

BY SUBRATA DEY



BILL OF MATERIAL

Tally provides basic facilities for production & Inventory management for manufacturing. Third party jobbers & Contractors to specify Bill of Materials, which helps you make a cost estimate for your products. It is list of Component to Manufacture/assemble another product.

○ Activation of Bill Of Material

- **Gateway of Tally > F12:Configuration > Accounts/Inventory Info. > Set Following Options to 'Yes'**

- **Allow Component list details (Bill of Materials)**

- Press **Enter** to **Accept** the screen & Press **Esc** and return to **Gateway of Tally**

- **Create a New Manufacturing Journal**

Create a New Voucher Type called **Manufacturing Journal** under **Stock Journal**.

- **Gateway of Tally > Accts Info. > Voucher Type > Create.**

1. Name - **Manufacturing Voucher**

- ## 2. Voucher Types - Stock Journal.

3. Follow the normal Voucher type creation as explained earlier for the rest.

4. Select 'Yes' for "Use as Manufacturing Journal" and accept the screen, by Pressing 'Ctrl + A'

Name : Manufacturing Voucher (alias) :																							
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- Purchase Parts of Computer from IBM Pvt Ltd dated:1/10/08 + VAT @ 4% of Rs.2,77,316/-

○ Following is the list of New Item required for Manufacturing Computers

Note: - Create New Stock Group - Parts Of Computers

Name of Item	Inward Qty	Rate	Godown	Total	Value
Cabinet - IBM	20	1850	WareHouse	20	37000
DVD Writer - IBM	25	1150	WareHouse	25	28750
CPU Fan - IBM	15	450	WareHouse	15	6750
Hard Disk - IBM	18	2100	WareHouse	18	37800
Internal Modem - IBM	05	450	WareHouse	05	2250
Mother Board - IBM	20	3000	WareHouse	20	60000
RAM - IBM	15	1150	WareHouse	15	17250
SMPS - IBM	16	1350	WareHouse	16	21600
Speakers - IBM	05	1800	WareHouse	05	9000
Processor P4 - IBM	02	3000	WareHouse	02	6000
Key Board - IBM	25	250	WareHouse	25	6250
Mouse - IBM	30	150	WareHouse	30	4500
LCD Monitor	05	5900	WareHouse	05	29500

● Gateway of Tally > Accounting Voucher > F9 : Purchase (Create a New Ledger - IBM Pvt Ltd)

Purchase No. 52		Date		2-Oct-2008 Thursday	
Supplier Invoice No. :					
Party's A/c Name : IBM Pvt Ltd					
Current Balance : 3,05,016.00 Cr					
Name of Item	Quantity	Rate	per	Disc. %	Amount
Cabinet - IBM	20 Nos	1,850.00	Nos		37,000.00
DVD Writer - IBM	25 Nos	1,150.00	Nos		28,750.00
CPU - FAN - IBM	15 Nos	450.00	Nos		6,750.00
Hard Disk - IBM	18 Nos	2,100.00	Nos		37,800.00
Internal Modem - IBM	5 Nos	450.00	Nos		2,250.00
Mother Board - IBM	20 Nos	3,000.00	Nos		60,000.00
RAM - IBM	15 Nos	1,150.00	Nos		17,250.00
SMPS - IBM	16 Nos	1,350.00	Nos		21,600.00
Speakers - IBM	5 Nos	1,800.00	Nos		9,000.00
Processor P4 - IBM	2 Nos	3,000.00	Nos		6,000.00
Keyboard IBM	25 Nos	250.00	Nos		6,250.00
Mouse - IBM	30 Nos	150.00	Nos		4,500.00
LCD Monitor - IBM	5 Nos	5,900.00	Nos		29,500.00
					2,66,650.00
Input Vat @ 4%					10,666.00
Show Statutory Details ? No					
Narration:					
201 Nos					2,77,316.00

○ Steps for Creating Bill of Material

You can create a **Bill of Material (BOM)** for any stock Item. Typically, you would like to create a BOM only for those items that are being manufactured.

● Gateway of Tally > Inventory Info. > Stock Item > Create (Single)

Name	IBM - Computer
Under	Mfg. Item (create the group if it does not exist.)
Category	Not Applicable
Units	Nos.
Maintain in Batch & Standard Rate	No
Set Components (BOM) ?	Yes

Once this is made to yes it takes you to a screen where you can enter 1 each for Unit of Manufacture and items Hard Disk, Floppy Disk, Ram, Mother Board, SMPS, Fan, Lan Card etc. which are required for the assembly of one Computer & Save the Stock Item

Components of Unit of manufacture		IBM - Computer : 1 Nos
Item	Godown	Quantity
Cabinet - IBM	Warehouse	1 Nos
DVD Writer - IBM	Warehouse	1 Nos
CPU - FAN - IBM	Warehouse	1 Nos
Hard Disk - IBM	Warehouse	1 Nos
Internal Modem - IBM	Warehouse	1 Nos
Mother Board - IBM	Warehouse	1 Nos
RAM - IBM	Warehouse	1 Nos
SMPS - IBM	Warehouse	1 Nos
Speakers - IBM	Warehouse	1 Nos
Processor P4 - IBM	Warehouse	1 Nos
Keyboard - IBM	Warehouse	1 Nos
Mouse - IBM	Warehouse	1 Nos
LCD Monitor - IBM	Warehouse	1 Nos

○ Manufacturing Journal

The purpose of creating a bill of material is to enable consumption of the materials in the ratio specified when the product is manufactured. Tally uses a manufacturing Journal to enter goods manufactured with Bill of materials.

Enter the Following Manufacturing Journal Voucher

● Gateway of Tally > Inventory Voucher > Press Alt + F7 : Manufacturing Voucher

Press F2 : Date	02/10/2008
Name of Product	IBM Computer.
Godown	Warehouse.
Quantity	2 Nos & Press Enter
Type of Additional Cost	Labour Expenses. (create the Ledger if it does not exist , Under Group - Direct Expenses)
Amount	Rs. 700/-
Accept Yes or No	Yes

Manufacturing Voucher No. 1

2-Oct-2008

Thursday

Manufacture of Materials

Name of Product : IBM - Computer Godown: Warehouse Qty 2 Nos

Batch Name :

Mfg Dt. :

Expiry :

Components (Consumption)					Cost of Components :		22,600.00 Nos 45,200.00	
Name of Item	Godown	Quantity	Rate	Amount	Type of Addl. Cost	%age		
Cabinet IBM	Warehouse	2 Nos	1,850.00/Nos	3700.00	Labour Charges		700.00	
DVD Writer IBM	Warehouse	2 Nos	1,150.00/Nos	2300.00				
CPU FAN IBM	Warehouse	2 Nos	450.00/Nos	900.00				
Hard Disk IBM	Warehouse	2 Nos	2,100.00/Nos	4200.00				
Internal Modem IBM	Warehouse	2 Nos	450.00/Nos	900.00				
Mother Board - IBM	Warehouse	2 Nos	3,000.00/Nos	6000.00				
RAM - IBM	Warehouse	2 Nos	1,150.00/Nos	2300.00				
SMPS - IBM	Warehouse	2 Nos	1,350.00/Nos	2700.00				
Speakers - IBM	Warehouse	2 Nos	1,800.00/Nos	3600.00				
Processor P4 - IBM	Warehouse	2 Nos	3,000.00/Nos	6000.00				
Keyboard - IBM	Warehouse	2 Nos	250.00/Nos	500.00				
Mouse - IBM	Warehouse	2 Nos	150.00/Nos	300.00				
LCD Monitor - IBM	Warehouse	2 Nos	5,900.00/Nos	11800.00				
				26 Nos			45200.00	
Narration:					Total Addl. cost	:	700.00	
					Effective Cost	:	45,900.00	
					Effective Rate	:	22,950.00/Nos	

Effective rate For Mfg. 1 Computer is Rs.22,950/-, which is displayed at the bottom right corner of the

- Press **Esc** & return to **Gateway of Tally**

To Check Whether you have entered Correctly - **Gateway of Tally > Display > Trial Balance**

Particulars	M/s. SHRIRAM ELECTRONICS 1-Apr-2008 to 2-Oct-2008	
	Closing Balance	
	Debit	Credit
Capital Account		6,18,476.20
Loans (Liability)		13,32,619.40
Current Liabilities	1,22,429.02	64,44,029.54
Fixed Assets	2,74,649.00	
Investments	1,75,500.00	
Current Assets	83,14,830.62	
Sales Accounts		23,72,727.00
Purchase Accounts	18,48,723.50	
Direct Expenses	4,859.00	
Indirect Expenses	26,861.00	
Grand Total	1,07,67,852.14	1,07,67,852.14

- Press **Esc** & return to **Gateway of Tally**

To Check Whether you have entered Correctly - **Gateway of Tally > Stock Summary**

Particulars	M/s. SHRIRAM ELECTRONICS 1-Apr-2008 to 2-Oct-2008		
	Closing Balance		
	Quantity	Rate	Value
Bpl	244 Nos	7,325.73	17,87,478.00
Medicine	1,070 Nos	4.85	5,194.50
MFG. ITEM	2 Nos	22,950.00	45,900.00
Parts of Computers	175 Nos	1,265.43	2,21,450.00
Videocon	265 Nos	9,564.26	25,34,530.00
Grand Total	1,756 Nos		45,94,552.50

- Press **Esc** & return to **Gateway of Tally**