

An Introduction to Tally ERP

Tally is an accounting program for recording and identifying accounting transactions. It aids in the organization of accounting transactions. Rather than storing accounting entries in bulky books that can be damaged, Tally makes the accounting process digital and more secure. Tally makes it easier to keep track of entries. All accounting operations, such as journals, ledgers, trial balances, and final accounts, can be accommodated. Similarly, it eliminates the need for time-consuming calculations because Tally can compute entered data, so all that is required is to enter the data.

Create a Company in Tally

Some shortcut keys for tally

- Ctrl + A : Save
- Alt + F1 : Details
- Alt + C : Create

* How to create a company in Tally

In this section, we will learn how to create a company using a simple step by step methods. This first step to get started is to create a company. In Tally, the creation of a company involves basic information about the company, books, and details of currency.

- Step 1 : In tally, after login double click on the create company option under company information. The following navigation path is used to create the company in Tally :

Gateway of Tally → Company Info → Create Company

- Step 2 : The following screen displays the company creation window:

Note : Use the Arrow key, Tab key, Mouse, or Enter key to navigate between the fields in Tally.

- Step 3 : Enter the "Company's Mailing Name". This is an important field because it shows all the printouts.

Note : We have to use this feature very carefully. If we do so, it may be impossible to recover the data. We can permanently lose the data.

- Step 4 : Enter the "Company's Full Address". This is shown on all printouts. Thus it is an important field.
- Step 5 : Choose the "Name of the Country" as Nepal from the given countries list.
- Step 6 : Choose the "State" from the given list of states.
- Step 7 : Update the "Company's Pin Code", where it is located.
- Step 8 : Update the "Telephone Number"/ Landline of the company.
- Step 9 : Update the "E-Mail id" and "Website" of the company.
- Step 10 : Update the financial year starting date of the company. In Nepal, the financial year of the company starts on 1st Sharwan and ends on 31st Ashar.
- Step 11 : Update the date from which accounting is allowed in Tally. Generally, this date and the starting date of the financial year are the same. But if the company has been formed on any other date of the year, that date will be mentioned.
- Step 12 : If we want to use Tally Vault, enter a password. It is a secure feature that encrypts data.

Note : we have to use this feature very carefully. If we forget the password, it may be impossible to recover the data. We can permanently lose the data.

- Step 13 : Repeat the password of Tally Vault. Tally ERP matches this password with the previously entered password to ensure that the password we typed previously was the intended password, which means there is no typing error.

Here the bar indicates the password strength. Strong passwords indicate with a green bar. A strong password is better.

Altering and Deleting a Company

Altering a Company

To alter details of an existing company

- 1 . Go to Gateway of Tally > click F3 : Cmp Info. > Alter.
- 2 . Press Enter.
- 3 . Select the company from the list of Companies.
- 4 . Press Enter to view the Company Alteration screen.
- 5 . Make necessary changes in the required fields.
- 6 . Press Enter to save.

Deleting a Company

To delete a company

- 1 . Select the company to be deleted.
- 2 . Go to Gateway of Tally > F3 : Cmp Info
- 3 . Select Alter.
- 4 . Press Enter.
- 5 . Select the company to be deleted.
- 6 . Press Alt + D to delete. A confirmation message appears as shown below :
- 7 . Press Enter to delete the company.

Note : Deletion of a company is irreversible. The company is permanently deleted from the system.

Creating and Definition of Ledger

Ledger account is a summary statement of all the transactions relating to a person, asset, liability, expense or income which has taken place during a given period of time and its shown their net effect. Ledger is known as principle book of accounts.

• How to create a ledger in Tally

1. Go to gateway of tally.
2. Selects Accounts Info and Click on Create.
3. Enter name of account and fill other data.

• Display / Alter a ledger

1. Go to Gateway of Tally > Accounts Info > ledgers > Display

Modification of account ledgers is possible for single ledgers as well as multiple ledgers. However for multiple ledgers, all the fields are not available for alteration.

• Delete a ledger

1. Go to Gateway of Tally > Accounts Info > ledgers > Alter > Press Alt + D.

Note: You can delete the ledger if no vouchers have created under. If you want to delete a ledger for which vouchers have been created, you have to first delete all the vouchers.

Vouchers and Types of Vouchers

A voucher is a document that is used by the accounting department on an organisation or a business. Vouchers are used for the systematic compilation and collation of data in the forms of invoices, purchase order, certificates, along with other information required to process the payment.

Different Types of Voucher in Tally

Vouchers can be majorly divided in two categories, inventory vouchers, and accounting vouchers in Tally ERP 9. Under each category, there are numerous different types vouchers in Tally ERP 9 that the accounting professionals use.

Accounting Vouchers in Tally

- Sales Voucher
- Purchase Voucher
- Payment Voucher
- Receipt Voucher
- Contra Voucher
- Journal Voucher
- Credit Note Voucher
- Debit Note Voucher

Inventory Vouchers in Tally

- Delivery Entry and Receipt Entry
- Material-In and Material-Out Voucher
- Purchase Order and Sales Order Vouchers

For specific tasks tally provides combination of shortcuts, such as :-

- for Sales Order the shortcut key that can be used is Alt + F5.
- for Purchase Order Tally's keyboard shortcut key is Alt + F4.
- Receipt Note's shortcut keys is Alt + F9.
- The shortcut for Delivery Note is Alt + F8.
- Rejection In voucher's keyboard shortcut is Ctrl + F6 .
- Rejection Out's keyboard shortcut is Alt + F6 .
- The keyboard shortcut Stock Journal is Alt + F7.
- Physical Stock Voucher's shortcut key is Alt + F10.

A part from the combination keys, Tally also provides simple function key shortcuts for Accounting Vouchers :

1. Contra Entry = F4 [function key]
2. Payment Entry = F5
3. Receipt Entry = F6
4. Journal Entry = F7
5. Sales Entry = F8
6. Purchase Entry = F9
7. Debit Note's = Ctrl + F9

8. Credit Note's = Ctrl + F8

9. for Reversing Journal = F10

10. Memo Voucher's = Ctrl + F10

Creating Stock items

- To create a stock items in Tally, the following steps below :-

1. Go to Gateway of Tally > Inventory Info > Stock Item > Single Create.
2. Enter the name of the stock items.
3. Enter an Alias name if required.
4. Select the Stock Group if the stock items belongs to.
5. Select the Unit of measurement for the stock item.
6. Enter the Rate of Duty applicable for the stock item.
7. Enter the Tariff Classification if applicable.
8. Enter the Opening Balance details.
9. Press enter to save.

We can also create a stock group by pressing Alt + C in the Under field.

Ratio in Tally

To find a ratio in Tally, steps :-

1. Go to Gateway of Tally
2. Select Ratio Analysis

The Ratio Analysis screen will have two parts :-

- Principle Groups : Key figures that provide context for the ratios.
- Principle Ratios : Compares two pieces of financial data.

Backup of Company in Tally

To take a backup of your company in Tally :-

1. Go to Gateway of Tally.
2. Select F3 : Company Info
3. Select Backup
4. Choose the Source folder where your company data is stored.
5. Select the Destination folder where you want to store the backup.
6. Choose the companies you want to backup.
7. Press Ctrl + A to start the backup.

You can store the backup on your computer, an external storage device, or a network storage space.

You can also back up data automatically by enabling, configuring, and restarting auto backup.

Restoring Company Data in Tally

To restore company data in Tally :-

1. Go to Gateway of Tally > F3 : Company Info > Restore to view the Restore Companies screen.
2. Destination - The folder path where our company data is to be restored.
3. Source - The folder path where the backup file is stored.
4. Select the required companies from the list of Companies.

Useful shortcuts for Tally

Here are some useful shortcut keys for Tally :-

- Open a receipt mode/note : Alt + F9.
- Open a purchase order : Ctrl + F9.
- Open a credit note : Alt + F6.
- Open a debit note : Alt + F5.
- Print a voucher or report : Alt + P (Tally.ERP9) Ctrl + P (Tally Prime)
- Open the help menu : F1 (Tally Prime)
- Change the date of a voucher entry or report period : F2 (Tally prime and Tally ERP).
- Change the company : F3 (Tally Prime)
- Display company information : Alt + F1.
- Display the stock item creation screen : Alt + F2.
- Display the ledger creation screen : Alt + F3.
- Create an accounting voucher : Ctrl + A.
- Create a sales voucher : Ctrl + B.
- Display a detailed balance sheet : Ctrl + F1.
- Import data from a file : Ctrl + I.
- Create a memorandum voucher : Ctrl + M.
- Display a list of voucher types : F4
- Configure settings : F12