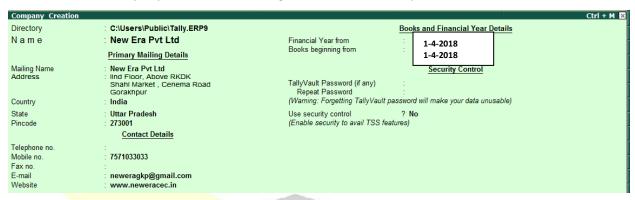# Payroll in Tally.ERP9

Assignment:

1. Create a company with the details as given below in the snapshot.

Company Creation			Ctrl + M
Directory	: **C:\Users\Public\Tally.ERP9**	**Books and Financial Year Details**	
N a m e	: **New Era Pvt Ltd**	Financial Year from	: **1-4-2018**
	Primary Mailing Details	Books beginning from	: **1-4-2018**
Mailing Name	: **New Era Pvt Ltd**	**Security Control**	
Address	: **IInd Floor, Above RKDK**	TallyVault Password (if any)	:
	Shahi Market , Cenema Road	Repeat Password	:
	Gorakhpur	*(Warning: Forgetting TallyVault password will make your data unusable)*	
Country	: **India**	Use security control	? **No**
State	: **Uttar Pradesh**	*(Enable security to avail TSS features)*	
Pincode	: **273001**		
	Contact Details		
Telephone no.	:		
Mobile no.	: **7571033033**		
Fax no.	:		
E-mail	: **neweragkp@gmail.com**		
Website	: **www.neweracec.in**		

2. Create the following Ledgers with Opening balances.

Liabilities	Amount (₹)	Assets	Amount (₹)
Capital	350000	Machinery	185000
Loan from Kotak Mahindra Bank	140000	Axis Bank Ltd.	325000
M/s Alphonsa Industries	30500	Cash – in – Hand	24000
O/s Rent	25500	M/s Srijan Tradings	26000
Profit & Loss	25000	M/s Vishal Retail	11000
	571000		571000

3. Company has the following Payroll Statutory Details.

Payroll Statutory Details

Provident Fund

Company Code	:	S7566601
Company Account Group Code	:	S7566602
Company Security Code	:	S7566603

Employee State Insurance

Company Code	:	N91265
ESI Branch Office	:	Gorakhpur
Standard Working Days (per month)	:	26 Days

National Pension Scheme

Corporate Registration Number	:	UR12232661331C
Corporate Branch Office Number	:	UP/01233

Income Tax

Tax Deduction and Collection Account Number (TAN):		NEWG12345K
TAN registration number	:	NEWG12345K
Income Tax Circle / Ward	:	UP/GKP/510(3)
Deductor Type	:	Others
Name of Person responsible	:	MANISH MALHOTRA
Son/daughter of	:	AMIT MALHOTRA
Designation	:	ACCOUNT MANAGER
PAN	:	ASDPM1234K

(Note: All the above details will be used in Challan, Forms & Returns)

4. Create the employee category as name Head Office [Put "yes" in allocate revenue and non-revenue item].
5. Create the employee group namely Accounts, Sales & Marketing, R&D, CRM and administration under Head Office category.
6. Create the following employees with the details given.

Name	Group	DOJ	Emp_No.	Designation	DOB	PF No.	ESI No.
Santosh Pathak	Accounts	01/09/2007	NEWE1001	Manager	31/10/1980	PF1001	ESI1001
Sampurna Bagchi	CRM	01/07/2008	NEWE1002	Executive	02/09/1979	PF1002	ESI1002

Shweta Sinha	CRM	02/08/2009	NEWE1003	Manager	02/03/1984	PF1003	ESI1003
Mohammad Danish	Sales & Marketing	02/04/2010	NEWE1004	Manager	01/02/1982	PF1004	ESI1004
Jyoti Singh	R&D	01/06/2010	NEWE1005	Executive	31/05/1981	PF1005	ESI1005
Jay Lamba	Administration	01/07/2010	NEWE1006	Executive	02/08/1980	PF1006	ESI1006
Bipasha Das	Sales & Marketing	02/08/2010	NEWE1007	Counselor	01/09/1983	PF1007	ESI1007
Pallav Mitra	R&D	01/01/2011	NEWE1008	Manager	31/07/1978	PF1008	ESI1008
Tiyasha Bajpayee	Accounts	02/02/2011	NEWE1009	Executive	02/11/1985	PF1009	ESI1009
Manindar Kumar	Administration	01/03/2011	NEWE1010	Manager	01/04/1984	PF1010	ESI1010

***Filled other of employees as you required.

7. Create the following payroll work units namely **Hours, Minutes, Months, Days** and compound units as **Month of 30 Days** & **Hours of 60Minutes**.

8. Create the attendance type "Present" based on leave with pay, "Absent" based on leave without pay and "Overtime" based on attendance type-Production & unit-hrs. Of 60mins.

9. Create the following Earning Pay Heads based on the following information.

Pay Head	Under	Affect Net Salary	Name to appear in Pay Slip	Use for Gratuity	Calculation Type	Calculation Period/ Production Type
Basic	Indirect Expenses	Yes	Basic	Yes	On Attendance	Month (As per Calendar
House Rent Allowance	Indirect Expenses	Yes	HRA	No	As Computed Value	Month (40% on Basic)
Conveyance Allowance	Indirect Expenses	Yes	CA	No	On Attendance	Month (As per Calendar Period)
Overtime	Indirect Expenses	Yes	OT	No	On Production	Overtime
Incentive	Indirect Expenses	Yes	INCNTV	No	As User Defined Value	---

10. Created the following Deduction Pay Heads based on the following information.

Pay Head	Pay Type	Under	Affect Net Salary	Name to appear in Pay Slip	Calculation Method	Calculation Details
Employees PF Contribution	PF Account (A/c No. 1)	Current Liabilities	Yes	PF	On Specified Formula (On Basic)	12% up to ₹ 15000 and ₹ 1800 for the above
Employees ESI Contribution	Employee State Insurance	Current Liabilities	Yes	ESI	On Current Earnings Total	1.75%Up to₹ 21000 and on above no deduction

11. The details Salary Structure of each employee is given below here. So create the Salary Structure for each one.

Pay Head	Basic	HRA	CA	OT	INCNTV	PF	ESI
Bipasha	₹ 12,000	Computed	₹ 1500	₹ 150/hr	User Defined	Computed	Computed

Danish	₹ 16000	Computed	₹ 1600	₹ 160/hr	User Defined	Computed	Computed
Jai	₹ 17000	Computed	₹ 1700	₹ 170/hr	User Defined	Computed	Computed
Manindar	₹ 18000	Computed	₹ 1800	₹ 180/hr	User Defined	Computed	Computed
Jyoti	₹ 19000	Computed	₹ 1900	₹ 190/hr	User Defined	Computed	Computed
Pallav	₹ 10000	Computed	₹ 1000	₹ 100/hr	User Defined	Computed	Computed
Sampurna	₹ 11000	Computed	₹ 1100	₹ 110/hr	User Defined	Computed	Computed
Shweta	₹ 12000	Computed	₹ 1200	₹ 120/hr	User Defined	Computed	Computed
Santosh	₹ 13000	Computed	₹ 1300	₹ 130/hr	User Defined	Computed	Computed
Tiyasha	₹ 14000	Computed	₹ 1400	₹ 140/hr	User Defined	Computed	Computed

12. Pass the attendance entries with the employee's attendance details as on 31.05.2018 for the month of May, 2018 given below[Attendance voucher= Ctrl+F5].

Note: Put Overtime with dash (-). e.g if 400 min then enter 6-40

Attendance Taype	Bipasha	Danish	Jai	Manindr	Jyoti	Pallav	Sampurna	Shweta	Santosh	Tiyasha
Absent (in days)	1	2	0	3	1	2	0	2	3	1
Overtime (Minutes)	150	250	160	0	60	90	50	400	100	0

13. To pass payroll entry create a Salary Payable ledger under Current Liabilities through Pay Heads Creation screen.

14. On 31.05.2018 Company declared incentive for the month of May, 2018. The employees are entitled for the incentives as per given table. Pass the Incentive Process entry against Salary Payable.
[Payroll= ctrl+F4 & give incentive amount manually]

Pay Head	Bipasha	Danish	Sampurna	Shweta
Incentive	₹ 2750	₹ 2250	₹ 1500	₹ 2000

15. On 31.05.2018 passes payroll entry for salary payable for the month of May, 2018 for all employees.
[Payroll= ctrl+F4 & Press Alt+A for autofill]

16. On 01.06.2018 Company paid the due salary through Axis Bank. Pass the entry and generate Bank Payment Advice letter for the disbursement of salary through bank.
[Payment= F5 & Press Alt+A for autofill]

17. Create the pay Heads for employer PF Contribution processes as the details given below.

Pay Heads	Pay Head Type	Statutory Pay Type	Under	Affect Net Salary	Calculation Type	Calculation Method
Employer EPS@ 8.33%	Employer's Statutory Deduction	EPS Account (A/c No. 10)	Indirect Expenses	No	As Computed Value (On Basic)	8.33% up to ₹ 15000 and ₹ 1249.50 for the above
Employer EPF@ 3.67%	Employer's Statutory Deduction	PF Account (A/c No. 1)	Indirect Expenses	No	As Computed Value (On Basic)	3.67% up to ₹ 15000 and ₹ 550.50 for the above
Employer PF Admin Charges						
PF Admin Charges@ 0.65%	Employer's Other Charges	Admin Charges (A/c No. 2)	Current Liabilities	No	As Computed Value (on PF Gross)	0.65% subject to minimum ₹ 5/

EDLI Contribution@ 0.5%	Employer's Other Charges	EDLI Contribution (A/c No. 21)	Current Liabilities	No	As Computed Value(on PF Gross)	0.50%
EDLI Admin@ 0.01%	Employer's Other Charges	EDLI Admin Charges (A/c No. 22)	Current Liabilities	No	As Computed Value(on PF Gross)	0.01% subject to minimum ₹ 2

18. Create the PF Payable ledger (Pay Head creation) under current liability and PF Admin Charges ledger under Indirect Expenses.

19. Now alter the Salary details of each employee and add the Pay heads "Employer EPS@8.33%" and "Employer EPF@3.67%" at the end.

20. On 01.06.2018 Company process the Employer PF Contribution [Payroll= ctrl+F4 & Press Alt+A for autofill] and PF Admin Charges [Journal= F7 & Press Ctrl+O for autofill]. So pass the relevant entries.

21. 01.06.2018 Company issued an Axis Bank cheque no. 666280 in favour of "EPFO" to Clear PF Payable (Employer), Employees PF Contribution, EDLI Admin@0.01%, EDLI Contribution@0.5% and PF Admin Charges@1.10%. Pass the Entry and generate Challan to Deposit into bank.

    [Payment= F5 & Press Alt+A for autofill]

22. Create the Pay Heads for Employer ESI Contribution Processes as the details given below.

Pay Heads	Pay Head Type	Statutory Pay Type	Under	Affect Net Salary	Calculation Type
Employer ESI@4.75%	Employer's Statutory Contribution	Employee State Insurance	Indirect Expenses	No	On Current Earnings Total (@4.75%)

23. Alter the Salary details of each employee and add the Pay Heads "Employer ESI@4.75% at the end.

24. Create the ESI Payable ledger under "Current Liabilities" (through Pay Head screen) and process the Employer ESI Contribution on 01.06.2018. So pass the relevant entry.
    [Payroll= ctrl+F4 & Press Alt+A for autofill]

25. 01.06.2018 Company issued Axis Bank Cheque no. 666281 in favour of "ESIC" to clear ESI liabilities. Pass the entry and generate ESI Challan to Deposit the amount into SBI (BR Code: 0011).
    [Payment= F5 & Press Alt+A for autofill]

26. Company started a provision to allow advances to employees in the case of emergencies and will deduct the advances against salaries. Create the required Pay Head as below details. Also include the Pay Head under each employee's salary structure.

Pay Head	Pay Head Type	Under	Affect Net Salary	Name to appear in Pay Slip	Calculation Type
Advance to Employees	Loans and Advances	Loans & Advances (Asset)	Yes	Advance	As User defined Value

27. On 02.07.2011 Company paid advances to the following employees through Axis Bank Cheques.

Name	Advance Amount (₹)	Cheque No.
Jyoti Singh	4000	666283
Bipasha das	6000	666284
Shweta Sinha	3000	666285
Santosh Pathak	5000	666286

Project on Payroll

*** Pass the following payroll entries in the previous company NEW ERA Infotech Pvt. Ltd.

1. Company makes an announcement for the revision of salary on 1.07.2018. The revision of salary is effective from 01.07.2018. The revised salary structure for the employees is as follows.

Employee	Basic	Conveyance Allowance	Overtime
Bipasha Das	₹ 14000	₹ 1750	₹ 155/hrs
Jai Lamba	₹ 13500	₹ 1600	₹ 145/hrs
Jyoti Singh	₹ 15000	₹ 1850	₹ 180/hrs
Manindar Kumar	₹ 16000	₹ 1600	₹ 180/hrs
Mohammad Danish	₹ 17000	₹ 1800	₹ 180/hrs
Pallav Mitra	₹ 19000	₹ 1950	₹ 180/hrs
Sampurna Bagchi	₹ 13500	₹ 1500	₹ 145/hrs
Santosh Pathak	₹ 17750	₹ 1750	₹ 190/hrs
Shweta Sinha	₹ 16500	₹ 1900	₹ 180/hrs
Tiyasha Bajpayee	₹ 15000	₹ 1650	₹ 150/hrs

2. On 31.07.2018 Company process the arrear salary for the month of July, 2018 and clear the payments through electronic transfer from Axis bank.

3. On 31.07.2018 pass Employer PF Contribution, PF Admin Charges and Employer ESI Contribution entries for the month of July, 2018 for the revised payroll.

4. Pass the attendance entries with the employee's attendance detail as on 31.07.2018 for the month of July, 2018 as given below.

Attendance Type	Bipasha	Danish	Jai	Mani	Joyti	Pallav	Sampurna	Shweta	Santosh	Tiysha
Absent (in Days)	2	0	0	0	1	0	0	1	1	0
Overtime (Minutes)	0	0	0	40	60	0	0	0	0	90

5. On. 31.07.2018 Company declared incentive and Portion of advance deductible for the month of July, 2018. The details are given below table. Pass the Incentive and Advance process entries against Salary Payable.

Pay Head	Bipasha	Danish	Sampurna	Shweta	Jyoti	Santosh
Incentive	₹ 1400	₹ 1750	₹ 900	₹ 1600	--	--
Advance	₹ 1500	--	--	₹ 750	₹ 1000	₹ 1250

6. On. 31.07.2018 Company process the salary, Employer PF Contribution, PF Admin Charges and Employer ESI Contribution for the month of July, 2018.

7. On 01.08.2018 Company paid the due salary through Axis bank. Pass the entry and generate Bank Payment Advice letter for the disbursement of salary through Axis Bank

8. On 02.08.2018 Company clear the all outstanding statutory payments through Axis Bank as per details below.

Payment Head	Cheque No.	Payment Period	Cheque Favoring Name
Employees PF Contribution	666290	From 01.07.2018 to 31.07.2018	EPFO
PF Payable (employer)			
PF Admin Charges@1.10%			
EDLI Contribution@0.5%			
EDLI Admin@0.01%			
Employees ESI Contribution	666291	From 01.07.2018 to 31.07.2018	ESIC
ESI Payable (Employer)			