



ISDM (INDEPENDENT SKILL DEVELOPMENT MISSION

FREELANCING, STARTUPS & CAREER GUIDANCE (WEEKS 15-16)

STUDY MATERIAL: STARTING AN ACCOUNTING & TAX CONSULTANCY

CHAPTER 1: INTRODUCTION TO ACCOUNTING & TAX CONSULTANCY

1.1 What is an Accounting & Tax Consultancy?

An Accounting & Tax Consultancy provides financial advisory, tax filing, bookkeeping, and compliance services to businesses and individuals. Consultants assist with tax planning, business registration, payroll management, and financial analysis to ensure proper financial management.

- 1.2 Why Start an Accounting & Tax Consultancy?
- ✓ **Growing Demand** Businesses need financial compliance and tax planning.
- **✓ Low Startup Cost** Requires expertise rather than heavy investment.
- ✓ **High Earning Potential** Income depends on the number of clients served.
- Flexible Work Model Can be operated from home or an office.

- ✓ **Scalable Business** Can expand to offer CFO services, auditing, and investment advisory.
- **Example:** A **freelance accountant** expands services to include **GST filings, company registration, and payroll management,** transforming into a consultancy.
- **Exercise:** List five advantages of starting an accounting consultancy and explain how they benefit small businesses.

CHAPTER 2: SKILLS & QUALIFICATIONS REQUIRED

- 2.1 Essential Skills for an Accounting Consultant
- Financial Knowledge Understanding of taxation, bookkeeping, and compliance.
- Analytical & Problem-Solving Skills Ability to identify taxsaving strategies.
- Attention to Detail Accuracy in financial reporting and compliance.
- ✓ Client Management & Communication Handling client queries and providing solutions.
- Knowledge of Accounting Software Proficiency in Tally, QuickBooks, and GST portals.

2.2 Recommended Qualifications

- ★ Formal Education
 - Bachelor's Degree in Commerce, Finance, or Accounting.
 - Chartered Accountant (CA) / Certified Public Accountant (CPA) / Cost Accountant (CMA).
 - Diploma in Taxation, GST, and Financial Planning.

Certifications

- GST Practitioner Certification.
- Tally & Accounting Software Certification.
- Income Tax Return Filing Certification.
- **Example:** A graduate in commerce gains experience in tax filing, completes a **GST certification course**, and starts a **freelance tax consultancy** before expanding into business advisory.
- **Exercise:** Research three professional certifications that can enhance credibility as a tax consultant.

CHAPTER 3: LEGAL REQUIREMENTS & BUSINESS REGISTRATION 3.1 Steps to Register an Accounting & Tax Consultancy

- Step 1: Choose a Business Structure
- Sole Proprietorship Ideal for freelancers and solo practitioners.
- Partnership Firm For multiple consultants working together.
- LLP (Limited Liability Partnership) Offers liability protection and credibility.
- Private Limited Company Suitable for large consultancy firms.
- Step 2: Register Business & Obtain Licenses
 - **GST Registration** Required if turnover exceeds ₹20 lakhs.
 - Professional Tax Registration Mandatory in some states.
 - **Shop & Establishment License** For office-based operations.
- Step 3: Obtain Necessary Certifications
 - Register as a GST Practitioner (if providing GST services).

- Apply for a TAN (Tax Deduction and Collection Account Number) for TDS compliance.
- **Example:** A tax consultant registers as an **LLP**, obtains **GST & TAN registration**, and sets up an office to provide **corporate tax advisory**.
- **Exercise:** Research which business structure is best suited for a small tax consultancy and explain why.

CHAPTER 4: SETTING UP THE OFFICE & SOFTWARE REQUIREMENTS 4.1 Office Setup Requirements

- **Workstation & Furniture** − Basic office space or a home office setup.
- **✓ Computer & Accounting Software** Tally, QuickBooks, Zoho Books.
- ✓ Internet & Secure Data Storage Cloud-based software for document management.
- Meeting Room If handling corporate clients.

4.2 Essential Software for an Accounting Consultancy

- 1. Accounting & Tax Filing Software
 - Tally Prime For bookkeeping and GST compliance.
 - QuickBooks For invoicing and financial reporting.
 - **ClearTax or Taxmann** For income tax return filing.
- 📌 2. Payroll Management Software
 - Saral PayPack For salary calculations and compliance.
 - **GreytHR** For HR and payroll automation.

📌 3. Financial Analysis Tools

- Excel & Google Sheets For budgeting and financial projections.
- Zoho Books Cloud-based accounting tool.
- **Example:** A consultant working remotely **uses Tally for bookkeeping, ClearTax for GST filing, and Zoho Books for financial reporting,** reducing paperwork and improving **efficiency**.
- **Exercise:** List three software applications used for tax filing & payroll management and explain their benefits.

CHAPTER 5: SERVICES OFFERED BY AN ACCOUNTING & TAX
CONSULTANCY

5.1 Common Services Provided

- **☑** Bookkeeping & Financial Reporting Maintaining ledgers, balance sheets, and profit & loss accounts.
- ✓ **GST & Tax Filing Services** Assisting businesses with GST returns, TDS, and corporate tax compliance.
- Payroll Management Calculating salaries, PF, ESI, and income tax deductions.
- **Business Registration & Compliance** Helping startups register companies and obtain necessary licenses.
- Financial Advisory & Budgeting Providing investment and cost-control strategies.
- **Example:** A new business consults an accountant for **company registration, tax filing, and payroll setup,** ensuring full compliance with legal requirements.

Exercise: Identify **three industries** that require **regular tax advisory services** and explain why.

CHAPTER 6: MARKETING & CLIENT ACQUISITION STRATEGIES

6.1 How to Get Clients for a Tax Consultancy?

- 📌 1. Online Presence & Digital Marketing
 - Create a website & LinkedIn profile with services offered.
 - Optimize Google Business Listing for local search visibility.
 - Use social media & blogging for client education.

📌 2. Networking & Referrals

- Partner with lawyers, business consultants, and CA firms.
- Offer free initial consultations to attract startups.
- Attend business meetups & financial seminars.

3. Paid Advertising & Promotions

- Run Google & Facebook Ads targeting businesses needing tax services.
- Offer discounts on first-time tax filing services.
- **Example:** A tax consultant **starts a blog on tax-saving strategies**, attracting small businesses looking for professional assistance.
- **Exercise:** Develop a marketing strategy for a newly launched accounting consultancy focusing on digital presence and referrals.

CHAPTER 7: GROWTH & EXPANSION OF AN ACCOUNTING CONSULTANCY

7.1 Scaling the Business

- ✓ Hire Accountants & Tax Experts Expand team to handle more clients.
- Diversify Services Include investment advisory, business valuation, and tax litigation support.
- Franchise Model Open multiple branches in different cities.
- Subscription-Based Services Offer monthly retainer plans for continuous tax & compliance support.
- **Example:** A tax consultant initially works solo but later hires two accountants and expands services to include CFO outsourcing for startups.
- **Exercise:** Create a **growth plan** for an accounting consultancy to expand from a **solo practice to a team-based firm**.

Conclusion

Starting an Accounting & Tax Consultancy is a profitable and scalable business requiring financial expertise, legal compliance, and strong client relationships. By setting up a professional office, using the right software, marketing effectively, and expanding strategically, one can build a successful consulting practice.

★ Final Exercise:

- 1. Outline a **business plan** for a **new tax consultancy firm**, including services offered and financial projections.
- 2. Set up GST, PAN, and TAN registration for a dummy business.
- Develop a client acquisition strategy using digital marketing & networking.

STUDY MATERIAL: DIGITAL & CLOUD ACCOUNTING

CHAPTER 1: INTRODUCTION TO DIGITAL & CLOUD ACCOUNTING

1.1 What is Digital Accounting?

Digital Accounting refers to the use of computerized tools, accounting software, and online platforms for financial management. Unlike traditional bookkeeping, digital accounting automates transactions, improves accuracy, and enhances reporting.

1.2 What is Cloud Accounting?

Cloud Accounting is a type of digital accounting that allows businesses to store and manage financial data on remote servers instead of local computers. It enables real-time access, collaboration, and secure data storage via the internet.

1.3 Difference Between Traditional, Digital & Cloud Accounting

Feature	Traditional	Digital	Cloud
	Accounting	Accounting	Accounting
Data	Physical books	Local	Online cloud-
Storage	& local	software	based platforms
	computers		
Access	Single-user,	Limited multi-	Remote access,
	location-based	user	real-time
			collaboration

Security	Paper records vulnerable	Data stored locally	High security, encrypted cloud storage
Automation	Manual calculations	Automated entries & reports	AI-based automation, real- time updates
Cost	High maintenance costs	One-time purchase	Subscription- based, scalable pricing

Example: A retail store using **Tally on a desktop** is using **digital accounting**, whereas a company using **Zoho Books online** is using **cloud accounting**.

Exercise: List three advantages of **cloud accounting over digital accounting**.

CHAPTER 2: FEATURES & BENEFITS OF CLOUD ACCOUNTING

2.1 Key Features of Cloud Accounting

- Multi-User Access Multiple users (accountants, managers, auditors) can access financial data remotely.
- Real-Time Financial Tracking View bank balances, expenses, invoices, and reports instantly.
- Automation & Al Integration Automated bank reconciliation, invoice generation, and tax filing.
- **✓ Data Security & Backups** Cloud accounting software provides **encrypted security & auto-backups**.
- **GST & Tax Compliance** Cloud solutions **auto-calculate GST**, **file returns**, and manage compliance.

2.2 Benefits of Cloud Accounting

- Reduces Manual Work Automated invoicing, reconciliation, and tax calculations save time.
- Scalability Suitable for startups, SMEs, and large enterprises, with flexible pricing plans.
- **Cost-Effective** No need for expensive hardware or IT maintenance.
- ✓ Integration with Other Software Connects with banking apps, ERP systems, and e-commerce platforms.
- **Example:** A startup using **QuickBooks Online** can **generate** invoices, reconcile bank transactions, and track expenses in realtime, reducing manual efforts.
- **Exercise:** Research and compare three cloud accounting software based on pricing, features, and integrations.

CHAPTER 3: POPULAR DIGITAL & CLOUD ACCOUNTING SOFTWARE 3.1 Digital Accounting Software

- ✓ Tally Prime Best for small & medium businesses managing GST, inventory, and payroll.
- **☑** Busy Accounting Suitable for wholesale traders & retailers, offering taxation & invoicing features.
- SAP ERP Preferred by large enterprises for financial & operational management.

3.2 Cloud Accounting Software

- **Zoho Books** Affordable cloud accounting for startups & small businesses.
- ✓ **QuickBooks Online** User-friendly, real-time financial tracking with Al-based automation.

- Xero Internationally used cloud accounting tool for freelancers & businesses.
- * Example: A freelancer uses Zoho Books to track income, generate invoices, and file GST returns online.
- **Exercise:** Identify which **accounting software** is best suited for **small businesses vs. large enterprises**.

CHAPTER 4: SETTING UP CLOUD ACCOUNTING FOR A BUSINESS 4.1 Steps to Implement Cloud Accounting

- Step 1: Select the Right Cloud Accounting Software
 - Compare pricing, features, and integration capabilities.
- Step 2: Register & Configure Business Profile
 - Sign up with a cloud accounting provider (e.g., Zoho Books, QuickBooks).
 - Enter business name, GSTIN, financial year, and bank details.
- Step 3: Create Ledger & Chart of Accounts
 - Set up expense categories, income sources, supplier details, and tax accounts.
- Step 4: Enable Bank Integration & Payment Gateways
 - Link bank accounts & payment gateways (PayPal, Razorpay, Stripe) for real-time tracking.
- Step 5: Set Up Invoice & Tax Compliance
 - Enable GST, TDS, E-invoicing, and tax reports.

- **Example:** A restaurant **switching to QuickBooks Online** integrates its **bank account, supplier payments, and sales invoices** for automated financial tracking.
- **Exercise:** Set up a dummy business profile in any cloud accounting software trial version.

CHAPTER 5: RECORDING TRANSACTIONS IN CLOUD ACCOUNTING
5.1 Recording Sales & Purchases

- Recording a Sales Invoice
 - Go to Sales > Create Invoice.
 - Enter customer details, invoice amount, and tax (GST/IGST).
 - Click "Send Invoice" to share via email/SMS.
- Recording a Purchase Entry
 - Go to Purchases > Add New Purchase.
 - Select supplier, date, amount, and payment method.
 - Attach purchase bill or invoice for record-keeping.
- ★ Example: A business sells a product worth ₹10,000 with 18% GST. The cloud software auto-calculates GST and records the transaction instantly.
- **★** Exercise: Record a sales invoice in any cloud accounting trial version for ₹5,000 with 12% GST.

CHAPTER 6: FINANCIAL REPORTS & ANALYTICS IN CLOUD ACCOUNTING

6.1 Generating Financial Reports

- Step 1: Access Reports Section
 - Navigate to **Reports > Financial Statements**.
- Step 2: Select the Report Type
- ✓ Profit & Loss Statement Shows revenue, expenses & net profit.
- ☑ Balance Sheet Displays assets, liabilities & equity.
- Cash Flow Statement Tracks cash inflows & outflows.
- Step 3: Export & Analyze Reports
 - Generate monthly, quarterly, or yearly reports in PDF or Excel.
- **Example:** A business using **Xero Cloud Accounting** generates a **Profit & Loss report** to analyze monthly revenue trends.
- **Exercise:** Generate a **Balance Sheet report** in any cloud accounting software trial.

CHAPTER 7: SECURITY & COMPLIANCE IN CLOUD ACCOUNTING

- 7.1 How Cloud Accounting Ensures Security
- **Data Encryption** Ensures **secure storage** of financial data.
- **Multi-Factor Authentication (MFA)** − Prevents unauthorized access.
- Regular Backups Auto-saves transactions to prevent data loss.
- 7.2 Legal Compliance & Tax Reporting

- **☑ GST Filing & E-Invoicing** Auto-generates GST reports & invoices.
- ▼ TDS Compliance Deducts & records TDS transactions.
- ✓ Audit Trail & Log Reports Maintains a record of all edits & modifications.
- **Example:** A business using **Zoho Books** enables **2FA (Two-Factor Authentication)** and **regular backups** to secure financial transactions.
- **Exercise:** Research how **cloud accounting software** ensures compliance with **GST, TDS & Income Tax**.

Conclusion

Understanding **Digital & Cloud Accounting** helps businesses:

- Automate invoicing, taxation & reporting.
- Reduce errors & improve financial decision-making.
- Enhance security & ensure compliance.
- Final Exercise:
- Compare Tally, QuickBooks, and Zoho Books on features & pricing.
- 2. Record a dummy invoice using cloud accounting software.
- 3. Generate a Profit & Loss report for a sample business.

STUDY MATERIAL: RESUME WRITING, MOCK INTERVIEWS & JOB OPPORTUNITIES

CHAPTER 1: INTRODUCTION TO JOB SEARCH PREPARATION

1.1 Importance of Resume Writing, Mock Interviews & Job Search Strategies

In today's competitive job market, securing a job requires more than just academic qualifications. A strong resume, interview preparation, and networking strategies play a crucial role in getting hired.

- Resume Writing Highlights skills, experience, and achievements to attract employers.
- Mock Interviews Helps candidates practice answering tough questions confidently.
- Job Opportunities Finding the right career path based on skills, qualifications, and interests.
- **Example:** A candidate with a **well-structured resume and strong interview skills** has a higher chance of securing a job than someone who is unprepared.
- **Exercise:** List **three essential skills** required for a successful job search and explain their importance.

CHAPTER 2: RESUME WRITING

2.1 What is a Resume?

A **resume** is a **one-page summary** of an individual's professional background, including **education**, **work experience**, **skills**, **and achievements**. It serves as the **first impression** for employers.

2.2 Key Sections of a Resume

Section	Purpose	
Header	Name, contact details, LinkedIn profile	
Professional	2-3 sentences summarizing skills & career	
Summary	goals	
Work Experience	List of jobs, responsibilities, and	
	achievements	
Education	Degrees, institutions, and academic	
	performance	
Skills	Hard skills (technical) & soft skills	
	(com <mark>municati</mark> on, teamwork)	
Certifications &	Additional qualifications and recognitions	
Awards		

2.3 Resume Writing Tips

- ✓ **Use Action Verbs** (e.g., "Developed," "Managed," "Led") to showcase achievements.
- Keep it Concise Stick to one page for freshers, two pages for experienced professionals.
- Customize for Each Job − Tailor the resume to match the job description.
- ✓ Include Keywords Use industry-relevant keywords to pass ATS (Applicant Tracking Systems).
- **Example:** Instead of writing "Responsible for managing a team," write "Led a team of 10 employees, increasing efficiency by 20%."

Exercise: Create a **resume for a marketing job**, ensuring it includes **skills**, **experience**, **and achievements**.

CHAPTER 3: COVER LETTER WRITING

3.1 What is a Cover Letter?

A **cover letter** is a **one-page document** that accompanies a resume and explains why you are a **strong fit for the job**. It should be personalized and demonstrate **enthusiasm** for the role.

3.2 Structure of a Cover Letter

- Introduction Briefly introduce yourself and mention the position applied for.
- Body Paragraphs Highlight relevant skills and experience.
- Conclusion Express interest in the company and request an interview.
- **Example:** A candidate applying for a **software engineer position** highlights their experience in **Python and machine learning projects** to show case their expertise.
- **Exercise:** Write a cover letter for a sales executive position, explaining why you are the right fit.

CHAPTER 4: MOCK INTERVIEWS

4.1 What is a Mock Interview?

A mock interview is a practice session designed to simulate a real job interview. It helps candidates improve their confidence, body language, and response strategies.

4.2 Types of Job Interviews

- ★ 1. HR Interview Tests communication skills, attitude, and cultural fit.
- **★ 2. Technical Interview** Assesses industry-specific knowledge and problem-solving skills.
- **★ 3. Behavioral Interview** Evaluates past work behavior using **STAR Method (Situation, Task, Action, Result)**.
- **4. Case Study Interview** Involves solving real-world business scenarios (common in consulting jobs).
- ★ 5. Group Discussion Tests leadership and teamwork skills.

4.3 Common Interview Questions & Best Answers

- Tell me about yourself.
- → Keep it professional "I am a marketing graduate with two years of experience in digital campaigns, specializing in SEO and social media management."
 - Why should we hire you?
- → Focus on strengths "I bring a strong analytical mindset and proven success in increasing website traffic by 30%."
 - What are your strengths and weaknesses?
- → Strengths: Problem-solving, teamwork.
- → Weaknesses: A skill you're improving "I used to struggle with delegating tasks, but I have been working on improving my leadership skills."
 - Where do you see yourself in five years?
- → Show ambition "I aim to take on managerial responsibilities in marketing and contribute to innovative digital campaigns."
- **Example:** A candidate preparing for a **software engineering role** practices solving **data structure problems** in a mock interview, improving their confidence.

Exercise: Conduct a **mock interview with a friend,** answering three common interview questions.

CHAPTER 5: JOB OPPORTUNITIES & NETWORKING

5.1 How to Find Job Opportunities?

- 📌 1. Online Job Portals LinkedIn, Naukri.com, Monster, Indeed.
- * 2. Company Websites Directly applying through career pages.
- ★ 3. Networking & Referrals Connecting with professionals on LinkedIn and attending industry events.
- **4.** Internships & Freelancing Gaining experience through projects before securing a full-time job.
- **5. Recruitment Agencies** Getting job assistance through professional recruiters.

5.2 How to Network Effectively?

- ✓ Optimize LinkedIn Profile Keep your headline, summary, and experience updated.
- Join Professional Groups Participate in industry-related discussions.
- Attend Job Fairs & Seminars Meet recruiters and build connections.
- Follow Up Send polite emails after networking events.
- **Example:** A data analyst job seeker joins a LinkedIn group for Al professionals, interacts with members, and receives a job referral.
- **Exercise:** Update your **LinkedIn profile** and send **three connection requests** to professionals in your field.

CHAPTER 6: SALARY NEGOTIATION & OFFER ACCEPTANCE

6.1 Tips for Salary Negotiation

- Research Market Salary Use platforms like Glassdoor, Payscale.
- ✓ **Highlight Your Value** Showcase your skills and achievements.
- **☑ Be Flexible** Consider benefits beyond salary (bonus, work-life balance).
- ✓ **Get the Offer in Writing** Ensure the final offer is documented before acceptance.
- ★ Example: A candidate offered ₹6 LPA for a data science role negotiates for ₹7 LPA, citing their strong project experience.
- **Exercise:** Practice a **salary negotiation conversation** for a **job offer you receive**.

Conclusion

Mastering Resume Writing, Mock Interviews, and Job Search
Strategies significantly increases the chances of securing a job.
Proper preparation, networking, and interview practice can help candidates land their dream roles.

Final Exercise:

- 1. Create a resume & cover letter for your dream job.
- 2. Conduct a mock interview session with a mentor or friend.
- 3. Apply for **three job postings** and track responses.



COMPLETE A REAL-WORLD BUSINESS ACCOUNTING CASE STUDY IN TALLY



SOLUTION GUIDE: FINAL PROJECT & CERTIFICATION EXAM – REAL-WORLD **BUSINESS ACCOUNTING CASE STUDY IN** TALLY

This guide provides a **step-by-step** approach to completing a **real**world business accounting case study in Tally Prime, covering sales, purchases, GST, payroll, and financial reporting.



PART 1: BUSINESS CASE STUDY OVERVIEW

1.1 Case Study Scenario

Company Name: XYZ Traders Pvt. Ltd.

Industry: Wholesale Trading

Business Type: GST-registered

Turnover: ₹5,00,00,000 (₹5 Crores)

Accounting Period: April 1, 2024 - March 31, 2025

1.2 Business Transactions to Record in Tally

- ✓ Initial Setup Create company profile, tax details, and ledgers.
- Purchases & Sales Transactions Record invoices with GST.
- **Expense Entries** Rent, salaries, utilities, and other overheads.
- Payroll Processing Employee salaries, PF, and ESI deductions.
- ✓ **GST & TDS Compliance** Tax calculations and filings.
- Final Reports Profit & Loss Account, Balance Sheet, and GST Reports.
- **Exercise:** List five **real-world transactions** that a business records in Tally.



PART 2: SETTING UP THE BUSINESS IN TALLY

2.1 Create a Company in Tally

- Step 1: Open Tally Prime
 - Navigate to **Gateway of Tally > Create Company**.
- Step 2: Enter Company Details
- Company Name: XYZ Traders Pvt. Ltd.
- Financial Year: April 1, 2024 March 31, 2025
- Books Beginning Date: April 1, 2024
- Step 3: Enable GST & TDS
 - Go to F11: Features > Statutory & Taxation.
 - Enable **GST** and enter **GSTIN**: 27XXXXXXXXXX1Z5.
 - Enable **TDS Deduction for contractor** payments.
- **Exercise:** Create a company in Tally with your own dummy business name.

PART 3: CREATING LEDGERS & INVENTORY ITEMS

3.1 Creating Essential Ledgers

Ledger Name	Group	GST Applicability
Cash A/c	Cash-in-Hand	No GST
XYZ Bank A/c	Bank Accounts	No GST
Sales A/c	Sales Accounts	GST @ 18%
Purchases A/c	Purchase Accounts	GST @ 18%
Rent Expense	Indirect Expenses	No GST

Salaries A/c	Indirect Expenses	No GST

Exercise: Create **five essential ledgers** in Tally.

- PART 4: RECORDING BUSINESS TRANSACTIONS IN TALLY
- 4.1 Recording Purchase Transactions
- **Scenario:** XYZ Traders purchases **100 Mobile Phones** from a supplier for ₹10,000 each (Total: ₹10,00,000) with **18% GST**.
- Step 1: Go to Accounting Vouchers > F9 (Purchase)
 - Select Supplier Ledger.
 - Enter Invoice Number & Date.
 - Select Purchase Ledger (GST @ 18%).
 - Enter Item Details (Quantity: 100, Rate: ₹10,000).
 - Enter GST breakup: CGST @ 9% = ₹90,000, SGST @ 9% =
 ₹90,000.
- **Exercise:** Record a **purchase entry** for 50 Laptops at ₹40,000 each with **12% GST**.

4.2 Recording Sales Transactions

- **Scenario:** XYZ Traders sells **50 Mobile Phones** to ABC Retail for ₹12,000 each (Total: ₹6,00,000) with **18% GST**.
 - Step 1: Go to Accounting Vouchers > F8 (Sales)
 - Select **Customer Ledger**.
 - Enter Invoice Number & Date.

- Select Sales Ledger (GST @ 18%).
- Enter Item Details (Quantity: 50, Rate: ₹12,000).
- Enter GST breakup: CGST @ 9% = ₹54,000, SGST @ 9% =
 ₹54,000.
- **★ Exercise:** Record a **sales transaction** for 30 Laptops at ₹45,000 each with **12% GST**.
- PART 5: PAYROLL & SALARY PROCESSING
- 5.1 Creating Employee Payroll in Tally
- ★ Scenario: XYZ Traders pays an employee a ₹50,000 salary with PF & ESI deductions.
 - Step 1: Enable Payroll in Tally
 - Go to F11: Features > Payroll Features.
 - Enable PF & ESI Calculation.
 - Step 2: Create Salary Pay Heads
- Basic Salary = ₹30,000
- HRA = ₹10,000
- Medical Allowance = ₹5,000
- PF Deduction = 12% of Basic Salary = ₹3,600
- ESI Deduction = 0.75% of Gross Salary = ₹375
- **★** Exercise: Process payroll for an employee with a ₹40,000 gross salary and PF & ESI deductions.
- PART 6: GENERATING FINANCIAL REPORTS IN TALLY
- 6.1 Generating Profit & Loss Account

Step 1: Go to Display > Financial Statements > Profit & Loss Account

• View total revenue, expenses, and net profit/loss.

***** Example:

Particulars	Amount (₹)
Sales Revenue	6,00,000
Purchases	(5,00,000)
Expenses (Rent, Salaries, Utilities)	(50,000)
Net Profit	₹50,000

★ Exercise: Generate a **Profit & Loss Statement** for a business with ₹10,00,000 in sales and ₹7,50,000 in expenses.

6.2 Generating Balance Sheet

- Step 1: Go to Display > Financial Statements > Balance Sheet
 - View Assets, Liabilities, and Owner's Equity.

***** Example:

Assets	Amount	Liabilities & Equity	Amount
	(₹)		(₹)
Cash & Bank	5,00,000	Share Capital	10,00,000
Inventory	3,00,000	Loans Payable	2,00,000
Accounts	2,00,000	Total Liabilities &	15,00,000
Receivable		Equity	

Exercise: Generate a **Balance Sheet** for a business with ₹12,00,000 in assets and ₹5,00,000 in liabilities.



PART 7: GST & TDS COMPLIANCE IN TALLY

7.1 Generating GST Reports

- Step 1: Go to Display > Statutory Reports > GST Reports
- GSTR-1 Sales transactions.
- ✓ **GSTR-3B** Monthly tax summary.
- ✓ GSTR-9 Annual return.
- **★** Exercise: Generate a dummy GST report for ₹1,00,000 in taxable sales.

Conclusion

By completing this real-world case study in Tally, learners gain hands-on experience in:

- Recording purchases & sales with GST compliance.
- Processing payroll with PF & ESI deductions.
- Generating financial reports & tax filings.
- **Final Exercise:**
- 1. Record transactions for a fictional company with your own figures.
- 2. **Process payroll** for two employees.
- 3. Generate GST, P&L, and Balance Sheet reports in Tally.