

UPCISS



TallyPrime

Tally Prime

Case Study 5 Exercise

Payroll Management

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What is Payroll?

The administration of the financial record of employees' salaries, wages, bonuses, net pay, and deductions.

Payroll is an employee's salary management system like:

TA (Travelling Allowance)

DA (Dearness Allowance)

HRA (House Rent Allowance)

Overtime

PT (Professional tax)

EPF (Employees' Provident Fund)

Canteen Deduction

Bonus

Advance Salary Deduction

April 2022		
1	1-4-2022	Mr. Gulabchand started a business with cash Rs. 500000.
2	8-4-2022	Mr. Gulabchand deposited cash Rs. 400000 in to HDFC Bank.
3	18-4-2022	Mr. Gulabchand purchased furniture of Rs. 12000 and AC of Rs. 26500 and payment made by cheque.
4	25-4-2022	Mr. Gulabchand paid cash Rs. 1200 for Stationary expenses.

May 2022

5	1-5-2022	Mr. Gulabchand appoint the following employees. 1. Manoj Verma as accountant manager 2. Rahul Rai as sales manager 3. Pooja Verma as production manager		
Their pay structure is as shown in the following table.				
Pay Head		Manoj Verma	Rahul Rai	Pooja Verma
Basic Pay		Rs. 8000/Month	Rs. 7000/Month	Rs. 6000/Month
Overtime		Rs. 100/Hrs.	Rs. 50/Hrs.	Rs. 80/Hrs.
TA		Rs. 800 Flat per Month		
DA		As per law on current earning totals [<20000 (5%), <40000 (6%), else (8%)]		
HRA		20% of Basic Pay		
Bonus		As User defined Value		
Canteen Deduction		Rs. 600 Flat per month		
Professional Tax		As per law on current earning totals [<5000 (0), <8000 (60), <10000(100), <15000(150) else (200)]		
EPF Deduction		As per law, 12% on Basic Pay		

1. Create Employee Category

Employee Category Creation

Name : **Head Office**
 (alias) :

Allocate Revenue Items : **Yes**

Allocate Non-revenue items : **No**

2. Create Employee Group

Employee Group Creation

Category : **Head Office**

Name : **Manager**
 (alias) :

Under : ♦ **Primary**

Define salary details : **No**



3. Create All Employee

Employee Alteration		UPCISS Payroll Management	
Category	:	Head Office	
Name	:	Manoj Verma	
(alias)	:		
Under	:	Manager (// Primary)	
Date of joining	:	1-May-2021	
Define salary details	:	No	
Date of resignation/retirement	:		
General Information		Provide bank details : No	
Employee Number	:	01	
Designation	:	Accountant	
Function	:		
Location	:		
Gender	:	Male	
Date of birth	:		
Blood group	:		
Father's/mother's name	:		
Spouse's name	:		
Address	:		
Phone no.	:		
E-Mail	:		
		Statutory Details	
		Income Tax Number (PAN) :	
		Aadhaar number :	
		Universal Account Number (UAN):	
		PF account number :	
		PR account number (PRAN) :	
		ESI number :	

Similarly for Rahul Rai and Pooja Verma

4. Create Unit

Unit Creation		Unit Creation			
Type	:	Simple	Type	:	Simple
Symbol	:	Hrs	Symbol	:	Min
Formal name	:	Hours	Formal name	:	Minutes
Number of decimal places	:	0	Number of decimal places	:	0

Unit Creation		
Type	:	Compound
Units with Multiplier Factors (example: Kgs of 1000 gms)		
First unit	Conversion	Second unit
Hrs	of 60	Min

5. Create Attendance/Production Type

Attendance/Production Type Creation		UPCISS Payroll Management
Name	: Paid Leave	Master Creation Attendance/Production Type
(alias)	:	
Under	: ♦ Primary	
Attendance type	: Attendance / Leave with Pay	List of Attendance Types Attendance / Leave with Pay Leave without Pay Production User Defined Calendar Type
Period type	: Days	

Attendance/Production Type Creation		UPCISS Payroll Management
Name	: Absent	Master Creation Attendance/Production Type
(alias)	:	
Under	: ♦ Primary	
Attendance type	: Leave without Pay	List of Attendance Types Attendance / Leave with Pay Leave without Pay Production User Defined Calendar Type
Period type	: Days	

Attendance/Production Type Creation		UPCISS Payroll Management
Name	: Overtime	Master Creation Attendance/Production Type
(alias)	:	
Under	: ♦ Primary	
Attendance type	: Production	DATE OF LAST ENTRY No Vouchers Entered
Unit	: Hrs of 60 Min	
		Units Hrs (Hours) Hrs of 60 Min Min (Minutes)

6. Create Pay Head

Pay Head Creation	
Name	: Basic Pay
(alias)	:

Pay Head Creation	
Name	: Overtime
(alias)	:

Pay Head Information	
Pay head type	: Earnings for Employees
Income type	: Fixed
Under	: Indirect Expenses
Affect net salary	: Yes
Name to be displayed in payslip	: Basic Pay
Use for calculation of gratuity	: No
Calculation type	: On Attendance
Attendance/leave with pay	: ♦ Not Applicable
Leave without pay	: Absent
Calculation period	: Months
Basis of calculation (per day)	: As per Calendar Period

Pay Head Information	
Pay head type	: Earnings for Employees
Income type	: Fixed
Under	: Indirect Expenses
Affect net salary	: Yes
Name to be displayed in payslip	: Overtime
Use for calculation of gratuity	: No
Calculation type	: On Production
Production type	: Overtime

Rounding Off Information	
Rounding Method	: ♦ Not Applicable

Pay Head Creation	
Name	: TA
(alias)	:

Pay Head Creation	
Name	: Bonus
(alias)	:

Pay Head Information	
Pay head type	: Earnings for Employees
Income type	: Fixed
Under	: Indirect Expenses
Affect net salary	: Yes
Name to be displayed in payslip	: TA
Use for calculation of gratuity	: No
Calculation type	: Flat Rate
Calculation period	: Months

Pay Head Information	
Pay head type	: Earnings for Employees
Income type	: Variable
Under	: Indirect Expenses
Affect net salary	: Yes
Name to be displayed in payslip	: Bonus
Use for calculation of gratuity	: No
Calculation type	: As User Defined Value

Pay Head Creation		UPCISS Payroll Management
Name	: DA	Total Opening Balance
(alias)	:	

Pay Head Information	
Pay head type	: Earnings for Employees
Income type	: Fixed
Under	: Indirect Expenses
Affect net salary	: Yes
Name to be displayed in payslip	: DA
Use for calculation of gratuity	: No
Calculation type	: As Computed Value
Calculation period	: Months

Computation Information				
Compute	: On Current Earnings Total			
Effective From	Amount Greater Than	Amount Up To	Slab Type	Value
1-Apr-22		20,000.00	Percentage	5 %
	20,000.00	40,000.00	Percentage	6 %
	40,000.00		Percentage	8 %

Pay Head Creation		UPCISS Payroll Management														
Name	: HRA	Total Opening Balance														
(alias)	:															
Pay Head Information Pay head type : Earnings for Employees Income type : Fixed Under : Indirect Expenses Affect net salary : Yes Name to be displayed in payslip : HRA Use for calculation of gratuity : No Calculation type : As Computed Value Calculation period : Months		Computation Information Compute : On Specified Formula Specified formula : Basic Pay <table border="1"> <thead> <tr> <th>Effective From</th> <th>Amount Greater Than</th> <th>Amount Up To</th> <th>Slab Type</th> <th>Value</th> </tr> </thead> <tbody> <tr> <td>1-Apr-22</td> <td></td> <td></td> <td>Percentage</td> <td>20 %</td> </tr> </tbody> </table>					Effective From	Amount Greater Than	Amount Up To	Slab Type	Value	1-Apr-22			Percentage	20 %
Effective From	Amount Greater Than	Amount Up To	Slab Type	Value												
1-Apr-22			Percentage	20 %												

Pay Head Creation	
Name	: Canteen Deduction
(alias)	:
Pay Head Information Pay head type : Deductions From Employees Under : Current Assets Affect net salary : Yes Name to be displayed in payslip : Canteen Deduction Calculation type : Flat Rate Calculation period : Months	



Pay Head Creation		UPCISS Payroll Management																																		
Name	: Professional Tax	Total Opening Balance																																		
(alias)	:																																			
Pay Head Information Pay head type : Employees' Statutory Deductions Under : Current Liabilities Affect net salary : Yes Name to be displayed in payslip : Professional Tax Calculation type : As Computed Value Calculation period : Months		Computation Information Compute : On Current Earnings Total <table border="1"> <thead> <tr> <th>Effective From</th> <th>Amount Greater Than</th> <th>Amount Up To</th> <th>Slab Type</th> <th>Value</th> </tr> </thead> <tbody> <tr> <td>1-Apr-22</td> <td></td> <td>5,000.00</td> <td>Value</td> <td>0</td> </tr> <tr> <td></td> <td>5,000.00</td> <td>8,000.00</td> <td>Value</td> <td>60</td> </tr> <tr> <td></td> <td>8,000.00</td> <td>10,000.00</td> <td>Value</td> <td>100</td> </tr> <tr> <td></td> <td>10,000.00</td> <td>15,000.00</td> <td>Value</td> <td>150</td> </tr> <tr> <td></td> <td>15,000.00</td> <td></td> <td>Value</td> <td>200</td> </tr> </tbody> </table>					Effective From	Amount Greater Than	Amount Up To	Slab Type	Value	1-Apr-22		5,000.00	Value	0		5,000.00	8,000.00	Value	60		8,000.00	10,000.00	Value	100		10,000.00	15,000.00	Value	150		15,000.00		Value	200
Effective From	Amount Greater Than	Amount Up To	Slab Type	Value																																
1-Apr-22		5,000.00	Value	0																																
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	8,000.00	10,000.00	Value	100																																
	10,000.00	15,000.00	Value	150																																
	15,000.00		Value	200																																

Pay Head Creation		UPCISS Payroll Management														
Name	: EPF Deduction	Total Opening Balance														
(alias)	:															
Pay Head Information Pay head type : Employees' Statutory Deductions Under : Current Liabilities Affect net salary : Yes Name to be displayed in payslip : EPF Deduction Calculation type : As Computed Value Calculation period : Months		Computation Information Compute : On Specified Formula Specified formula : Basic Pay <table border="1"> <thead> <tr> <th>Effective From</th> <th>Amount Greater Than</th> <th>Amount Up To</th> <th>Slab Type</th> <th>Value</th> </tr> </thead> <tbody> <tr> <td>1-Apr-22</td> <td></td> <td></td> <td>Percentage</td> <td>12 %</td> </tr> </tbody> </table>					Effective From	Amount Greater Than	Amount Up To	Slab Type	Value	1-Apr-22			Percentage	12 %
Effective From	Amount Greater Than	Amount Up To	Slab Type	Value												
1-Apr-22			Percentage	12 %												

7. Alter Define Salary

Gateway of Tally		Payroll Masters
MASTERS		Employee Category
Create		Employee Group
Alter		Employee
Chart of Accounts		Units (Work)
		Attendance/Production Type
		Pay Heads
		Define Salary
		Payroll Voucher Type
List of Groups / Employees		
		Create Back
Manager	♦ Primary	Head Office
Manoj Verma	Manager	Head Office
Pooja Verma	Manager	Head Office
Rahul Rai	Manager	Head Office

Salary Details Alteration				UPCISS Payroll Management		
Name	: Manoj Verma (01)					
Under	: Manager (If Primary)					
Salary Details						
Effective From	Pay Head	Rate	Per	Pay Head Type	Calculation Type	Computed On
1-May-22	Basic Pay	8,000.00	Months	Earnings for Employees	On Attendance	On Current Earnings Total Basic Pay
	Overtime	100.00	Hrs	Earnings for Employees	On Production	
	TA	800.00	Months	Earnings for Employees	Flat Rate	
	DA			Earnings for Employees	As Computed Value	
	HRA			Earnings for Employees	As Computed Value	
	Bonus			Earnings for Employees	As User Defined Value	On Current Earnings Total Basic Pay
	Canteen Deduction	600.00	Months	Deductions From Employees	Flat Rate	
	Professional Tax			Employees' Statutory Deductions	As Computed Value	
	EPF Deduction			Employees' Statutory Deductions	As Computed Value	

Salary Details Alteration		UPCISS Payroll Management				
Name	: Pooja Verma (03)					
Under	: Manager (If Primary)					
Salary Details						
Effective From	Pay Head	Rate	Per	Pay Head Type	Calculation Type	Computed On
1-May-22	Basic Pay	6,000.00	Months	Earnings for Employees	On Attendance	On Current Earnings Total Basic Pay
	Overtime	80.00	Hrs	Earnings for Employees	On Production	
	TA	800.00	Months	Earnings for Employees	Flat Rate	
	DA			Earnings for Employees	As Computed Value	
	HRA			Earnings for Employees	As Computed Value	
	Bonus			Earnings for Employees	As User Defined Value	On Current Earnings Total Basic Pay
	Canteen Deduction	600.00	Months	Deductions From Employees	Flat Rate	
	Professional Tax			Employees' Statutory Deductions	As Computed Value	
	EPF Deduction			Employees' Statutory Deductions	As Computed Value	

Salary Details Alteration		UPCISS Payroll Management				
Name	: Rahul Rai (02)					
Under	: Manager (If Primary)					
Salary Details						
Effective From	Pay Head	Rate	Per	Pay Head Type	Calculation Type	Computed On
1-May-22	Basic Pay	7,000.00	Months	Earnings for Employees	On Attendance	On Current Earnings Total Basic Pay
	Overtime	50.00	Hrs	Earnings for Employees	On Production	
	TA	800.00	Months	Earnings for Employees	Flat Rate	
	DA			Earnings for Employees	As Computed Value	
	HRA			Earnings for Employees	As Computed Value	
	Bonus			Earnings for Employees	As User Defined Value	On Current Earnings Total Basic Pay
	Canteen Deduction	600.00	Months	Deductions From Employees	Flat Rate	
	Professional Tax			Employees' Statutory Deductions	As Computed Value	
	EPF Deduction			Employees' Statutory Deductions	As Computed Value	

8. Alter Define Salary

6	31-5-2022	Company adjust the salaries of employee for July month on the bases of present as per given below and paid salary by cheque.												
<table border="1"> <thead> <tr> <th>Name of Employee</th><th>Absent</th><th>Overtime</th></tr> </thead> <tbody> <tr> <td>Manoj Verma</td><td>3</td><td>5 Hrs</td></tr> <tr> <td>Pooja Verma</td><td>2</td><td>7 Hrs</td></tr> <tr> <td>Rahul Rai</td><td>2</td><td>8 Hrs</td></tr> </tbody> </table>			Name of Employee	Absent	Overtime	Manoj Verma	3	5 Hrs	Pooja Verma	2	7 Hrs	Rahul Rai	2	8 Hrs
Name of Employee	Absent	Overtime												
Manoj Verma	3	5 Hrs												
Pooja Verma	2	7 Hrs												
Rahul Rai	2	8 Hrs												

Gateway of Tally

MASTERS

Create
Alter
Chart of Accounts

TRANSACTIONS

Vouchers
Day Book

F10: Other Vouchers

Payroll Vouchers

Attendance
Payroll *Ctrl+F4*

Attendance Voucher Creation		UPCISS Payroll Management			31-May-22 Tuesday	
Attendance	No. 1					
Employee Name	Employee Number	Attendance/Production Type			Value	Unit
Manoj Verma	01	Absent	Cur Bal: 3 Days		3 Days	
Pooja Verma	03	Absent	Cur Bal: 2 Days		2 Days	
Rahul Rai	02	Absent	Cur Bal: 2 Days		2 Days	
Manoj Verma	01	Overtime	Cur Bal: 5- 0 Hrs		5 Hrs	
Pooja Verma	03	Overtime	Cur Bal: 7- 0 Hrs		7 Hrs	
Rahul Rai	02	Overtime	Cur Bal: 8- 0 Hrs		8 Hrs	

Payroll Vouchers

Attendance
Payroll *Ctrl+F4*

E: Autofill

Autofill

Type of transaction : Payroll Autofill
 Process for : Salary
 From (blank for beginning) : 1-5-2022
 To (blank for end) : 31-5-2022
 Employee Category : Head Office
 Employee/Group : Manager
 Sort by : Employee Name
 Payroll/Bank/Cash Ledger : HDFC Bank
 Use Mode of Payment/Transaction Type : No

Payroll Voucher Creation

UPCISS Payroll Management

Payroll

No. 1

31-May-22
Tuesday

Status : Payroll autofill (Salary)

Account : HDFC Bank

Cur Bal: 3,61,500.00 Dr

Particulars

Amount

Head Office

23,810.42 Dr

Manoj Verma

8,780.16 Dr

Basic Pay

7,225.81 Dr

Cur Bal: 7,225.81 Dr

Overtime

500.00 Dr

Cur Bal: 500.00 Dr

TA

800.00 Dr

Cur Bal: 800.00 Dr

DA

426.29 Dr

Cur Bal: 426.29 Dr

HRA

1,445.16 Dr

Cur Bal: 1,445.16 Dr

Canteen Deduction

600.00 Cr

Cur Bal: 600.00 Cr

Professional Tax

150.00 Cr

Cur Bal: 150.00 Cr

EPF Deduction

867.10 Cr

Cur Bal: 867.10 Cr

Pooja Verma

7,070.58 Dr

Basic Pay

5,612.90 Dr

Cur Bal: 5,612.90 Dr

Overtime

560.00 Dr

Cur Bal: 560.00 Dr

TA

800.00 Dr

Cur Bal: 800.00 Dr

DA

348.65 Dr

Cur Bal: 348.65 Dr

HRA

1,122.58 Dr

Cur Bal: 1,122.58 Dr

Canteen Deduction

600.00 Cr

Cur Bal: 600.00 Cr

Professional Tax

100.00 Cr

Cur Bal: 100.00 Cr

EPF Deduction

673.55 Cr

Cur Bal: 673.55 Cr

Rahul Rai

7,959.68 Dr

Basic Pay

6,548.39 Dr

Cur Bal: 6,548.39 Dr

Overtime

400.00 Dr

Cur Bal: 400.00 Dr

TA

800.00 Dr

Cur Bal: 800.00 Dr

DA

387.42 Dr

Cur Bal: 387.42 Dr

4

It takes a lot of hard work to make notes, so if you can pay some fee 50, 100, 200 rupees which you think is reasonable, if you are able to Thank you...

नोट्स बनाने में बहुत मेहनत लगी है , इसलिए यदि आप कुछ शुल्क 50,100, 200 रूपए जो आपको उचित लगता है pay कर सकते है, अगर आप सक्षम है तो, धन्यवाद ।



Jitendra Kumar

Account Number

17000100008177

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