UNIT- 3

INTRODUCTION TO TALLY

Tally is powerful accounting software, which is driven by a technology called concurrent multi-lingual accelerated technology engine. It is easy to use software and is designed to simply complex day to day activities associated in an enterprise. Tally provides comprehensive solution around accounting principles, inventory and data integrity. Tally also has feature encompassing global business. Tally software comes with easy-to-use interface thus making it operationally simple.

Tally accounting software provides a solution around inventory management, stock management, invoicing, purchase order management, discounting, stock valuation methodology, etc.

Tally accounting software also comes with drill down options, which can track every detail of transaction. It helps in maintaining simple classification of accounts, general ledger, accounts receivable and payable, bank reconciliation, etc.

The technology employed by tally makes data reliable and secure. Tally software supports all the major types of file transfer protocols. This helps in connecting files across multiple office locations.

Tally accounting software is capable of undertaking financial analysis and financial management. It provides information around receivables turnover, cash flow statement, activity consolidation and even branch accounting.

Tally accounting software is east to set up and simple to use. A single connection can support multiple users. It can be easily used in conjunction with the Internet making possible to publish global financial reports.

Tally accounting software can seamlessly connect with various Microsoft applications.

Benefits of Tally Accounting Software

Any business owner understands the importance of maintaining proper books of account. This practice ensures that finance for the company is always in order and are correct at all given points of time. Company should always be aware of its financial positions.

Earlier, most of the businesses were employing manual practice in maintaining books of account. However, with the advent of modern information technology, this task can be performed by accounting software. Tally is one such all-powerful accounting software.

Tally accounting software provides a solution to all the problems real businesses have to encounter. Single software takes care of all tasks required for enterprise management. Accounting task such as records keeping, accounts receivable and payable management and bank reconciliation are made simple through tally.

Financial management is also made simpler under Tally software. The software allows management of finances across multiple locations can handle multiple currency transactions, manage cash flow and interest payment.

Thus, Tally software is flexible, reliable, secure, easy to use and affordable.

MS Excel and Financial Decision-Making Model

Excel 2010 features rich analytical functions such as Pivot Tables, Advanced Graph and Decision Analytics. The current excels have developed functionality and reduces the dependency on VBA codes. Excel has formula groups and nested functions, which are able to undertake major of financial calculations. Conditional formula such as

logic, lookup, indirect and match functions help in data analysis and What-If analysis.

Excel provides the basic framework to develop simple and manageable financial models. Though excel framework is unstable for certain type of analysis, but still, its functionalities and compatibility make it an ideal tool for finance decision making.

HISTORY OF TALLY

Tally Solutions was co-founded in 1986 by Shyam Sunder Goenka and his son Bharat Goenka[3] after the family's cotton business was destroyed by fire.[4] It began as Peutronics Financial Accountant, an accounting software application.[5][4] The company was incorporated in 1991 and was renamed Tally Solutions in 1999.[6][7][8]

Shyam Sundar Goenka was running a company that supplied raw materials and machine parts to plants and textile mills in southern and eastern India. Unable to find software that could manage his books of accounts, he asked his son, Bharat Goenka, 23, a Maths graduate[7] to create a software application that would handle financial accounts for his business.[9] The first version of the accounting software was launched as an MS-DOS application. It had only basic accounting functions, and was named Peutronics Financial Accountant.[10]

- In 2006, Tally launched Tally 8.1, a concurrent multi-lingual version, and also Tally 9.[11]
- In 2009, the company released Tally.ERP 9, a business management solution[12]
- In 2015, the company launched a program called Vriddhi to certify and classify its business partners.[13] Also in 2015, Tally Solutions

.announced the launch of Tally.ERP 9 Release 5.0 with taxation and compliance features.[14]

- As of 2016, the company had 1 million customers.[15]
- In 2016, Tally Solutions was shortlisted as a GST Suvidha Provider to provide interface between the new Goods and Services Tax (GST) server and taxpayers, and in 2017, the company launched its updated GST compliance software.[16][17]
- In 2020, the company released TallyPrime.[18][19][20]
- In 2022, they introduced TallyPrime Edit Log.[2

FEATURES OF TALLY

Digital Signature on Invoices and Reports

Tally Prime's digital signature lets you leverage yet another benefit of digitization for your business. You can attach a digital signature for invoices and reports in the PDF format right within the product. It is supported through "Dongle-based Digital Signatures" to ensure the signed document's authenticity, integrity, and non-repudiation.

Multiple Companies

For various reasons such as new branch, new business vertical, more one legal entity etc., business requires multi-company support with each company having distinct 'books'. With Tally, you can manage multiple companies and easily handle the complexities associated with it.

Group Company

Businesses having multiple companies prefer to know the consolidated performance of the entire business group. Tally makes consolidation of accounts an easy task at all times. You can consolidate the accounts of any number of companies at any time in a few seconds and also maintain them separately.

Data Backup and restore

Worried about how to take backup and store all your business data in a safe and secure manner? With Tally's minimalistic design, you can easily take data backups in portable storage devices or any storage device and restore back

Multilingual Capabilities

Run your business in your preferred language with TallyPrime. India is a country with several languages and businesses from diverse backgrounds. We know that being able to run your business in your preferred language makes it easy for you.

Split company at the end of the financial year

When a new financial year begins, you start your books afresh. TallyPrime makes this activity easy for you by using the split company utility feature. You need not worry about the hassle of carrying forward the previous balances. Tally takes care of that!

FUNDAMENTALS OF TALLY PRIME

Codeless Accounting

Tally Prime established the 'no accounting codes' theory which enables the user to control data in plain English (natural language interface)

Complete Business Solution

Tally Prime offers a combined business solution for sales, excise, finance, purchasing, finance, inventory, manufacturing, and payroll expanded with features to extract, display, record, and print information effectively.

Speed and Power

Tally Prime is a multi-purpose software. It has the ability to manage various companies with an extensive level of classification. It can create reports with high speed and accuracy.

Real-time processing

Tally Prime helps to create various reports immediately upon entering the transactions.

Versatility

Tally Prime is created to control various organizations for many accounting periods with various locations.

Remote Access

Tally Prime affords the facility to access the data remotely from anywhere at any time.

Central Account Management

Tally Prime enables you to handle and configure Tally Prime and allows the users to access from different locations, maintain user information, create, publish jobs, shortlist candidates and conduct recruitment tests directly from the product interface.
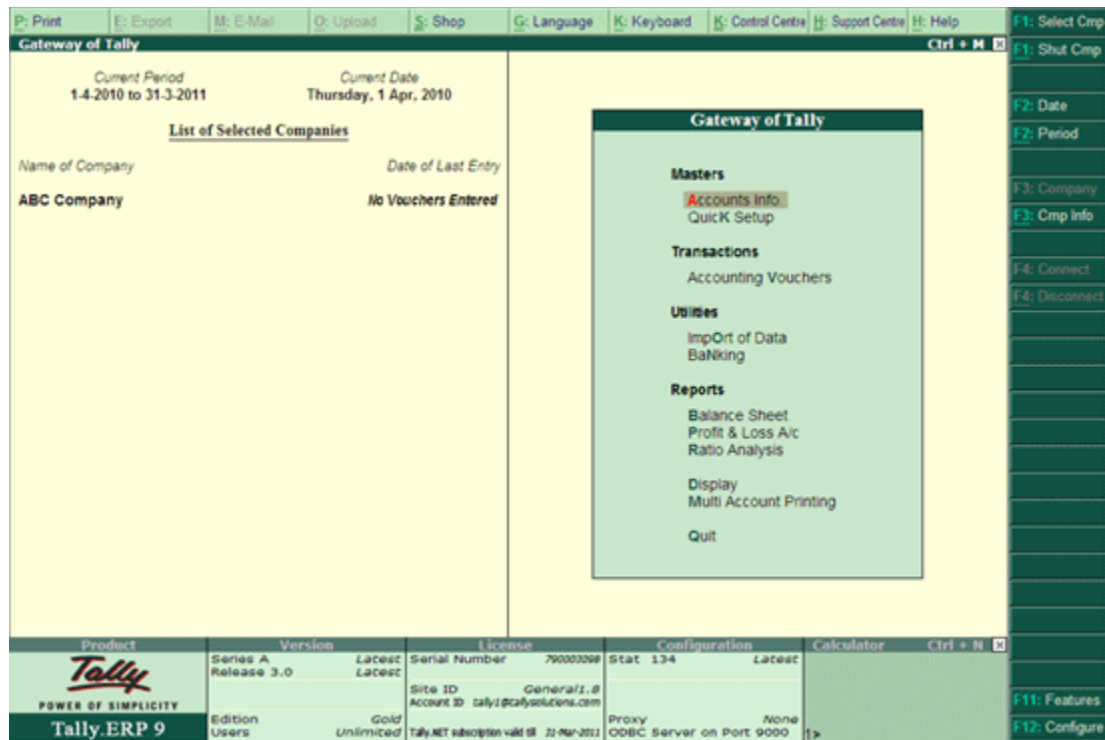

COMPANY DATA

A company in Tally Prime is **a book in which all the financial transactions of a company are recorded**. In simple words, it's just like how you create a book for recording your business transactions, you need to create a company to record the transactions in Tally Prime.

GATEWAY OF TALLY

Gateway of Tally (Accounts-Only)

The Gateway of Tally menu of an Accounts Only company appears as shown below:

The Gateway of Tally screen is separated into 2 sections – Main Area (Ctrl+M) and the Button Bar.

Main Area

The left side of the Main Area gives information on:

1. Current Period – which is the currently loaded company's accounting period.
2. Current Date – This is the date of the last Voucher Entry for the selected company.
3. List of Selected Companies – This displays the name of the loaded company.

The Main Area gives information on

1. Creation of Accounting

2. Masters and Importing Master information

3.Creation of Accounting

4. Vouchers and Importing transaction information

5. Viewing and printing   financial reports using the information given in Masters and Transactions.

Button Bar
The Button Bar Contains two sections

1. Top Button Bar

2. Right Side Button Bar

Top Button Bar Contains

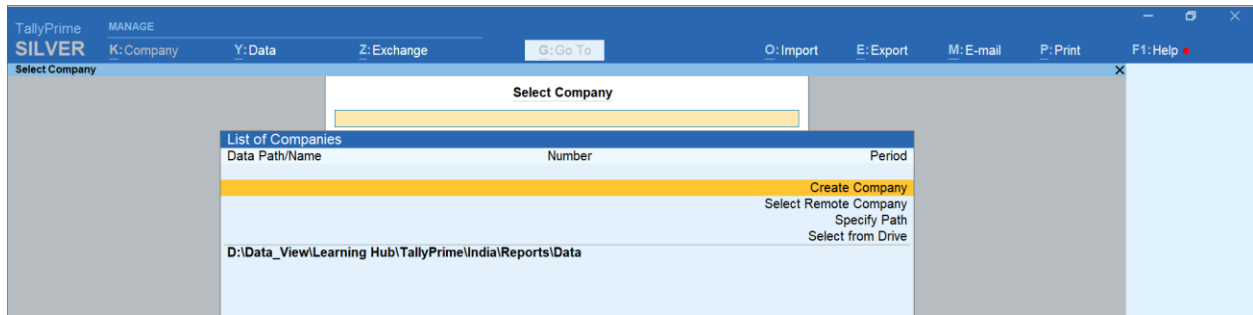| Buttons	Shortcut Key	Usability
Print	Alt + P	Navigate to Print Menu
Export	Alt + E	As it is not used from Main Screen, these buttons are disabled
E-Mail	Alt + M	
Upload	Alt + O	
Language	Alt + G	To change the Language
Keyboard	Alt + K	To change the Keyboard Language
Control Centre	Ctrl + K	Login to Control Centre
Support Centre	Ctrl + H	To post the queries of the product.

Right Side Button Bar Contains:-

Buttons	Shortcut Key	Usability
Select Cmp	F1	To select a company
Shut Cmp	Alt + F1	To shut or close the company
Date	F2	To change the current date
Period	Alt + F2	To change the period
Company	F3	To select a different company which is already loaded. (If one company is Loaded in Gateway of Tally, this button is disabled)
Company Info	Alt + F3	To access the Company Info. Menu
Connect	F4	To connect companies on Tally.NET
Disconnect	Alt + F4	To disconnect companies from Tally.NET
Features	F11	To access the Company features for a company
Configure	F12	To access the configuration settings

Note: You cannot load companies with the same name at the same time. The loaded or selected company will have to be shut first in order to load the other company.

CREATING AND MAINTAING COMPANY:-

- To being with, press "Enter" on "Create Company"

Select Company

List of Companies

Data Path/Name	Number	Period
		Create Company
		Select Remote Company
		Specify Path
		Select from Drive

D:\Data_View\Learning Hub\TallyPrime\India\Reports\Data

- Type the name of your company. For example, "Max Electronics"

-

-

-

- Type your address and select your state or province

-

-

-

- Country will be selected automatically

-

-

-

- Type your Pin code

-

-

-

- Mention the contact details of your company

-

-

-
- Next, specify the financial year from which you want to maintain your books in Tally Prime

Company Name	: **Max Electronics**	Financial year beginning from	: **1-Apr-21**
Mailing Name	: **Max Electronics**	Books beginning from	: **1-Apr-21**
Address	: A 204,Shivaji Nagar, Bengaluru		

State	: **Kerala**
Country	: **India**
Pincode	: **56001**
Telephone	:
Mobile	: **9810123456**
Fax	:
E-mail	: **Max@guruelectronics.com**
Website	: **www.maxelectronics.com**

Base Currency symbol	: ₹
Formal name	: **INR**

- If you wish to add more details, press F12 for configure and enable options as required. You can enable "Use User Access Control" to set password for company data as well as to manage user roles & logins. Press "Enter" to accept the configurations

-
-
-

- Move to the last field on the screen. You will get a message asking whether you would like to accept the settings. Press "Y" to accept and "N" to continue editing the screen

Base Currency symbol	: ₹
Formal name	: **INR**

Accept ?

Yes or No

● Done! Your company is created

LOAD A COMPANY:-

In Tally Prime, you can choose one or more companies to open by default, without you having to select and open each time.

1.Press **F1** (Help) > **Settings** > **Startup**.

2. The Startup Settings screen appear.

3. Set **Load companies on startup** to **Yes**.

4. Select **Companies to load** and press **Enter**.

5. Select the companies you want to load on startup.

6. If your company is not listed in the path that appears, you can select companies from other paths in your computer.

    a.

    o **Select from Drive** > browse to the path where your company data is stored and press **Enter**.

    o

    o Select the Companies that you want to load.

-

7. Under **Company Name**, select **End of List** once you have selected the companies and press **Enter**.

8. The Startup Settings screen displays the number of companies you have selected (*<3 selected>* in this case).

9. Press **Esc**.
10. Next time you open Tally Prime, the companies that you had set to open on startup will be loaded automatically.

F11: COMPANY FEATURES

Different features of a company can be selected or modified by using the F11: Features button. This button is available in almost all the screens of Tally prime enabling the user to modify it as and when your requirements change.

Unlike F12: Configure, F11: Company Features is specific to the current company only. Therefore, each company may have different active

features. Configuration options, on the other hand, affect all companies maintained in the same Tally prime directory and setting the configuration for one company will affect the configuration of other companies in that particular data directory.

Note: Certain features like multi-currency and multi-locations, once set to Yes, cannot be modified if the feature has been used. However, other features like Bill-wise details, Reversing Journals & Optional vouchers, etc., can be modified even if they are used.

Go to Gateway of Tally > F11: Features

The F11: Features menu is displayed as shown.

F12: CONFIGURATION

F12 configurations are application centric configurations that are present across all screens of Tally prime These configuration can be changed and

managed any number of times to suit changing needs. **For example,** if you want to record your purchase transactions in debit/credit mode, the same can be set in the F12 configurations.

Configuration options, affect all the companies maintained in the same Tally prime directory and setting the configuration for one company will affect the configuration of other companies in that particular data directory.

To know more, click the links below:

- General

- Numeric Symbols

- Accounts/Inventory Info.

- Voucher Entry

- Invoice/Orders Entry

- Payroll Configuration

- Banking Configuration

- Printing

- E-Mailing

- Data Configuration

- Advanced Configuration

- Product & Features

- Licensing

VOUCHER ENTRY

There are 24 pre-defined voucher types in TallyPrime for accounting, inventory, payroll and orders. You can create more voucher types under these pre-defined voucher types as per your business needs.

For example, for cash payments and bank payments, the predefined voucher type is Payment Voucher. You can also have two or more sales voucher types in TallyPrime for different kinds of sales transactions. For example, credit sales, cash sales, and so on.

For a voucher type, you can:

- Activate / Deactivate voucher type as per your business need.

-

- Use different voucher numbering methods.

-

- Specify the prefix and suffix details for numbering the vouchers.

-

- Use the effective dates for the vouchers.

-

- Mark some vouchers to open as optional vouchers by default.

-

- Use common narration or narration for each ledger selected in the voucher.

-

- Enable the option to print immediately after saving the vouchers.

INVENTORIES

Inventory Management in Tally Prime allows you to keep track of your inventory from placing an order for goods with your supplier to getting them delivered. You can keep track of the goods at all stages using inventory vouchers in Tally Prime. You can send a receipt note to your supplier once you receive the goods at your location. Moreover, you can record the transfer of materials from one location to another and have visibility of what goods and quantity are available with you at any point in time. You have features that will help you place an order for goods with your supplier when the stock is below the limit that is defined by you.

Inventory vouchers in Tally Prime allow you to track the items that you have sent to your customers and send them delivery notes with the goods sent. Record job works vouchers and manufacturing journal that will give you a clear view of what quantity of items and what items were used for manufacturing. You also have the option to record the finished good, co-products, by-products, and scrap that are generated during manufacturing.

Once you know how to enter a transaction in Tally Prime, you can enter any transaction in a similar way including the inventory vouchers in Tally Prime. For faster data entry operation you can also use voucher class for various inventory vouchers in Tally Prime, as per your requirement.

Moreover, if you have opted for Edit Log, then you can view Edit Log for all transactions including the Inventory vouchers in Tally Prime.

Create Multiple Stock Items

Multiple stock items creation in Tally Prime is a simple facility using which you can create multiple stock items on a single screen.

 1. Press **Alt + G** (Go To) > type or select **Chart of Accounts** > **Stock Items** > and press **Enter**.

2. Alternatively, **Gateway of Tally** > **Chart of Accounts** > **Stock Items** > and press **Enter**.

3.Press **Alt + H** (Multi-Masters) > select **Multi Create**.

4. Select the stock group in the field **Under Group**.

5. When the feature to maintain stock item in batches is enabled in **F11** (Features), the field **Maintain in batches** appears. If you are maintaining your stock items in batches, then set this option to **Yes**. Set the manufacturing and expiry date options, as needed.

   a. **Select All Items** – If you need to assign different stock groups for each stock item that you are creating.

   b. **Select an existing stock group** – If you are creating multiple stock items under an existing stock group.

   c. **Select Create** – If you need to create a new stock group under which you will be creating multiple stock items.

Multi Stock Item Creation		National Enterprises						
Under Group	: **Laptops**							1-Apr-20 to 5-Jun-20
S.No.	Name of Item	Under						
			Units	Opening Qty	Rate	per	Amount	
1.	Touchpad	Laptops						
			Nos	80 Nos	1,540.00	Nos	1,23,200.00	
2.	Battery	Laptops						
			Nos	80 Nos	5,140.00	Nos	4,11,200.00	
3.	16-inch Display Screen	Laptops						
			Nos	80 Nos	4,500.00	Nos	3,60,000.00	
4.	16 GB RAM	Laptops						
			Nos	80 Nos	8,230.00	Nos	6,58,400.00	
5.	Hard Disk Drive	Laptops						
			Nos	80 Nos	3,750.00	Nos	3,00,000.00	
6.	Cooling Pad	Laptops						
			Nos	80 Nos	1,140.00	Nos	91,200.00	
7.	Sound Card	Laptops						
			Nos	80 Nos	5,850.00	Nos	4,68,000.00	
8.	Camera	Laptops						
			Nos	80 Nos	1,540.00	Nos	1,23,200.00	
9.	Motherboard	Laptops						
			Nos	80 Nos	7,640.00	Nos	6,11,200.00	

Accept ?

Yes or No

BILLS OF MATERIALS AND EXPIRY DATES:-

Usually, pharmaceutical companies, chemical industries, and so on, need to maintain their stock items with manufacturing dates and expiry dates. In Tally.ERP, you can maintain Batches with Mfg (Manufacturing) and Expiry dates .

Enabling Mfg. & Expiry Dates

To enable manufacturing and expiry dates,

● Set **Maintain batch-wise details** and **expiry dates for batches** to Yes in F11: Features > F2: Inventory Features .

● In the Item Allocation screen, set Maintain in Batches , Track Date of Mfg and Use expiry dates to Yes .

Name   : **Item D**
(alias)   :

Under   : □ **Primary**

Units   : **nos**

Maintain in Batches   ? **Yes**
   Track Date of Mfg   ? **Yes**
   Use expiry dates   ? **Yes**

Tax Information

Rate of Duty (eg 5)   :

Quantity   Rate per   Value
   Opening Balance   :

When you set this to Yes , you will see the following in the Item Allocation screen:

Item Allocations for : **Item D**					
Godown	**Batch / Lot No.**	**Quantity**	**Rate** per		**Amount**
	Mfg Dt.	Expiry Date			
Main Location	**Batch 02**		**10.00 nos**	100.00 nos	1,000.00
	Apr-2008	31-Mar-2009			
			10.00 nos		1,000.00

Godown

Select the Godown from the List of Godowns .

Batch / lot No.

Select the Batch number from the list of existing Batch numbers which will be displayed under List of Active Batches else click on New Number to give a new Batch number.

Quantity, Rate and Amount

Enter the quantity and rate. The Amount will be calculated automatically.

Per

By default, the specified Unit of measure will be displayed here. The Rate is computed on the basis of Unit you specify here.

Mfg. Date

Enter the date of manufacture (This appears only if it is activated.). The date of manufacturing of the product needs to enter here. This enables you to set the expiry date for the batch as a period from the date of manufacture such as "three months from the date of manufacture".

Expires on

Give the date of expiry (It will be displayed only if it is activated).