

Sales and Purchase Entries in Tally ERP 9

**Sales and Purchase Entries** are fundamental transactions in Tally ERP 9. These entries help in recording the sale and purchase of goods and services, maintaining accurate accounting records, and generating essential financial reports.

**Sales Voucher** is used to record the Sales transactions of the company. You can pass an entry using the Voucher mode or the Invoice mode where the calculations can be automated and the transactions can be fed into the system easily.

Recording a Sales Entry

When a company sells goods on credit or cash, Sales voucher is used to record all the Sales transactions of the company.

- Go to Gateway of Tally > Accounting Vouchers
- Click on F8:Sales on the Button Bar or press F8 .

For example, if you are selling goods to Debtor A for a value of Rs. 10000/-

- Debit Customer's Account.
- Credit Sales Account.

Recording a Sales Invoice

When a sales transaction is made, a document detailing the transaction (item name, tax, etc) has to be given to the buyer or debtor as proof of purchase by him. This document is called invoice or bill or cash memo. Tally.ERP 9 provides the option of creating Invoices. You can also alter an invoice to change the party details.

Account Invoice

Sales account invoice is generally used by professionals such as doctors and consultants who require to issue an invoice for certain services provided such as consultancy charges, professional fees, etc.

Trading and manufacturing organizations also use the Account Invoice for invoicing service charges.



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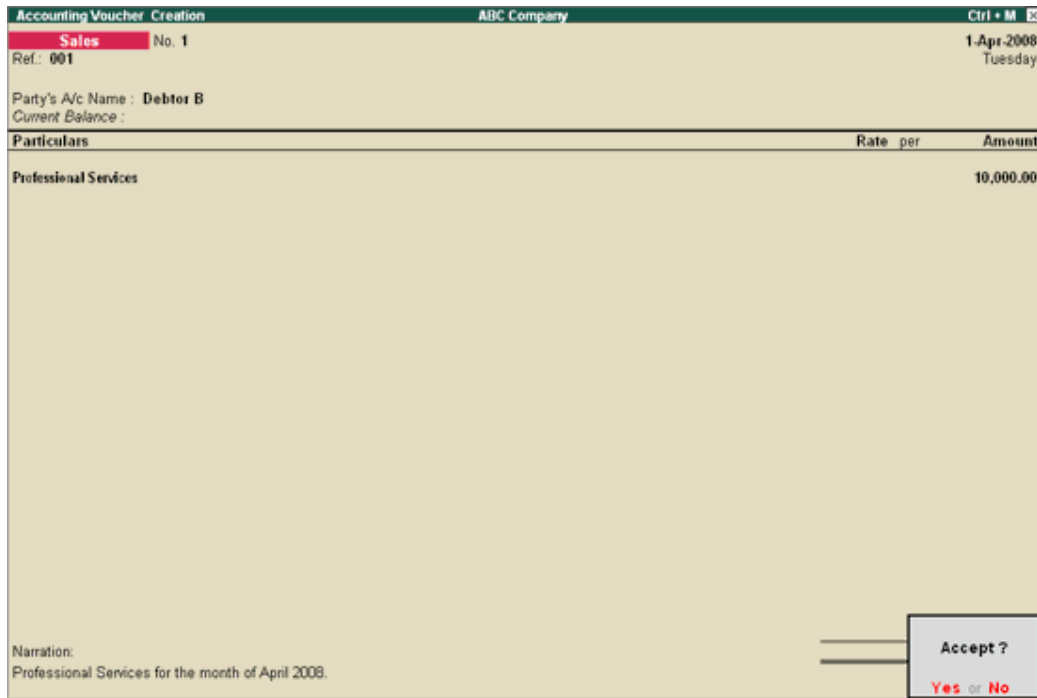


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On the Sales entry screen, click Acct Invoice , which is displayed on the Button Bar on the right-hand side of the screen to display the Sales Account Invoice screen.

Pass a sales account invoice for Service provided to Debtor B:



Account Invoice mode displays the list of ledger accounts, which can be invoiced as required. This is unlike Item Invoice where Tally.ERP 9 displays the list of stock items.

**Item Invoice**

Invoicing is generally used for sale of stock where the details of the items sold are listed. Selecting the Item Invoice allows you to select the stock items that need to be invoiced. Trading and manufacturing organizations commonly use this format.

On the Sales invoice screen, click the button Item Invoice , which is displayed on the Button Bar on the right side of the screen and the Sales Item Invoice appears as shown below:

Pass a Sales Invoice against sale of Item A - 50 Nos. @ Rs. 15/= per quantity to Debtor C:

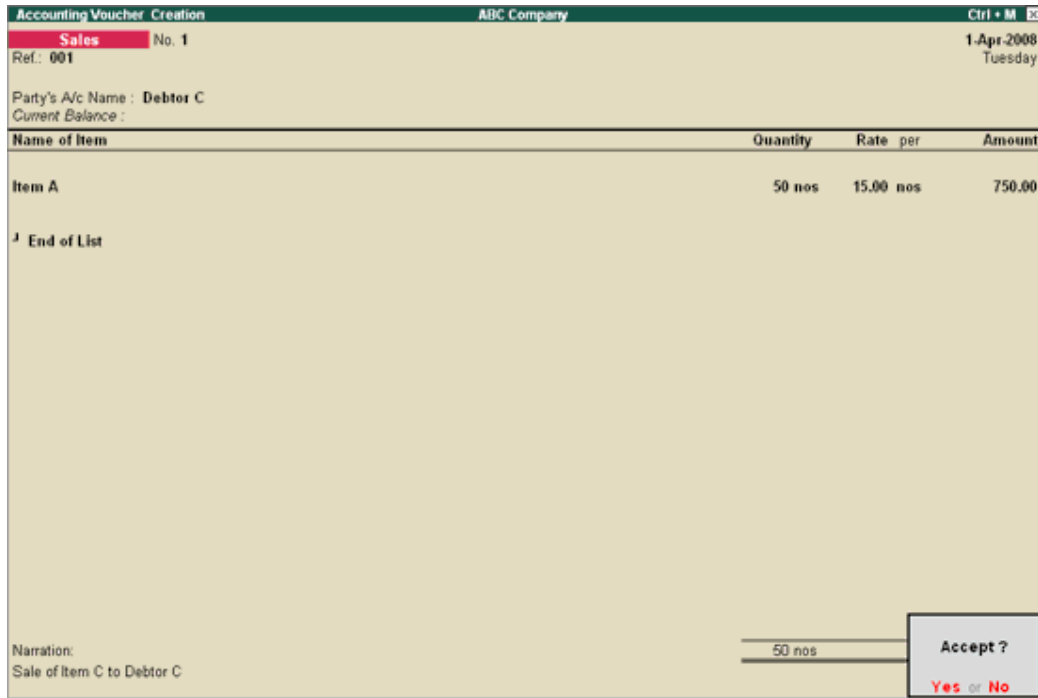
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Item Invoice mode displays the list of stock items, which can be invoiced as required.

**Enable or disable item allocation screen in item invoice**

If the following inventory features are enabled for the company and used, the item allocation screen will appear in item invoice:

- Godown
- Batches
- Tracking
- Order details

You can disable the features listed above (from F11 > F2: Inventory Features ) if you do not want to view the item allocation screen.

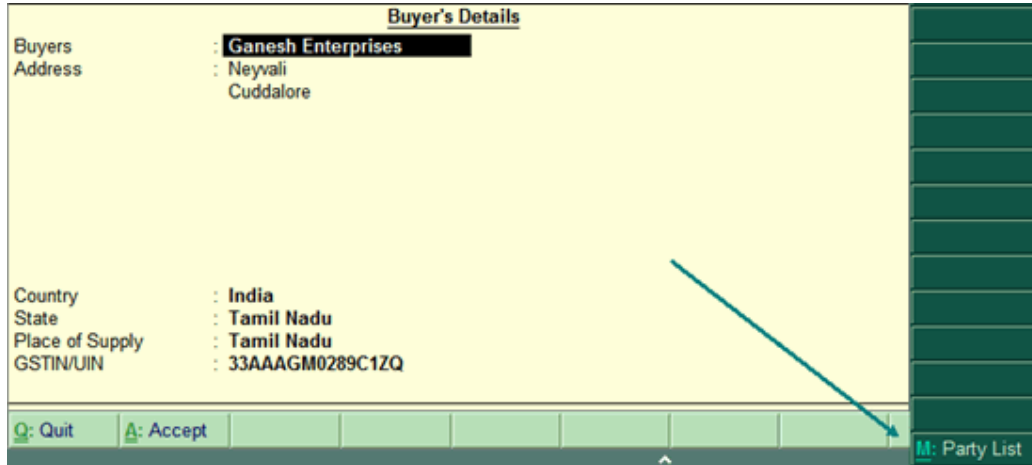
Alter Party details in invoice

- Open the invoice in alteration mode.

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- Select the party ledger, and press Enter to view the Party Details screen.



- Press Alt+M and select the required party ledger.

**Special Keys for Voucher Narration Field**

- ALT+R : Recalls the Last narration saved for the first ledger in the voucher, irrespective of the voucher type.
- CTRL+R : Recalls the Last narration saved for a specific voucher type, irrespective of the ledger.

**Configuring an Invoice**

Before creating the Invoice, you can set your Invoice Configurations from F12: configure .

1. Go to Gateway of Tally > Accounting Vouchers > F8: Sales or F9: Purchases (As Invoice) .
2. Click F12: Configure .

**Sales Invoice Standard Configuration**

The first screen of Sales Invoice Standard Configuration screen has the following options:

1. **Accept supplementary details:** Set this option to Yes to specify the despatch details. If this option is set to No , Print Default Name and Address of Party will be enabled for configuring.

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2. **Allow separate buyer and consignee names:** Enabling this option will allow entering Consignee details in the invoice.
3. **Use common ledger A/c for Item Allocation:** Enabling this option allows faster data entry by allocating all the items to a single sales ledger in the invoice.
4. **Use defaults for bill allocations:** Enabling this option will allocate Bill Numbers automatically as defined in voucher type master in ascending order.
5. **User voucher no. as bill ref. no. for bill allocations:** When this option is set to Yes , the voucher number will be taken as the bill reference number during bill allocation.
6. **Use Additional Description(s) for item name:** Enabling this option will allow specifying of any additional description for item during voucher entry.
7. **Use Additional Description(s) for ledger name:** Enabling this option will allow specifying of any additional description for ledger during voucher entry.
8. **Calculate tax on current sub-total (else calculations are on inventory total only):** If this option is enabled, tax will be calculated after considering additional income or expenses.
9. **Warn on Negative Stock Balance:** If this option is enabled, when there is an insufficient stock during sales entry, a warning message of negative stock with quantity details will be displayed.

**Printing a Sales Invoice**

To print any Invoice/voucher, press ALT+P or click on the button Print . You can configure the voucher type to print automatically after saving the voucher for which, the option Print after saving Voucher must be set to Yes.

Voucher Printing			
Printer	: Microsoft XPS Document Writer (PORTPROMPT:)	Paper type:	A4
Number of copies	: 1		
Print language	: English		(Printing dimensions)
Print format	: Neat Mode on pre-printed paper	Paper size:	(8.27" x 11.69") or (210 mm x 297 mm)
Range of pages to print:	All	Print area :	(8.27" x 11.69") or (210 mm x 297 mm)
Report Titles			
TAX INVOICE			Print ?
(with Print Preview)			Yes or No
Without company address, Without company CIN, Without company website, With			

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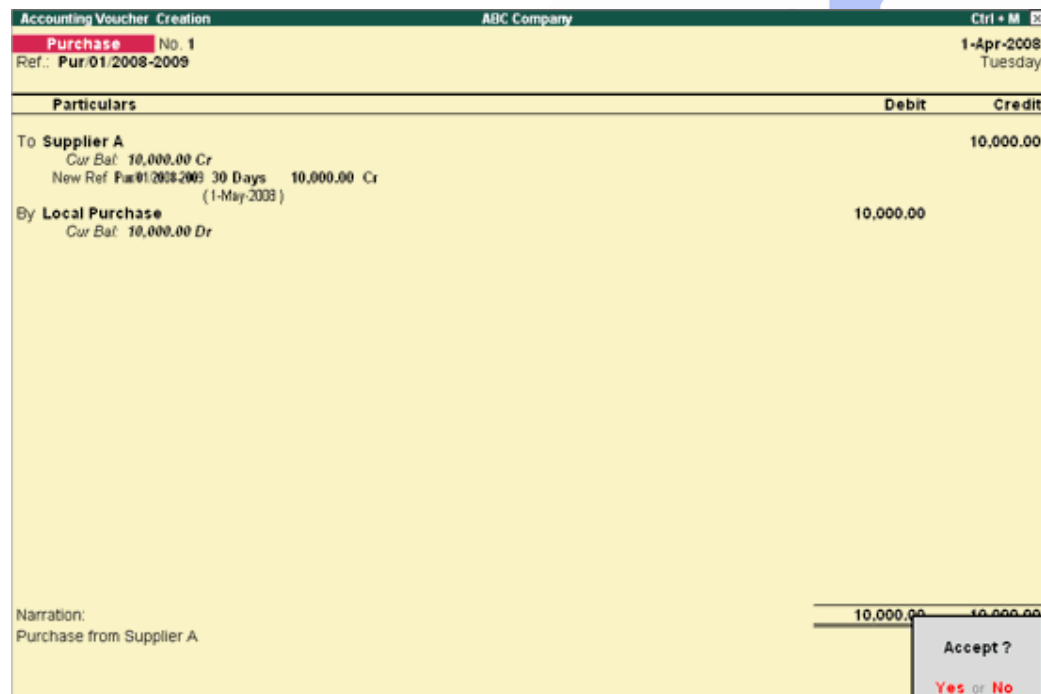
**Recording a Purchase Entry**

When a company buys goods on credit or cash, Purchase voucher is used to record all the Purchase transactions of the company.

- Go to Gateway of Tally > Accounting Vouchers.
- Click on F9:Purchase on the Button Bar or press F9 .

For example, if you are purchasing goods from Supplier A for a value of Rs. 10000/-

- Debit Purchase Account.
- Credit Party Account.



Particulars	Debit	Credit
To Supplier A Cur Bal: 10,000.00 Cr New Ref: Pur:01/2008-2009 30 Days 10,000.00 Cr (1-May-2008)		10,000.00
By Local Purchase Cur Bal: 10,000.00 Dr	10,000.00	
Narration: Purchase from Supplier A		
	10,000.00	10,000.00

To pass a Purchase entry in the Invoice mode, you need to enable the option Enable Invoicing in F11: Features (F1: Accounting or F2: Inventory Features) .

Invoice mode is of two types, namely:

- An Account Invoice

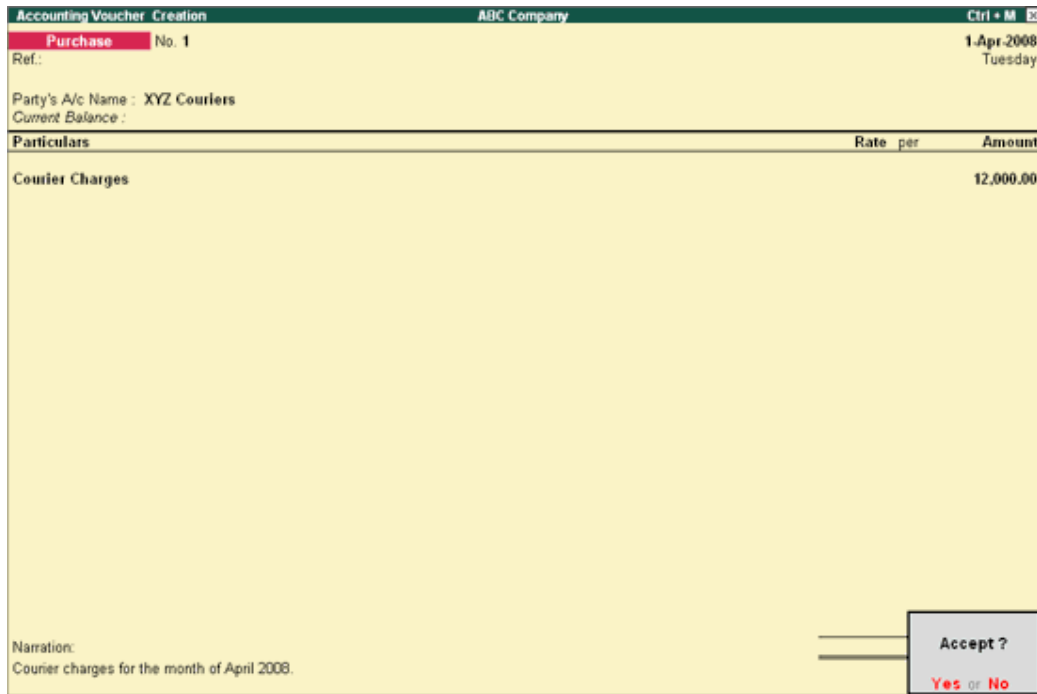
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- An Item Invoice

**Account Invoice:** You will be directly selecting/debiting the Ledger account in case you are passing an Account Invoice. This is useful especially when a Service Bill is entered and does not include Inventory.

**Pass a purchase Invoice for Service availed from XYZ Couriers.**



Accounting Voucher Creation      ABC Company      Ctrl + M    Esc

**Purchase**    No. 1      1-Apr-2008  
Ref.      Tuesday

Party's A/c Name : XYZ Couriers  
Current Balance :

Particulars	Rate per	Amount
Courier Charges		12,000.00

Narration:  
Courier charges for the month of April 2008.

**Accept ?**  
Yes or No

**Item Invoice:** You will be first selecting the Inventory and then allocating the same to the relevant Ledger account. This is useful to record all the Inventory movements in books of account.

**Pass a Purchase Invoice against purchase of Item A - 100 Nos. @ Rs. 10/= per quantity from LMN & Company.**

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Accounting Voucher Creation			
Purchase		No. 1	1-Apr-2008 Tuesday
Party's A/c Name : LMN & Company Current Balance : 1,00,000.00 Cr			
Name of Item	Quantity	Rate per	Amount
Item A	100 nos	10.00 nos	1,000.00
^ End of List			
Narration: Purchase of Item A from LMN & Company.		100 nos	Accept ? Yes or No

**Configuring an Invoice**

Before creating the Purchase Invoice, you can set your Invoice Configurations from F12 configure:

- Go to Gateway of Tally > Accounting Vouchers > F9: Purchases (As Invoice)
- Select F12 Configure.

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Purchase Invoice Configuration			
General Options		Statutory Options	
Accept supplementary details (Address details, despatch details, etc.)	? <b>Yes</b>	Calculate tax on current sub-total (else calculations are on inventory total only)	? Yes
Allow separate buyer and consignee names	? No	Activate E1 or E2 transaction(VAT)	? Yes
Use common ledger A/c for item allocation	? Yes		
Allow expenses/fixd assets for accounting allocations	? Yes	Other Options	
Allow ledgers grouped under provision	? No	Show turnover achieved with customer	? No
Use defaults for bill allocations	? No	Calculate MRP on billed quantity	? Yes
Use additional description(s) for item name	? Yes	Allow modification of all the fields during entry	? Yes
Use additional description(s) for ledger name	? No	Warn on negative stock balance	? Yes
Allow overriding method of Allocation for duty ledger	? No	Use expired batches for all stock items	? Yes
Consolidate stock items with same rates	? No	Show batches with zero quantity	? Yes
Show compound unit of item based on rate	? No		
Show full details of compound unit	? No		
Use pre-closure order details	? No		
Print Cheque after Saving Voucher	? Yes		
Confirm each cheque before print	? Yes		
Use defaults for bank allocations	? No		
Use Auto Cheque Numbering	? Yes		
Allow Selection of Cheque Range	? Yes		
Show remarks	? Yes		
Importers' Options			
Specify Import Shipping details	? No		
Specify marks and nos./container no.	? No		
Specify no. and kind of packages	? No		

- Set the options, as required.

**Assignment on Sales and Purchase Entry**

**Question 1: Sales Entry**

**Scenario:** XYZ Enterprises sold 100 units of Product A to DEF Ltd. on 15th August 2024. The rate per unit of Product A is Rs. 150. Record the sales entry in Tally ERP 9.

**Details:**

- Date: 15th August 2024
- Sales Ledger: Sales Account
- Party's A/c Name: DEF Ltd.
- Item: Product A
- Quantity: 100 units
- Rate: Rs. 150 per unit

**Tasks:**



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1. Create a sales entry in Tally ERP 9.
2. Ensure the correct sales ledger and party account are selected.
3. Calculate the total amount and record the entry.



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Question 2: Purchase Entry

**Scenario:** ABC Traders purchased 200 units of Raw Material B from GHI Suppliers on 20th July 2024. The rate per unit of Raw Material B is Rs. 75. Record the purchase entry in Tally ERP 9.

Details:

- Date: 20th July 2024
- Purchase Ledger: Purchase Account
- Party's A/c Name: GHI Suppliers
- Item: Raw Material B
- Quantity: 200 units
- Rate: Rs. 75 per unit

Tasks:

1. Create a purchase entry in Tally ERP 9.
2. Ensure the correct purchase ledger and party account are selected.
3. Calculate the total amount and record the entry.



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Question 3: Sales Entry

**Scenario:** PQR Pvt. Ltd. sold 150 units of Product C to MNO Ltd. on 25th September 2024. The rate per unit of Product C is Rs. 120. Record the sales entry in Tally ERP 9.

Details:

- Date: 25th September 2024
- Sales Ledger: Sales Account
- Party's A/c Name: MNO Ltd.
- Item: Product C
- Quantity: 150 units
- Rate: Rs. 120 per unit

Tasks:



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1. Create a sales entry in Tally ERP 9.
2. Ensure the correct sales ledger and party account are selected.
3. Calculate the total amount and record the entry.

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