



*"Tally.ERP 9 is a wonderful software. Rent processing, investment management and dead stock control are easily handled by the flexible Tally.ERP 9. We find a host of other benefits as well."*

- Santhosh C Kurian

## Religious Trust Optimises Payroll & Invoicing Efficiency using Tally.ERP 9

### CUSTOMER OVERVIEW

The Roman Catholic Cathedral Trust (RCCT) is a religious and charitable Institution under the Archdiocese of Mumbai. It owns various immovable properties (both residential and commercial) located in the heart of Mumbai and needs to reach out to hundreds of tenants.

The RCCT also lends a helping hand to NGOs and individuals across the State of Maharashtra, and donates over Rs.2,00,00,000/- each financial year to education, medical and other charitable causes. This trust is considered a leading institution in the Archdiocese.

RCCT has a vision to impact development at the grass roots, and adopts various rehabilitation programmes like construction of housing colonies for tribal people and financing educational projects for economically backward boys and girls, to facilitate this.

### BUSINESS CHALLENGE

The trust faced challenges in payroll processing, accounting, register maintenance and tax related issues. Salaries were processed manually for the 40 employees, and the processing involved attendance, preparation of the salary register, pay slips, payment advice to Bank, statutory documents relating to Provident Fund and Professional Tax. This took 2 man days for a senior accountant month-on-month, and the services of a paid Provident Fund consultant for a week at the year end for PF annual form preparation and reconciliation.

The monthly rent bills and rent receipts were prepared using MS Word and manually maintained in a register for 140 tenants of the Trust. This took 3 man-days for the account assistants.

As landlord, the Trust incurs continuous expenses for repairs and maintenance, and also legal and professional fees which are subject to tax deducted at source (TDS).

A record of TDS was maintained manually by the Senior Accountant for preparing challans and timely statutory returns to the Government.

Apart from these monthly exercises, the preparation of Quarterly Return (Form 26Q) was done in the Return Preparation Utility (RPU) software they used at the time, which required the manual entry of all the information pertaining to the organisation and TDS for the quarter. This process used to consume 2 mandays of the Senior Accountant. Preparation of TDS Certificates (Form 16 A) for the numerous deductees was done using MS Excel, which was a cumbersome exercise.

Being a religious and charitable Trust, the major portion of the 'fund' is invested in fixed deposits with various scheduled Banks and other financial institutions approved by the Charity Commissioner. To obtain the 'Tax Exemption Certificate' under Section 197 regarding the interest on these fixed deposits, a detailed statement of fixed deposits (separate statements for each bank/institution) with the anticipated interest for the future financial year needed to be furnished to the Income Tax Department. A bound investment register containing manual entries was maintained by the Accountant.

Further, to comply with legal requirements for Public Trusts having 'movable properties', RCCT needed to record information such as the location of the movable properties, opening quantity with value, purchases during the period, disposes/discards during the period and the closing quantity with value in a 'Dead Stock Register'. The entire process was handled via manual entries in a physical book, from which the required reports were extracted at the end of every financial year.

## THE SOLUTION

Installation of Tally.ERP 9 benefited the Trust in many ways.

The entire process of payroll now takes a maximum of 3 minutes for each month and Tally.ERP 9 has fulfilled all their internal and statutory requirements regarding

salaries, Provident Fund & Professional Tax.

RCCT staff created individual ledgers for each tenant and started generating the monthly 'Rent Bills' in the 'Accounts Invoice' mode. The 'Rent Receipts' were also generated from Tally.ERP 9. Since these transactions are recorded under the facility 'balance bill by bill', it became very easy to extract the outstanding bills and the reminder letters. Today, the entire process is executed by one person with the help of Tally.ERP.9.

TDS was enabled and all TDS-related transactions are recorded in the Tally.ERP 9 TDS Module. As a result, all TDS Reports including the preparation of TDS Challans and TDS Certificates (Form 16 A) are available with one click. In addition, the quarterly e-return is generated (and validated successfully) within no time.

The Trust has created individual ledgers for each of the 'fixed deposits' under the sub groups of 'Banks/institutions' ultimately under the parent group 'Investments'. Now they can easily extract their 'investment register' whenever the need arises. This detailed report has totally replaced their manual investment register. At the same time, the function of 'interest calculation' is also activated for these 'fixed deposits' which enables quick publishing of a statement of anticipated interest.

Creating a separate company with inventory in Tally.ERP 9 for 'Dead Stock' and 'godowns' for 'locations', and feeding the dead stock items under the appropriate stock groups yielded the 'Stock Summary' and gave RCCT a workaround to their old and extremely slow and labour-intensive manual dead stock register.

Tally.ERP 9 has been customised for two of their regular functions using the Tally Developer Language (TDL). Cheque Number Tracking is very useful to pick up one particular bank transaction without wasting time, and Printing User Name on reports will help the management at the time of Statutory Audit to fix the responsibility on a particular accountant.

## BENEFITS

- Easy Data Extraction
- Redeployment of Manpower
- Absolute substitute for manual ledgers
- Saving in consultation fees