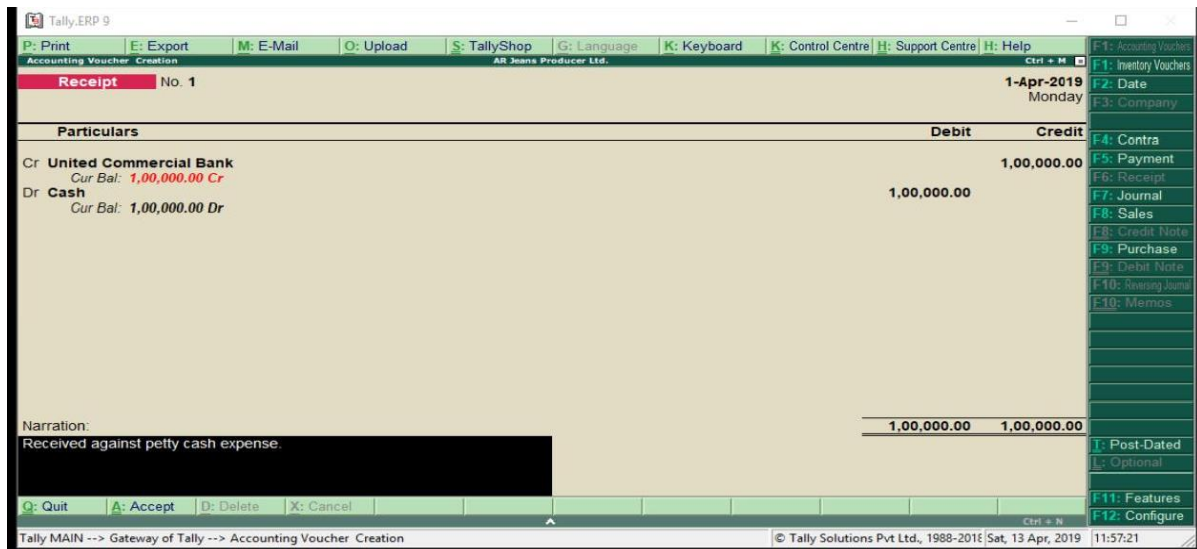


Figure:1 Receipt Voucher

## Payment Voucher:

Payment Vouchers records all the payments made through Bank & Cash. It is also used for payment of fixed assets, purchase, loan & advance etc.

Go to Gate way to Tally  $\longrightarrow$  Accounting Voucher  $\longrightarrow$  Click on F5: Payment button presentation the button panel to have the Payment Voucher Creation Screen.

The screenshot displays the 'Accounting Voucher Creation' window in Tally ERP 9. The window title is 'Tally.ERP 9' and the menu bar includes 'P: Print', 'E: Export', 'M: E-Mail', 'O: Upload', 'S: TallyShop', 'G: Language', 'K: Keyboard', 'K: Control Centre', 'H: Support Centre', and 'H: Help'. The window is titled 'Accounting Voucher Creation' and shows a 'Payment' voucher for 'No. 1' dated '1-Apr-2019 Monday'. The voucher is for 'AR Jeans Producer Ltd.' and is set to 'Ctrl + M'. The voucher details are as follows:

Particulars	Debit	Credit
Dr Printing & Stationery Cur Bal: 50,000.00 Dr	50,000.00	
Cr United Commercial Bank Cur Bal: 50,000.00 Cr		50,000.00
Narration: Paid to M/S Al Fatah Printing & Packaging against supply of printing item. Ch.568891 date:01.04.19		
	50,000.00	50,000.00

The window also shows a 'Quit' button and a status bar at the bottom with the text 'Tally MAIN --> Gateway of Tally --> Accounting Voucher Creation' and '© Tally Solutions Pvt Ltd., 1988-2016 Sat, 13 Apr, 2019 12:28:57'. A vertical toolbar on the right side of the window contains various function keys: F1: Accounting Vouchers, F2: Inventory Vouchers, F3: Date, F4: Company, F5: Payment, F6: Receipt, F7: Journal, F8: Sales, F9: Purchase, F10: Reversing Journal, F11: Post-Dated, F12: Configure.

Figure: 2Payment Voucher

## Journal Voucher:

Journal voucher is for adjustment between any two ledgers.

Go to Gate way to Tally  $\longrightarrow$  Accounting Voucher  $\longrightarrow$  Click on F7: Journal button presentation the button panel to have the Journal Voucher Creation Screen.

Particulars	Debit	Credit
Dr Misc Expense Cur Bal: 50,000.00 Dr	50,000.00	
Cr Advance to Mr. Sagor Cur Bal: 50,000.00 Cr		50,000.00
	<b>50,000.00</b>	<b>50,000.00</b>

Narration:  
Adjustment made against advance for Tax office purpose.

Figure:3 Journal Voucher

## Sales Invoice:

Go to Gate way to Tally  $\longrightarrow$  Accounting Voucher  $\longrightarrow$  Click on F8:  $\longrightarrow$  Click on V (As Invoice) Sales Invoice Creation Screen.

Name of Item	Quantity	Rate per	Amount
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Narration:

Figure:4 Sales Invoice



## Sales Voucher:

Go to Gate way to Tally  $\longrightarrow$  Accounting Voucher  $\longrightarrow$  Click on F8:  $\longrightarrow$  Click on V  
(As Voucher) Sales Voucher Creation Screen.

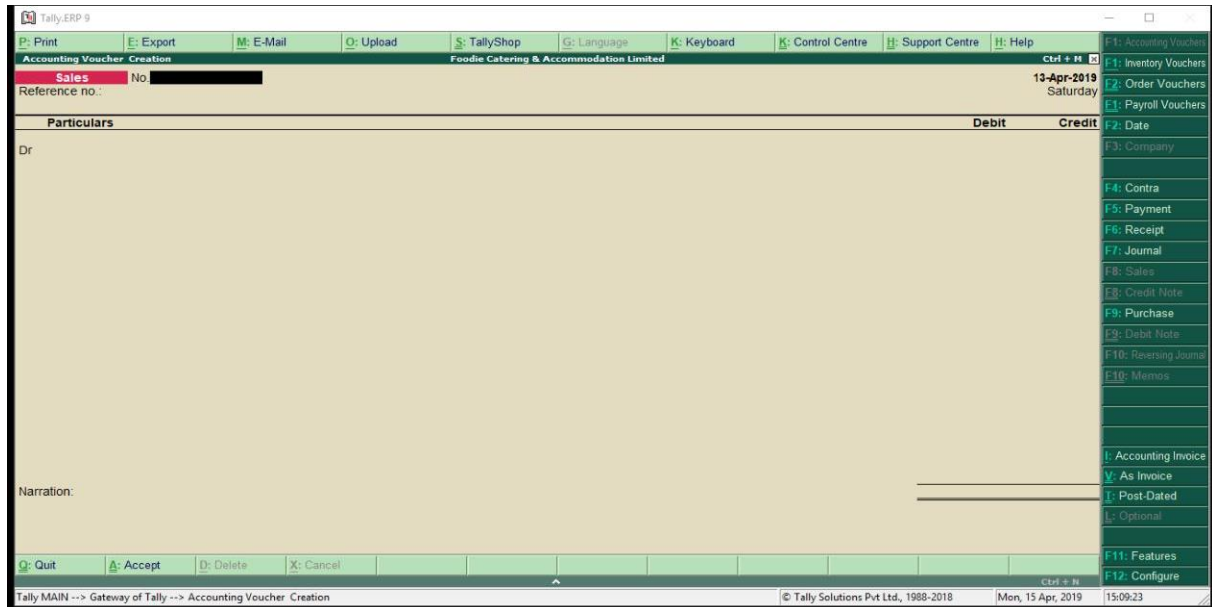


Figure: 5 Sales Voucher

## Purchase Invoice:

Go to Gate way to Tally  $\longrightarrow$  Accounting Voucher  $\longrightarrow$  Click on F9:  $\longrightarrow$  Click on V  
( As Invoice) Purchase Invoice Creation Screen.

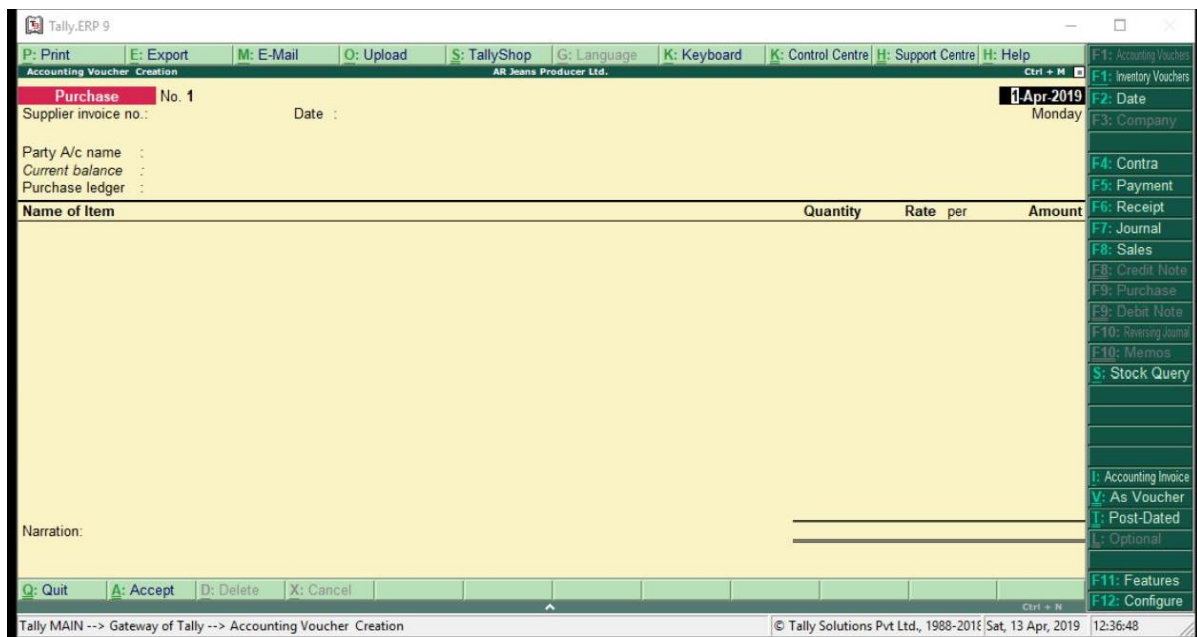
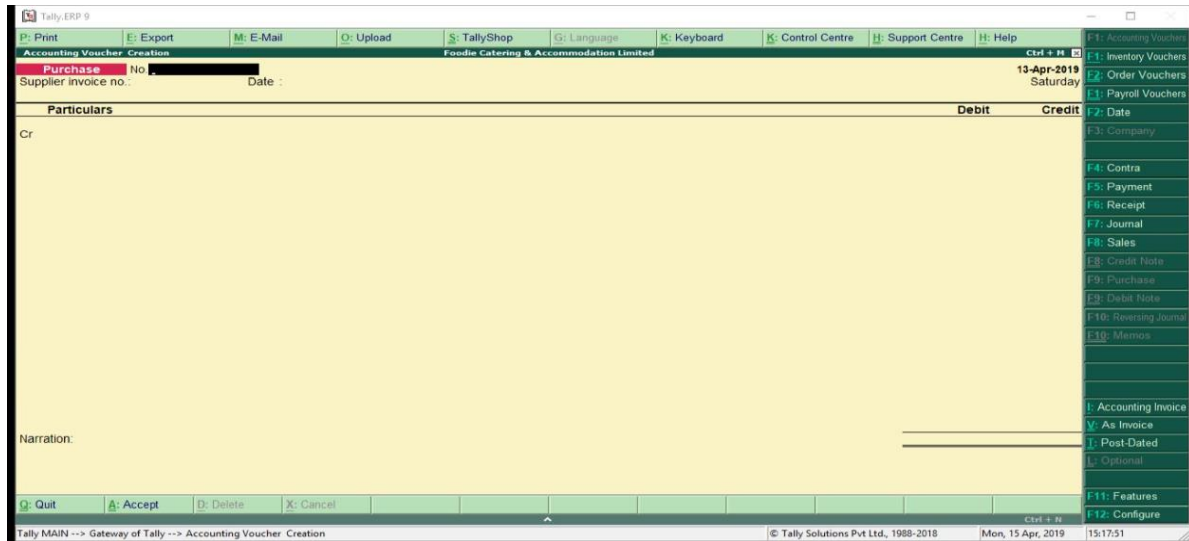


Figure:6 Purchase Invoice

## Purchase Voucher:

Go to Gate way to Tally  $\longrightarrow$  Accounting Voucher  $\longrightarrow$  Click on F9:  $\longrightarrow$  Click on V  
(As Voucher)Purchase Invoice Creation Screen.



**Figure:7Purchase Voucher**

**Day Book:** The day book list showing all transactions made in a particular day.

Go to Gate way of Tally>Display>Daybook

The screenshot shows the 'Day Book' window in Tally ERP 9 for 'AR Jeans Producer Ltd.' on '1-Apr-2019'. The window displays a table of transactions. The table has columns for 'Date', 'Particulars', 'Vch Type', 'Vch No.', 'Debit Amount', and 'Credit Amount'. The 'Debit Amount' column is further divided into 'Inwards Qty' and 'Outwards Qty'. The table contains three rows of data:

Date	Particulars	Vch Type	Vch No.	Debit Amount	Credit Amount
				Inwards Qty	Outwards Qty
1-4-2019	Printing & Stationery	Payment	1	50,000.00	
1-4-2019	United Commercial Bank	Receipt	1		1,00,000.00
1-4-2019	Misc Expense	Journal	1	50,000.00	

The right-hand side of the window shows a vertical menu with various options, including 'F1: Detailed', 'F2: Date', 'F3: Company', 'F4: Change Voucher', 'F5: Columnar', 'F6: Extract', 'F7: Show Profit', 'T: Post-Dated Rep', 'F8: Related Reports', 'F9: Inventory Reports', 'F10: A/c Reports', 'F11: Features', 'F12: Configure', 'F12: Range', and 'F12: Value'. The bottom status bar shows 'Tally MAIN --> Gateway of Tally --> Display Menu --> Day Book' and '© Tally Solutions Pvt Ltd., 1988-2018 Sat, 13 Apr, 2019 12:41:19'.

**Figure:8 Day Book**

**Trial Balance:** Trial Balance is a list of closing balances of ledger accounts on a certain date and is the first step towards the preparation of financial statements. It is usually prepared at the end of an accounting period to assist in the drafting of financial statements. Asset and expense accounts on the debit side of the trial balance & liabilities, capital and income accounts on the credit side. Debit & Credit side should be equal balance.

Go to Gateway of Tally > Display > Trial Balance

AR Jeans Producer Ltd.		For 1-Apr-2019	
Closing Balance		Debit	Credit
Particulars			
Current Assets		1,00,000.00	2,00,000.00
Indirect Expenses		1,00,000.00	
<b>Grand Total</b>		<b>2,00,000.00</b>	<b>2,00,000.00</b>

**Figure: 9 Trial Balance**

**Balance Sheet:** A balance sheet is a statement of the financial position of a business. Which included the assets, liabilities and owner's equity at a specific time.

Go to Gate way of Tally>Balance sheet

AR Jeans Producer Ltd. as at 1-Apr-2019		AR Jeans Producer Ltd. as at 1-Apr-2019	
Liabilities		Assets	
Capital Account		Profit & Loss A/c	1,00,000.00
Loans (Liability)		Opening Balance	
Current Liabilities		Current Period	1,00,000.00
Current Assets	1,00,000.00		
<b>Total</b>	<b>1,00,000.00</b>	<b>Total</b>	<b>1,00,000.00</b>

**Figure:10 Balance Sheets**

**Profit & Loss Account:** It's a financial statement that are showing the value of summarizes the even use, costs and expenses that was incurred during as pacified period.

Go to Gate way of Tally>Profit & Loss A/C

Particulars		AR Jeans Producer Ltd. For 1-Apr-2019
<b>Trading Account:</b>		
Direct Incomes		
Gross Profit :		
<b>Income Statement:</b>		
Indirect Expenses		1,00,000.00
Nett Profit :		(-)1,00,000.00

**Figure: 11 Profit & Loss Account**

- **Findings and Recommendations**

## **Findings**

Through my internship at True Choice, I got to learn a lot about corporate environment & practical knowledge of work. This is my great opportunity to work with True Choice accounts department,

The accounts department is well set-up. The company uses Tall software is limited to accounts use only. But switching to customized software would give more flexibility and productivity. Customized software needs skilled and trained professional to operate.

## **Recommendation**

Keeping all in sight ,my recommendations for True Choice are as follows:

- The company should use customized software and which have much more control &feature.
- They should also hire professional operators or train the existing personnel. This would help save time, money, labor, and would increase in more efficiency.

- **SUGGESTIONS: -**

INTERNSHIP at BATRA & ASSOCIATES was my first practical experience and I'm a fresher so I'm not in a position to give any suggestions to the firm.

- **Conclusion**

I have opportunity to work with accounts department of True Choice. It is one of the great policies of “G S College Of Commerce And Economics Nagpur” to let the students work in a corporate environment before the post-graduation. I have presented the internship report as a student of MBA 2<sup>nd</sup> year.”I got to know accounting practices carried out in accounting software Tally.ERP9.

Finally, I believe that my academic knowledge will be valuable to great extent for my career as I have been able to relate my knowledge with the real environment.

- The Summer Internship program with CA Batra & Associates was a good learning experience.
- The organization since its very first day is devoted to providing quality services.
- The detailed and through review of a work and clients trust shows the perfection with which it is working.



- **BIBLIOGRAPHY: -**

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