

# Tally

# Agenda

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In this session, we will discuss the following topics:

- Basics of Accounting
- Branches of Accounting
- Introduction to GST
- Introduction to Tally
- Features of Tally
- Purpose of Tally Software
- Steps to install and set up Tally
- Hands on Tally

# Book Keeping

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- It is the art of recording business transactions in the books of accounts in an orderly manner.

## Definition

- Book keeping is the science and art of correctly recording in the books of accounts all those business transaction that result in the transfer of money or money's worth.

# Accounting

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According to the American Institute of Certified Public Accounts (AICPA), “Accounting is the Art of recording, classifying and summarizing, in a significant manner and in terms of money, transactions and events which are, in part at least, of financial character and interpreting the result thereof.”

The process of accounting:

- Classification into assets, liabilities, capital, revenue and expenses.
- Preparation of income statement.
- Communication of results.
- Identification of accounting transactions which have documentary evidence.

# Functions of Accounting

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- Recording
- Classifying
- Summarizing
- Analyzing
- Interpreting
- Communicating

# Branches of Accounting

# Branches of Accounting

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- Financial Accounting (Record keeping)
- Cost Accounting (Price fixation & Operating efficiency)
- Management Accounting (Analysis for decision making)
- Tax Management
- Corporate Accounting
- Forensic accounting

# Golden Rules of Accounting

## Personal Account

Dr - The Receiver

Cr - The Giver

## Real Account

Dr - What comes in

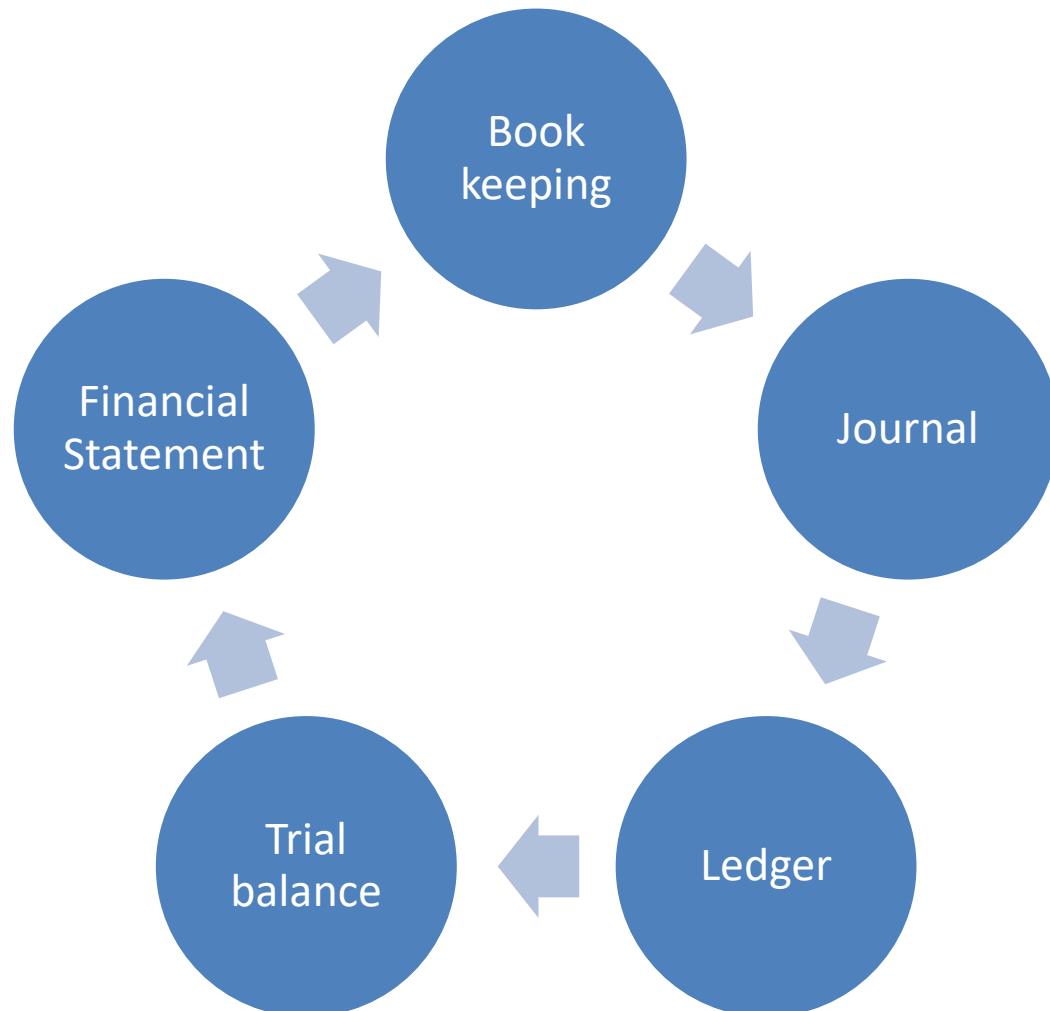
Cr - What goes out

## Nominal Account

Dr - All expenses and losses

Cr - Income and gains

# Process of Accounting



# Introduction to GST

# Introduction to GST

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- Goods and Services Tax (GST) is a comprehensive indirect tax levied on the supply of goods and services in many countries.
- GST is a consumption tax that is imposed on the supply of goods and services. It is a destination-based tax, which means it is collected at the point of consumption.



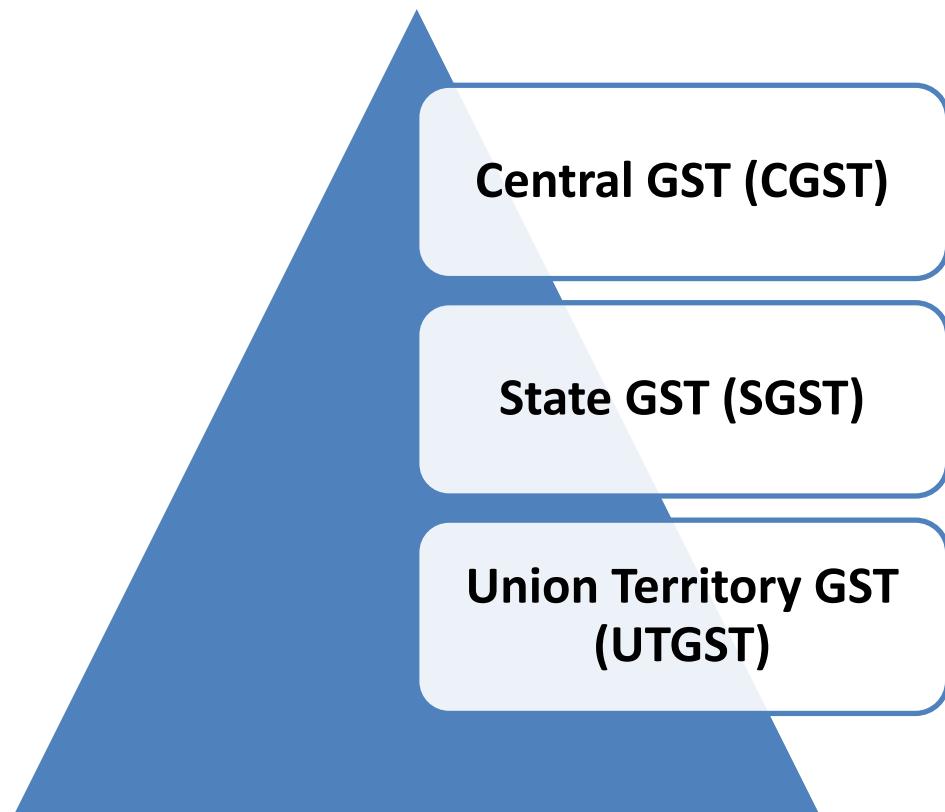
# Key Terminologies of GST

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- Input Tax Credit
- Threshold Limits
- Reverse Charge Mechanism
- GSTIN
- Supply
- Taxable Person
- GST Return
- GST Council
- Place of Supply
- Time of Supply

# Types of GST

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# GST Interest Rates

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- GST rates are usually categorized into different tax slabs. The specific rates and the items that fall into each slab can vary by country.
- Common tax slabs might include:
  - 0%, 5%, 12%, 18%, and 28%, with some goods and services being exempt from GST.

# Introduction to Input Tax Credit (ITC)

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- Input Tax Credit (ITC) is a fundamental concept in the Goods and Services Tax (GST) system that allows registered businesses to claim a credit for the GST they have paid on their purchases and expenses.
- ITC helps reduce the overall tax burden and prevents double taxation.

# Eligibility Criteria for ITC

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The conditions and criteria that businesses must meet to be eligible for ITC. These conditions typically include:

- Being a registered taxpayer under GST.
- Using the purchased goods or services for business purposes.
- Possessing valid tax invoices and documents.
- Complying with GST laws and filing returns.

# Introduction to Tally

# Introduction to Tally

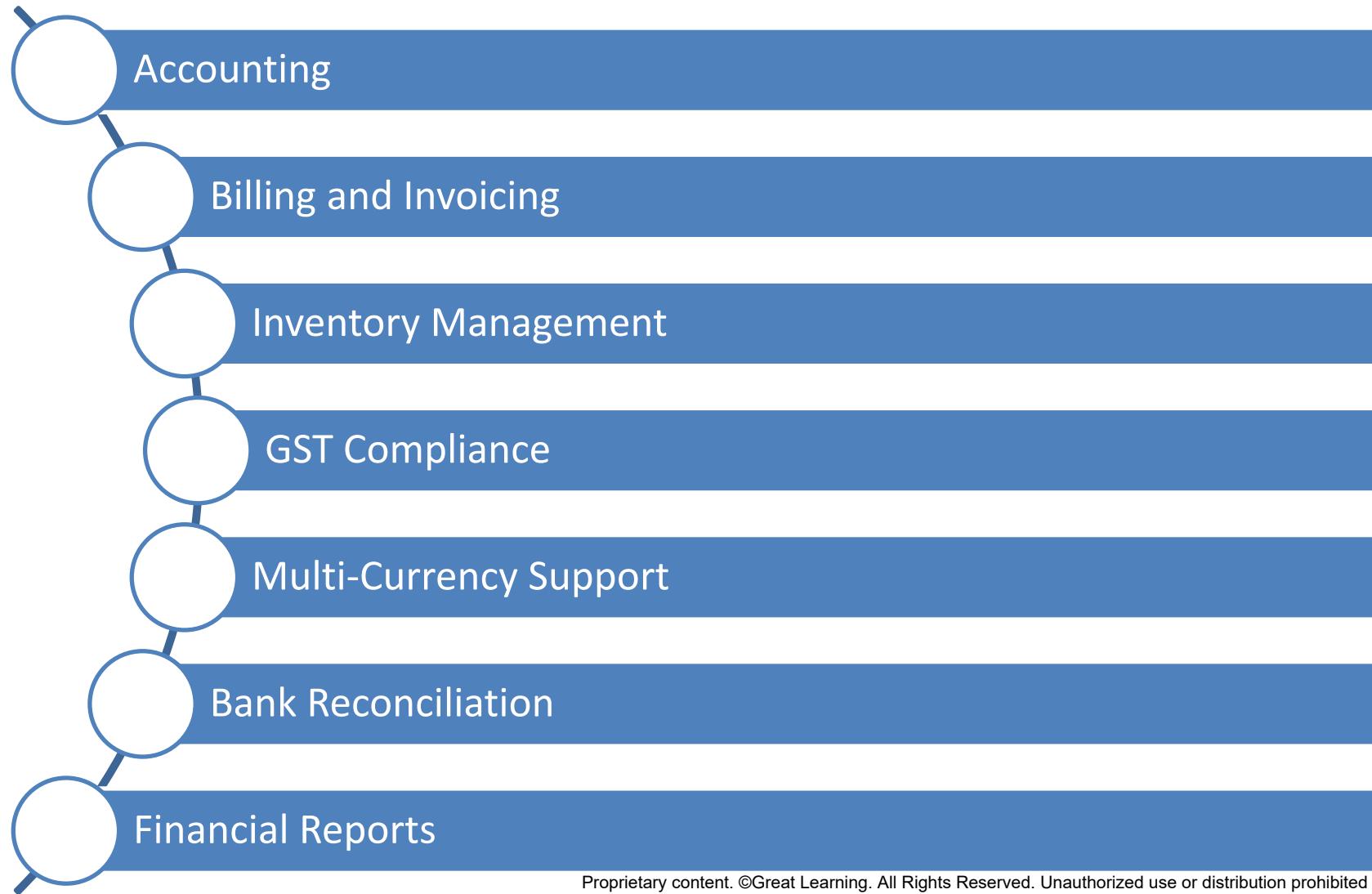
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- Tally is a popular accounting and financial management software widely used by businesses and individuals for managing their financial transactions and records.
- It is designed to streamline and automate various accounting tasks, making it easier to maintain accurate and up-to-date financial records.
- Tally software is a versatile accounting and financial management tool widely used by businesses and individuals to streamline their financial operations.
- The primary purpose of Tally is to assist in the efficient recording, management, and analysis of financial data.
- Is both accurate and convenient to use even if you are not well versed with the accounting.

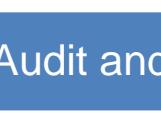


# Features of Tally

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## Features of Tally (Cont'd)

-  TDS (Tax Deducted at Source) and TCS (Tax Collected at Source) Compliance
-  Payroll Management
-  Backup and Restore
-  GST Compliance
-  Data Security
-  Audit and Compliance Features
-  Remote Access

# Purpose of Tally Software

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- Financial Record Keeping
- Double-Entry Accounting
- Financial Reporting
- GST and Tax Compliance
- Inventory Management
- Customization
- Multi-Company Support

# Difference between all Tally version

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- Tally 4.5 - Do's based on Account with Inventory
- Tally 5.4 - Window based Account with Inventory
- Tally 6.3 - With Online finalization Auditing
- Tally 7.0 - Import and Export features.

## Difference between all Tally version (Cont'd)

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- Tally 7.2 - With VAT, TDS & Excise Duty.
- Tally 8.1 - With FBT and Excise Duty
- Tally 9.0 - 8.1 with Payroll system, Multi-Language Extra formality feature.
- Tally ERP 9.0 - Tally ERP.9 with Remote Access facility, Multi-budgets & scenarios & etc.

# Advantages of Tally.ERP9

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- Remote Access
- Tally.NET
- Simplified Installation Features
- Control Centre
- Enhanced Look and feel
- Enhanced Payroll Compliance
- Excise for Manufactures
- Auditors edition of Tally.ERP9
- Enhanced Tax Deducted at Source

# Steps to install and set up Tally ERP 9

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- System Requirements
- Download Tally ERP 9
- Install the Software

# Setting up Tally

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- Start Tally
- Activate Your License
- Create a Company
- Enable Features
- Configure Your Chart of Accounts
- Enter Opening Balances
- Start Recording Transactions
- Set Up Security and User Access Control
- Data Backup
- Explore Tally Documentation and Support

# Enabling / Disabling of Tally Features

 **Enabling/Disabling of Tally Features  
(Accounting Features)**

Company Operations Alteration Ctrl + M

<u>Company: ABC Company</u>																																																																																																					
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| F1: Accounts     F2: Inventory     F3: Statutory     F4: Tally.NET     F5: Audit     F6: Add-Ons |

# Enabling / Disabling of Tally Features (Cont'd)

 **Enabling/Disabling of Tally Features  
(Inventory Features)**

Company: New India Trading Company

Inventory Features			
<b>General</b>			
Integrate Accounts and Inventory	? Yes	Invoicing	
Allow Zero valued entries	? No	Allow Invoicing	? Yes
		Enter Purchases in Invoice Format	? Yes
<b>Storage &amp; Classification</b>			
Maintain Multiple Godowns	? Yes	Use Debit/Credit Notes	? No
Maintain Stock Categories	? No	Use Invoice mode for Credit Notes	? No
Maintain Batch-wise Details (set Expiry Dates for Batches)	? No	Use Invoice mode for Debit Notes	? No
Use different Actual & Billed Qty	? No	Separate Discount column on Invoices	? No
<b>Order Processing</b>			
Allow Purchase Order Processing	? No	<b>Purchase Management</b>	
Allow Sales Order Processing	? No	Track additional costs of Purchase	? No
Allow Job Order Processing <i>(Note : Enables Maintain Multiple Godowns and Use Material In/Out)</i>	? No	<b>Sales Management</b>	
		Use Multiple Price Levels	? No
<b>Other Features</b>			
		Use Tracking Numbers (Delivery/Receipt Notes)	? No
		Use Rejection Inward/Outward Notes	? No
		Use Material In/Out	? No
		Use Cost Tracking for Stock Item	? No
<b>Accept ?</b>			
F1: Accounts	F2: Inventory	F3: Statutory	F6: Add-Ons
Yes or No			

# Enabling / Disabling of Tally Features (Cont'd)



# Creating a Company in Tally

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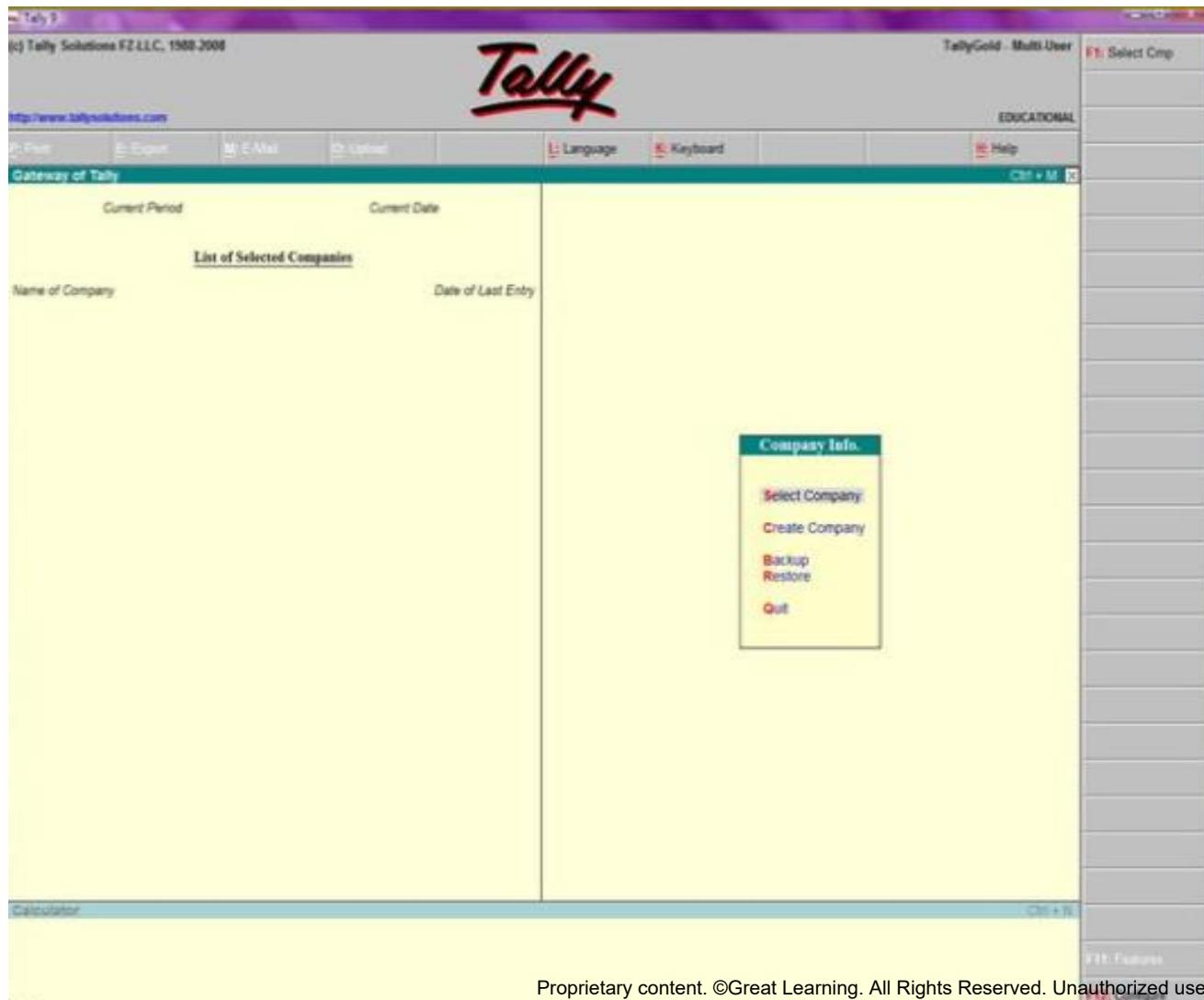
- Launch Tally
- Activate or Select the Appropriate License
- Create a New Company
- Configure Company Information
  - Name
  - Mailing Name
  - Address
  - Financial Year
  - Books Beginning From
  - Maintain
  - Use Security Control
- Save and Create the Company

## Creating a Company in Tally (Cont'd)

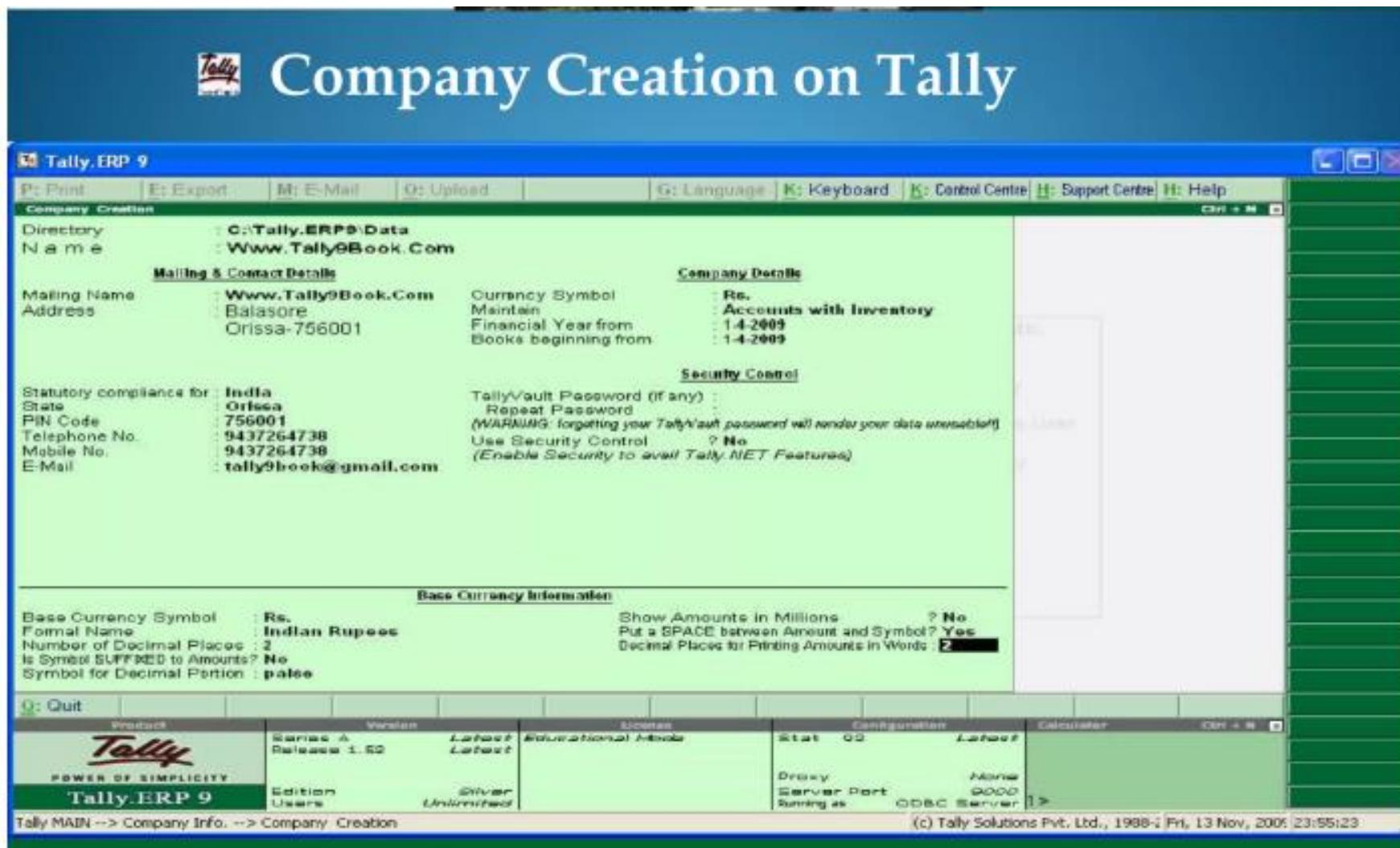
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- Company Information Menu
- The Right half of the Gateway of Tally area displays the company Info.
- This menu has following three options:
  - Select Company
  - Create Company
  - Quit

# Creating a Company in Tally (Cont'd)



# Creating a Company in Tally (Cont'd)



# Voucher types and creation in Tally ERP

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- Purchase Order
- Purchase Voucher
- Rejection Out
- Payment Voucher
- Debit Note
- Sale Order
- Sale Voucher
- Rejection In
- Receipt Voucher
- Credit Note

# Exemptions and Special Rates

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- Contra Voucher
- Journal Voucher
- Manufacturing
- Stock Transfer

# GST Registration