Tally.ERP 9 Fundamentals
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Tally.ERP 9 is the world’s fastest, affordable and highly reliable ERP solution. Tally.ERP 9 is easy to buy, quick to install, simple to learn and is designed to meet the needs of small, medium and large businesses. It provides an integrated business solution involving Sales, Finance, Purchase, Inventory, Manufacturing, Excise and Payroll besides tremendous reporting, data synchronisation, remote capabilities and so on.

### Salient Features of Tally.ERP 9

<table>
<thead>
<tr>
<th>Features</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Simple and Flexible</td>
<td>Tally.ERP 9 is simple to learn and flexible to use. It allows both keyboard and mouse conventions for smooth and easy data entry</td>
</tr>
<tr>
<td>Codeless Accounting</td>
<td>Tally.ERP 9 pioneered the ‘no accounting codes’ concept which allows the user to maintain data in plain English (natural language interface)</td>
</tr>
<tr>
<td>Complete Business Solution</td>
<td>Tally.ERP 9 provides an integrated business solution for accounting, inventory, sales, finance, purchasing, manufacturing, excise and payroll extensive with features to record, extract, display and print information effectively</td>
</tr>
<tr>
<td>Integrated Accounting and Inventory</td>
<td>Tally.ERP 9 provides the facility to integrate accounting and inventory information at any point of time for consolidated book keeping / MIS</td>
</tr>
<tr>
<td>Speed and Power</td>
<td>Tally.ERP 9 is a robust software which provides tremendous capability to maintain multiple companies with unlimited levels of classification, generate reports with high speed and accuracy and drill down to the transaction level at any point of time</td>
</tr>
<tr>
<td>Concurrent Multilingual Capability</td>
<td>Tally.ERP 9 allows you to record, view, print information in any Indian language besides few international languages such as Arabic, Bahasa Indonesia, Bahasa Malayu etc</td>
</tr>
<tr>
<td>Real time processing</td>
<td>Tally.ERP 9 helps to generate numerous reports and statements instantly upon entering the transactions</td>
</tr>
<tr>
<td>Versatility</td>
<td>Tally.ERP 9 is designed to handle multiple companies for multiple accounting periods with multiple locations/branches</td>
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</table>
### Technological Advantages of Tally.ERP 9

<table>
<thead>
<tr>
<th>Features</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Simple and Rapid Installation</td>
<td>Tally.ERP 9’s installation is a wizard driven, simple and speedy process involving minimal user-intervention. The software occupies tiny space and can be installed on any drive</td>
</tr>
<tr>
<td>Unlimited Multi-user Support</td>
<td>Tally.ERP 9 supports installation on multiple systems connected to a network with different operating systems (Windows 98, NT, 2000, XP and Windows 7)</td>
</tr>
<tr>
<td>Auto Backup and Restore</td>
<td>Tally.ERP 9 provides automatic backup facility to secure your company from any kind of data loss/corruption and helps in smooth functioning of your business</td>
</tr>
<tr>
<td>Data Reliability</td>
<td>Tally.ERP 9 safeguards your data from any loss due to power failure or improper shutdown of the system. It uses flexi-field, flexi-length, self-indexed and weighted file structure to ensure reliable data</td>
</tr>
<tr>
<td>User Defined Security Levels</td>
<td>Tally.ERP 9 offers multiple levels of security with dedicated password for every authorised user(s). Each user is mapped to a Security Level and based on the access rights, the specific features are available to the authorised user</td>
</tr>
<tr>
<td>Data Security</td>
<td>Tally.ERP 9 uses a binary encoding format to prevent devious grouping of information besides ensuring that there are no external changes to the data</td>
</tr>
<tr>
<td>Feature</td>
<td>Description</td>
</tr>
<tr>
<td>---------------------------------</td>
<td>-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td><strong>Tally Audit</strong></td>
<td>Tally.ERP 9 audit feature allows you to verify, validate and accept accounting information based on the masters, users and transactions (vouchers)</td>
</tr>
<tr>
<td><strong>TallyVault</strong></td>
<td>TallyVault provides you the capability to encrypt your company data concealing even the company name</td>
</tr>
<tr>
<td><strong>Split Company Data</strong></td>
<td>Tally.ERP 9 allows splitting of company data into multiple companies for the required financial period. Once the data is split, the closing balances of the previous period are automatically carried forward as the opening balance for the subsequent period</td>
</tr>
<tr>
<td><strong>Multi-Directory Facility</strong></td>
<td>Tally.ERP 9 allows you to store Company data in multiple directories</td>
</tr>
<tr>
<td><strong>Import and Export of Data</strong></td>
<td>Tally.ERP 9 allows you to flexibly export and import data in various formats such as MS EXCEL, JPEG, PDF, XML, HTML or ASCII format</td>
</tr>
<tr>
<td><strong>Data Synchronization</strong></td>
<td>Tally.ERP 9 allows sync or exchange of data between different locations over internet</td>
</tr>
<tr>
<td><strong>Graphical Analysis of Data</strong></td>
<td>Tally.ERP 9 allows easy analysis of results/reports with graphical representation of values</td>
</tr>
<tr>
<td><strong>Open Data Base Connectivity</strong></td>
<td>Tally.ERP 9 allows other programs (ODBC Compliant Software such as MS Excel, Oracle) to use / extract data from Tally.ERP 9 to design their own reports using ODBC facility</td>
</tr>
<tr>
<td><strong>Protocol Support</strong></td>
<td>Tally.ERP 9 provides protocol support for HTTP, HTTPS, FTP, SMTP, ODBC and raw sockets with data interchange formats such as XML, HTML with XML islands, SOAP and related formats</td>
</tr>
<tr>
<td><strong>Direct Web Browser Access</strong></td>
<td>Tally.ERP 9 allows you to access Tally website directly from the product interface for various purposes viz., download latest version of Tally, obtain information from representative on Tally Chat etc</td>
</tr>
<tr>
<td><strong>E-Mail Facility</strong></td>
<td>Tally.ERP 9 supports mailing of required information to intended recipients and also mass mailing facility for certain reports like Payslip etc</td>
</tr>
<tr>
<td><strong>Data Migration Capability</strong></td>
<td>Tally.ERP 9 provides an in-built migration tool to migrate the data from the earlier version to the latest version of the product</td>
</tr>
</tbody>
</table>
**Tally.ERP 9 Start-up**

You can start Tally.ERP 9 using any of the following ways:

- Click on *Start > Programs > Tally.ERP 9 > Tally.ERP 9* icon or
- Double-click on the *Tally.ERP 9* on the desktop

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**Tally.ERP 9 Screen Components**

- **Title bar:** Displays the version number of Tally.ERP 9
- **Horizontal button bar:** Selection of Language key, Keyboard Language and Tally.ERP 9 Help
- **Close button:** Performs the standard Windows Operating Systems function (Windows 95 onwards), allowing you to Close / Quit Tally.ERP 9 and work on other applications. To restore Tally.ERP 9, click the Tally.ERP 9 icon on the task bar
Gateway of Tally: Displays menus, screens, reports and accepts the choices and options which you select to view data as required

Buttons toolbar: Displays buttons which provide quick interaction with Tally.ERP 9. Only buttons relevant to the current task are visible

Calculator Area: Used for calculator functions

Info Panel: Displays Version number, License details, Configuration details

Mouse/ Keyboard Conventions
While working with Tally.ERP 9, you may use the following conventions.

- **Click:** Press the left mouse button
- **Double-click:** Press and release the left mouse button twice, without moving the mouse pointer off the item
- **Choose:** Position the mouse pointer on the item and click the left mouse button
- **Select:** Position the mouse pointer on the item and double-click the left mouse button
- **Press:** Use the keys on the keyboard in the combination shown
- **Fn:** Press the function key
- **Fn:** Press \( \text{ALT} + \text{function key} \)
- **Fn:** Press \( \text{CTRL} + \text{function key} \)

Switching between Screen Areas
- To toggle between this screen and the Calculator area at the bottom of the screen, press \( \text{Ctrl}+\text{N} \) or \( \text{Ctrl}+\text{M} \) as indicated on the screen
- To minimize the Info. Panel, press Close (X) button on the right side of the Info. Panel and to restore, click \(^{\wedge}\) appearing on the bottom centre of the screen

Quitting Tally.ERP 9
- Press ESC until you see the message Quit? Yes or No? Press Enter or Y, or click Yes to quit Tally.ERP 9
- Alternatively, to exit without confirmation, press Ctrl+Q from Gateway of Tally
- You can also press Enter, while the option Quit is selected from Gateway of Tally

Setting up of Company in Tally.ERP 9
The first step towards understanding Tally.ERP 9 is to create a company in Tally.ERP 9.

Create a Company
Go to Gateway of Tally > Company Info. > Create Company
Create a company **Universal Enterprises** with the details as shown in the screen:

![Company Creation screen](image)

- **Press Y or Enter** to accept the screen

Each field in the **Company Creation screen** is explained below:

- **Directory:** Tally.ERP 9, by default creates the company in the data path given while installation. However, this path can be changed by using the backspace key, so that Tally.ERP 9 saves the data to a different, specified directory.

- **Name:** This specifies the name of the company as it appears in Tally.ERP 9.

- **Mailing Name:** The company name given in the **Name** field automatically appears in this field. The correct name of the company for mailing purposes should be entered.

- **Address:** The address of the company (The mailing name and address details are picked from here for any report such as Balance Sheet and statement of accounts etc).

- **Statutory Compliance for:** Select **India** from the list of countries.

- **State:** Select the appropriate **State** from the list of States.

- **Pin Code:** Enter the PIN code of the specified address.
- **Telephone No.:** Enter the telephone number of the company
- **Mobile No.:** Enter the mobile number of the company
- **E-Mail:** E-mail address will be used to e-mail documents, reports and data from Tally.ERP 9
- **Currency Symbol:** This refers to the currency symbol which Tally.ERP 9 will use for monetary values. By default, Tally.ERP 9 displays ₹
- **Maintain:** Select the nature of the company i.e, Accounts only or Accounts with Inventory.
- **Financial Year From:** Specify the Financial Year (FY) for the company. Tally.ERP 9 considers 12 months from the date you give here as the Financial Year
- **Books Beginning From:** The date given for ‘Financial Year From’ is automatically displayed. However, we can specify the actual date on which the books of accounts start. In case the books of accounts are opened mid-way during the financial year specified, you can enter the required date and start the books of accounts accordingly.
- **TallyVault Password:** TallyVault is an enhanced security feature utilised to protect company data in an encrypted form by means of a Password. Data is not accessible without the TallyVault password.
- **Use Security Control:** Tally.ERP 9 has a range of security controls, which can define the authority of various users to access the information and to enter/alter/delete the vouchers.

**Base Currency Information**

In Tally.ERP 9, the default currency for the company and how the amounts should be displayed needs to be specified:

- **Base currency symbol:** Pre-set default currency is ₹
- **Formal name:** Complete name for the currency symbol. By default, this is set to INR
- **Number of decimal places:** By default, this is set to 2
- **Is symbol suffixed to amounts?:** By default, this is set to No
- **Symbol for Decimal Portion:** Specify the decimal portion for the currency mentioned. Enter Paise
- **Show amounts in millions?:** Tally.ERP 9 caters to currencies where the different parts of large amounts are called by special names. By default, this is set to No
- **Decimal Places for Printing Amounts in words:** The number of decimal places to print the amount in words can be specified. This number should be equal to or lesser than the number specified in **Number of Decimal places** field.
Once the Company creation screen is accepted, the Gateway of Tally Screen loads. The **Gateway of Tally** screen is displayed as shown:

![Gateway of Tally Screen](image)

**Figure 3. Gateway of Tally**

**Select a Company**

To Select a Company,

Go to **Gateway of Tally > press Alt+F3 (Company Info.) > Select Company**

- Tally.ERP 9 displays the List of Companies screen with all the companies created in an alphabetical order
- Select the required company from the list
- In case two or more companies are loaded, click on the company which you need to work on. The selected company will be highlighted and will appear on top of the list

**Alter a Company**

To Alter a Company,

Go to **Gateway of Tally > press Alt+F3 (Company Info.) > Alter**

- Select the company which you need to alter from the List of Companies and press **Enter** to view the **Company Alteration** screen
- Alter the company details as required and accept the screen
Shut a Company
To Shut a Company,
Go to the Gateway of Tally > press Alt+F3 (Company Info.) > Shut Company
- Select the company which you need to shut from the List of Companies
- You can also use Alt + F1 to shut a Company from the Gateway of Tally screen
- You can also access these functions, by selecting the appropriate button from the button bar

F11: Company Features
The F11: Features are company-specific whereas, F12: Configurations are applicable to all the companies in a data directory. You can press F11 (functional key) from any screen of Tally.ERP 9 or you may also click on the F11: Features button available in the button bar, to enable the required features. The F11: Features is divided into the following major categories:
- Accounting Features
- Inventory Features
- Statutory & Taxation
- Tally.NET Features
- Add-On Features

Go to Gateway of Tally > press F11: Features

Figure 4. F11: Features Menu
**F1: Accounting Features**
The Accounting Features consists of configurations/ functionality, which generally affects accounting transactions and reports. The accounting features are further sub-divided into six sections, namely:

- General
- Outstandings Management
- Cost/ Profit Centres Management
- Invoicing
- Budgets/ Scenario Management
- Other Features

Go to *Gateway of Tally > F11: Features > Accounting Features or click on F1: Accounts*

The **F1: Accounting Features** screen is displayed as shown:

![F1: Accounting Features Screen](image)

**Figure 5. F11: Accounting Features Screen**

**F2: Inventory Features**
The Inventory features comprises of configurations/ functionality pertaining to Inventory transactions and reports. The Inventory features are further sub-divided into seven sections, namely:

- General
- Storage & Classification
Go to **Gateway of Tally > F11: Features > Inventory Features or click on F2: Inventory**

The **F2: Inventory Features** screen is displayed as shown:

- Enable the required features and press **Enter** to accept

**The Inventory Features menu will not be available for Accounts-Only Company**
F3: Statutory & Taxation
The Statutory & Taxation features comprises of configurations/ functionality pertaining to statutory compliances available in Tally.ERP 9. The Statutory features are country specific and strictly depends upon the Country selected in the Company Creation screen. The following features are available, when *India* is selected in the Statutory Compliance for field in the Company Creation screen.

- Excise
- Value Added Tax
- Service Tax
- Tax Deducted at Source
- Tax Collected at Source
- Payroll
- Income Tax
- MCA Reports

Go to *Gateway of Tally > F11: Features > Statutory & Taxation or click on F3: Statutory*

The **F3: Statutory & Taxation** screen is displayed as shown:

![Figure 7. F11: Statutory & Taxation Features Screen](image)

- Enable the required features and press **Enter** to accept
The Statutory features pertaining to Payroll (i.e., Enable Payroll Statutory option) will be available in F3: Statutory Features, only when Maintain Payroll is enabled in F1: Accounting Features screen.

The Statutory features pertaining to Excise (i.e., Enable Excise option) will be available in F3: Statutory Features, only when Maintain Accounts with Inventory is selected in the Company master.

F4: Tally.NET Features

The Tally.NET Features screen comprises of Connection Details, Remote Access and SMS Access details of a company for connecting on Tally.NET.

Go to Gateway of Tally > F11: Features > Tally.NET Features or click on F4: Tally.NET

Figure 8. F11: Tally.NET Features screen

The F4: Tally.NET Features menu will be available only when Use Security Control is enabled in the Company master.
**F6: Add-On Features**

The Add-On Features is a placeholder for the features provided in the Add-Ons/Local TDLs loaded. This feature allows the customers to purchase customised solutions from Tally Partners or any other solution provider.

![Image of Add-On Features screen](image)

**Figure 9. F11: Add-On Features screen**

**F12: Configurations**

In Tally.ERP 9, the **F12: Configuration** options are provided for Accounting, Inventory, Payroll, Emailing, Data, Printing options, TDL etc., and are user-definable as per your requirements. The **F12: Configuration** options are applicable to all the companies residing in that Tally.ERP 9 Data Directory. The F12: Configuration options vary depending upon the menu display. i.e., if you press F12: Configure from Voucher entry screen, the respective F12: Configuration screen is displayed.

Go to **Gateway of Tally > press F12: Configure**

The Configuration screen is displayed as shown:
**General Configuration**

In **General Configuration** screen, you can configure Country Details, Style of Names, Dates and Numbers in the General configuration screen.

Go to *Gateway of Tally > F12: Configure > General*

**Numeric Symbols**

In **Numeric Symbols** screen, you can configure Number Styles and Symbols used to represent Positive Numbers, Negative Numbers, Debit Amounts and Credit Amounts by using Numeric Symbols.

Go to *Gateway of Tally > F12: Configure > Numeric Symbols*

**Accts/ Inventory Info. Configuration**

The **Accts/ Inventory Configuration** is used to enable additional settings / options/ configurations in Accounting and Inventory masters. You can also configure Accts/ Inventory Info. configurations from Accounts and Inventory voucher entry screens, by pressing F12: Configure.

Go to *Gateway of Tally > F12: Configure > Accts/Inventory Info.*

**Voucher Entry Configuration**

**Voucher Configuration** is used to configure additional settings and options during voucher entry.

Go to *Gateway of Tally > F12: Configure > Voucher Entry*
**Invoice / Orders Entry Configuration**
The Invoice entry and Order entry screens can be configured for additional information such as export
details, shipping details, etc.

Go to *Gateway of Tally > F12: Configure > Invoice / Orders Entry*

**Payroll Configuration**
The Payroll Configuration screen allows you to enable additional configurations for entering infor-
mation related to Statutory Details, Passport & Visa Details, Contract Details and Resigned / Retired
Employees.

Go to *Gateway of Tally > F12: Configure > Payroll Configuration*

**Banking Configuration**
This configuration helps you to configure settings related to Bank Reconciliation Statement.

Go to *Gateway of Tally > F12: Configure > Banking Configuration*

**Printing Configuration**
This configuration helps you to configure the print settings for various Accounting, Inventory vouchers
and other MIS related statements.

Go to *Gateway of Tally > F12: Configure > Printing*

**E-Mailing Configuration**
This configuration helps you to define settings related to email such Email Server, Server Address,
Authentication details and so on.

Go to *Gateway of Tally > F12: Configure > E-Mailing*

**Data Configuration**
This configuration helps you to define location of Language Files, Tally Configuration File, Export
Files, Data Files and details of the companies to be loaded on startup.

Go to *Gateway of Tally > F12: Configure > Data Configuration*

**TDL Configuration**
This screen provides details regarding TDL Configuration viz., Local TDLs, Account TDLs & Remote
TDLs enabled for the product.

Go to *Gateway of Tally > F12: Configure > TDL Configuration*
Advanced Configuration
This configuration helps you to specify Client/Server Configuration, Connection configuration and Proxy configuration for ODBC connectivity and Synchronisation of Data.

Go to Gateway of Tally > F12: Configure > Advanced Configuration

Licensing Configuration
This configuration helps you to update, surrender, reset license and also configure existing License.