

BILL OF MATERIAL(BOM)

A Bill of Materials is a list of constituent items along with quantity details that can be allotted towards manufacturing a certain product, by-product or likewise. This facilitates immediate reduction in stock of the item automatically. This process of listing the items that make up another item is made possible in Tally by enabling the Bill of Materials Facility

How DO I Enable And Use BOM

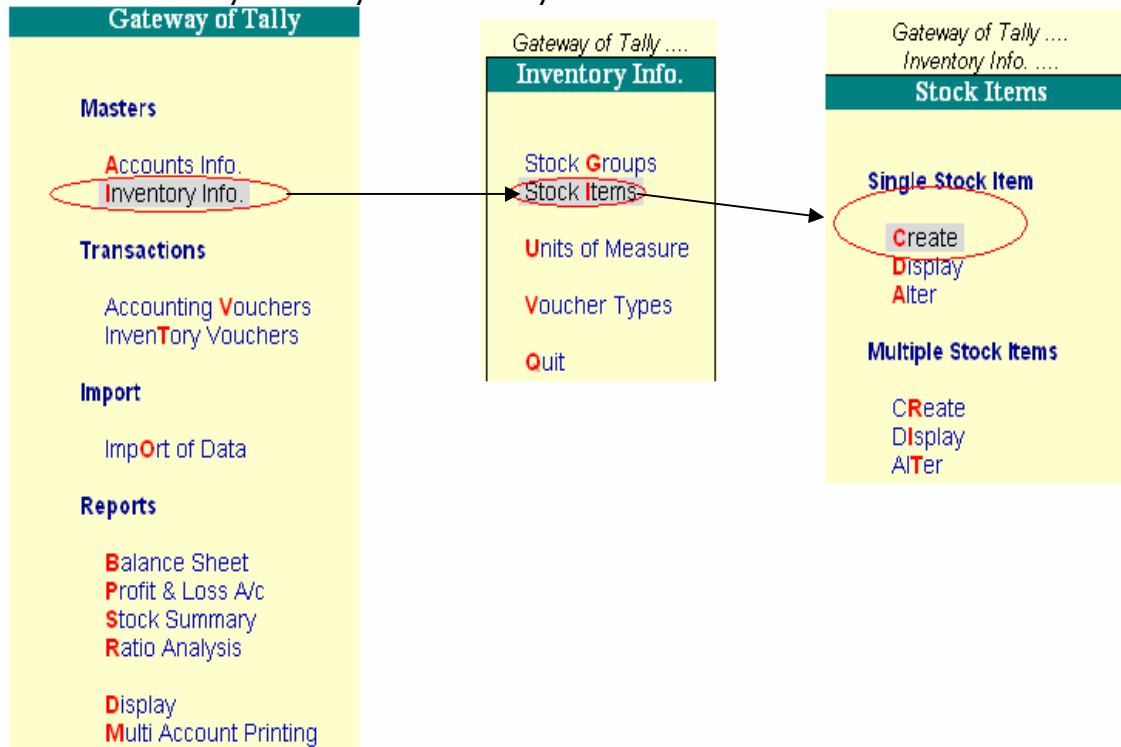
Bom is useful in the Manufacturing or Assembling Industry where they will purchase Raw material and convert into Finished products

For Example there is a Computer Shop which brings the components of the computer from different places and assembles and makes one Computer

He purchahses Hard disk,Mother board.Cpu,Monitor,Mouse and he sells the System by assembling

Create the stock item in name of Hard disk,Mother board.Cpu,Monitor,Mouse and Computer

From Gate way of Tally→Inventory Info→Stock Item→Create



Click on create the screen looks as below

Stock Item Creation		BOM Company	
Name :	[Redacted]		
(alias) :	[Redacted]		
Under :	<input type="checkbox"/> Primary	<u>Tax Information</u>	
Units :	<input type="checkbox"/> Not Applicable	Rate of Duty (eg 5) :	
Opening Balance :	Quantity	Rate per	Value

Press F12 in this screen to enable the BOM as soon as press that the screen looks as below

Master Configuration		BOM Company	
Name :	[Redacted]		
(alias) :	[Redacted]		
Under :	<input type="checkbox"/> Primary	<u>Master Configuration</u>	
Units :	<input type="checkbox"/> Not Applicable	Allow ALIASES along with Names ? Yes	
		Allow Language ALIASES along with Names ? No	
		<u>Accounts Masters</u>	
		Allow ADVANCED entries in Masters ? No	
		Add NOTES for Ledger Accounts ? No	
		Use ADDRESSES for Ledger Accounts ? No	
		Use CONTACT DETAILS for Ledger Accounts ? No	
		<u>Inventory Masters</u>	
		Allow ADVANCED entries in Masters ? No	
		Use PART NUMBERS for Stock Items ? No	
		Use Description for Stock Items ? No	
		Use REMARKS for Stock Items ? No	
		Specify Default Ledger Allocation for Invoicing ? No	
		Use ALTERNATE UNITS for Stock Items ? No	
		Allow Std. Rates for Stock Items ? No	
		Allow Component list details (Bill of Materials) ? Yes	
		Use ADDRESSES for Godowns ? No	
Opening Balance :			

Set the option Allow Component List Details (Bill of material) to Yes accept the screen then the item creation screen looks as below

Stock Item Creation BOM Company

Name : **Computer**
 (alias) :

Under : **Primary**
 Units : **nos**
 Set Components (BoM) ? **Yes**

Tax Information

Rate of Duty (eg 5) : **0**

Opening Balance	Quantity	Rate per	Accept ?
			Yes or No

Stock Item Creation BOM Com

Name : **Computer**
 (alias) :

Under : **Primary**
 Units : **nos**
 Set Components (BoM) ? **Yes**

Tax Information

Rate of Duty (eg 5) :

Opening Balance	Quantity	Rate per	V

while creating Computer set the option Set Components(BOM) to Yes and enter the screen will be as below

Stock Item Components (BoM) BOM Company

Name : **Computer**
 (alias) :

Under : **Primary**
 Units : **nos**
 Set Components (BoM) ? **Yes**

Components of
 Unit of manufacture : **Computer**
 : **1 nos**

Item	Quantity
Cpu	1 nos
Hard Disk	1 nos
Monitor	1 nos
Mother Board	1 nos
Mouse	1 nos

Opening Balance	Quantity	Rate per	V

Ctrl + M

List of Stock Items

End of List

Cpu
 Hard Disk
 Monitor
 Mother Board
 Mouse

Gateway of Tally
 Inventory Info
 Stock Items

Single Stock Item

Create
 Display
 Alter

Multiple Stock Items

CRreate
 Display
 AITer

Quit

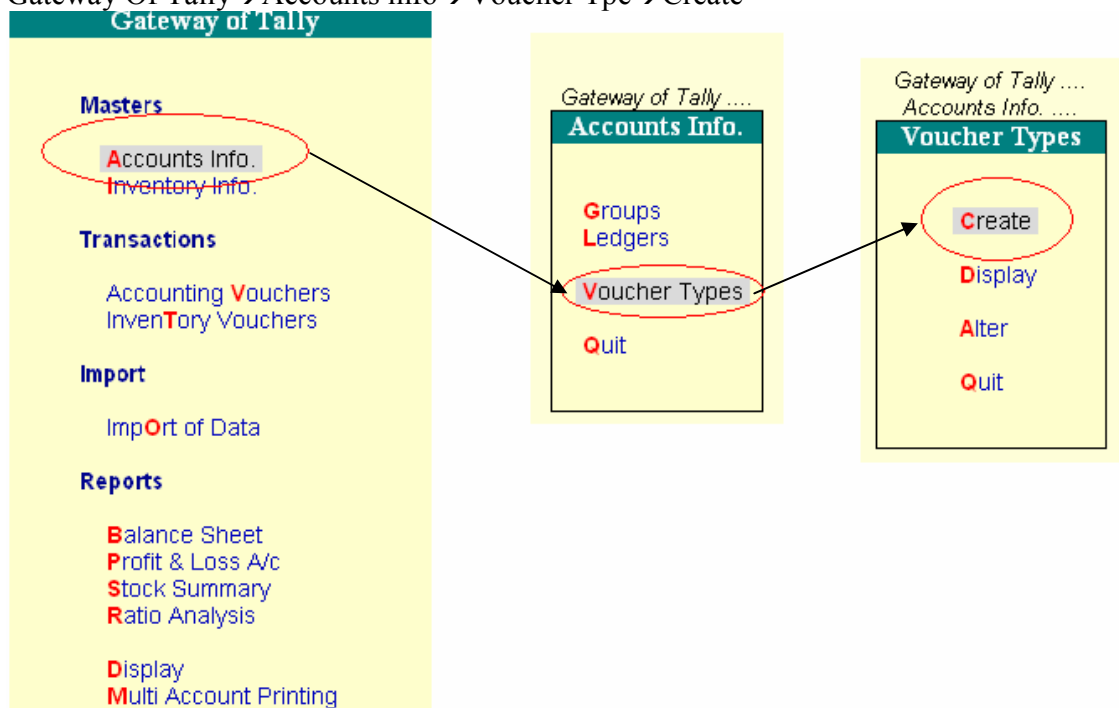
Unit Of Manufacture: This is the place where we need to mention how much qty of the computer we are taking into consideration for giving the bom

Item : Select the Items which is required to make computer and give the Qty how much qty is required to make one computer and accept the screen and accept the item creation screen

Stock Item Creation		BOM Company	
Name : Computer (alias) :			
Under : <input type="checkbox"/> Primary		Tax Information	
Units : nos		Rate of Duty (eg 5) : 0	
Set Components (BoM) ? Yes			
Opening Balance :	Quantity	Rate per	Accept ? Yes or No

accept the screen.

Now we will Pass One Manufacturing Journal
 We need to create One Voucher Type For Manufacturing Journal
 Gateway Of Tally → Accounts info → Voucher Tpe → Create



as soon as you click on create the screen appears as below

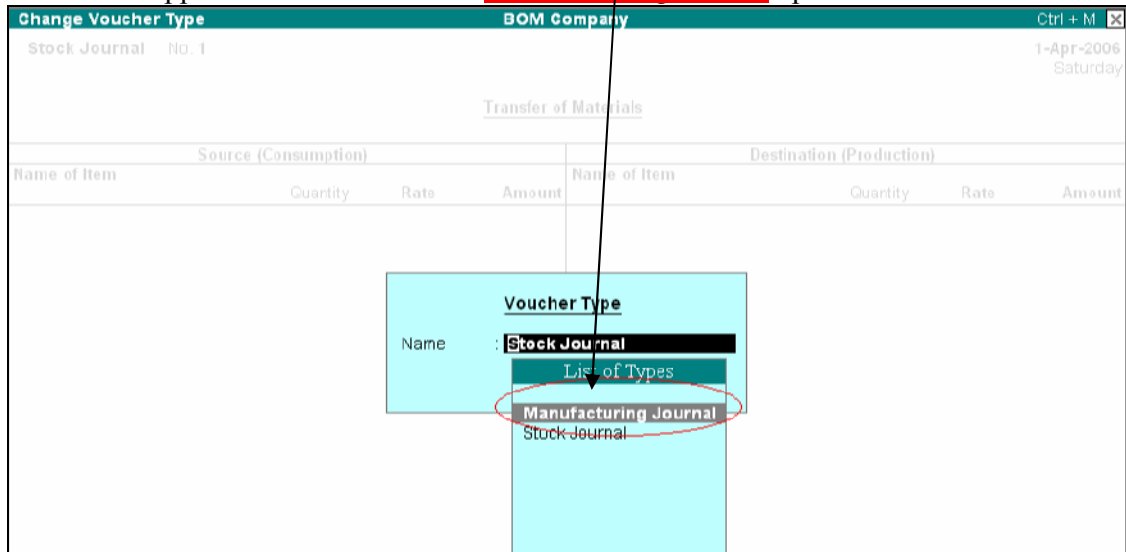
Voucher Type Creation		BOM Company		Ctrl + M
Name : Manufacturing Journal				
(alias) :				
General		Printing		Name of Class
Type of Voucher	Stock Journal	Print after saving Voucher	? No	
Abbr.	: Stk Jml			
Method of Voucher Numbering	? Automatic			
Use Advance Configuration	? No			
Use EFFECTIVE Dates for Vouchers	? No			
Make 'Optional' as default	? No			
Use Common Narration	? Yes			
Narrations for each entry	? No			
Use as a Manufacturing Journal	? Yes			
				Accept ? Yes or No

In the Name Field Type Manufacturing Journal
 Type of Voucher: select the type of voucher as Stock journal
 Use as Manufacturing Journal : set this option To Yes

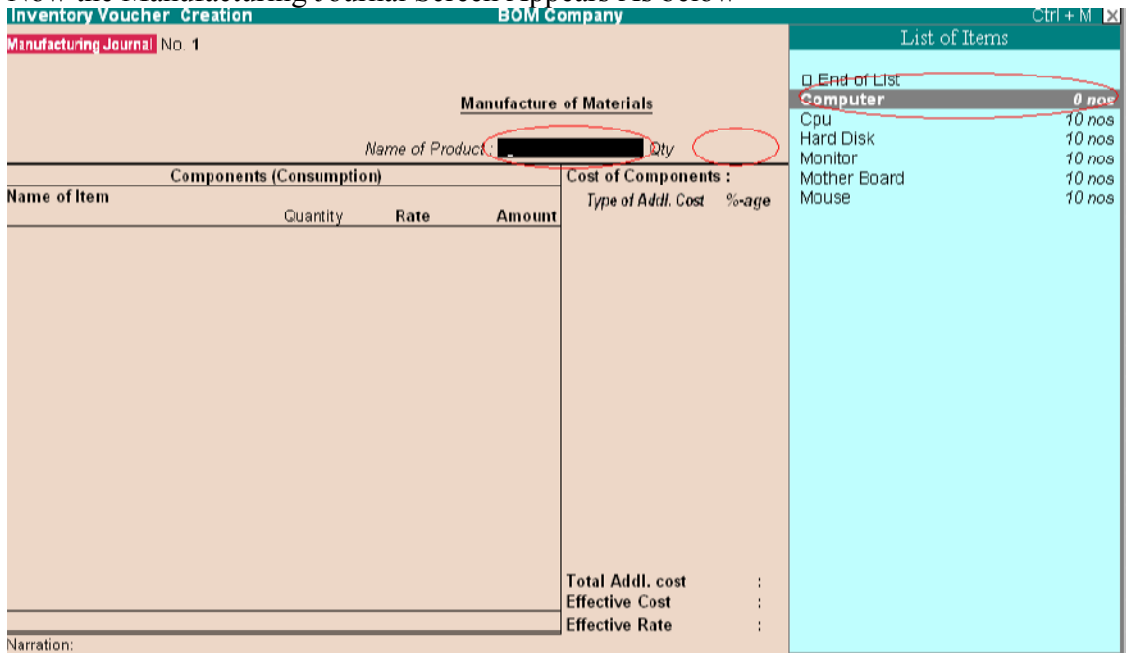
Now From Gate way Of Tally Go to Inventory Voucher → Press Alt+F7

Gateway of Tally
Masters
Accounts Info.
Inventory Info.
Transactions
Accounting Vouchers
Inventory Vouchers
Import
Import of Data
Reports
Balance Sheet
Profit & Loss A/c
Stock Summary
Ratio Analysis
Display
Multi Account Printing
Quit

The screen appear as below select the Manufacturing Journal option and enter



Now the Manufacturing Journal Screen Appears As below



in the name of the product select Computer and in Qty mention the Qty to be Assembled as soon as you give the qty the components will come automatically with Qty and Rate and Amount

Inventory Voucher Creation			BOM Company		Ctrl + M	
Manufacturing Journal No. 1					1-Apr-2006 Saturday	
Manufacture of Materials						
			Name of Product : Computer		Qty 10 nos	
Components (Consumption)			Cost of Components :			
Name of Item	Quantity	Rate	Amount	Type of Addl. Cost	%age	
Cpu	10 nos	10,000.00/nos	1,00,000.00			21,600.00/nos
Hard Disk	10 nos	1,500.00/nos	15,000.00			2,16,000.00
Monitor	10 nos	4,100.00/nos	41,000.00			
Mother Board	10 nos	5,000.00/nos	50,000.00			
Mouse	10 nos	1,000.00/nos	10,000.00			
			Total Addl. cost		:	
			Effective Cost		:	2,16,000.00
			Effective Rate		:	21,600.00/nos
Narration:						
			50 nos		2,16,000.00	

- 1) Under additional cost components you may specify the additional cost incurred for producing the item example power ,wages etc
- 2) create the expenses ledger under Direct Expenses
- 3) **Note that the additional cost entered for the ledgers ,do not reflect in the relevant ledger with the amount but only add to the cost of the item**

Now in Stock summary the Closing stock of computer will be 10nos and other item will be reduced by 10nos

Note : If the Batchwise details is enabled for the items the Qty will not appear automatically although the Bom is enabled