



Inventory Features Ahead



Inventory Features

- Bill of Materials
- Manufacturing Journal
- Re-Order level
- Batch number, Manufacturing Date and Expiry Date



Bill of Material

- A **Bill of Materials** is a list of constituent items along with quantity details that can be allotted for the manufacture of a certain product, by-product or likewise
- **Bill of Material (BoM)** is created only for those items that are being assembled in-house
- For trading items, you do not need a BoM.
- Bill of Material feature is useful for manufacturing organisations



Bill of Material - Configuration

- Go to **Gateway of Tally > F12: Configure > select Accts/Inventory Info.**
- Set **Enable component list details (Bill of Materials)? to Yes**

OR

- Go to **Gateway of Tally > Inventory Info > Stock Items > Create.**
- Press **F12: Configure (Stock Item Configuration)** and set **Enable component list details (Bill of Materials)? to Yes.**



Bill of Material - Setup

- BOM may be created for a stock item where you use **standard set of inputs** to manufacture finished goods.
- In Create/Alter Stock Item, enter Units and Alter components(BOM) to Yes -> BOM List screen pops up
- Enter the BOM name, now Component Screen pops up. Enter the details of BOM Items used



Bill of Material - Usage

- All the manufacturing transactions can be accounted through a Stock Journal
- **Create a Manufacturing Journal** under **Stock Journal** by setting the option **Use as a Manufacturing Journal** to **Yes**

Manufacturing Journal



Manufacture of Materials

Name of product: Television Qty : 5 no
 %- of Cost allocation 100 %

Components (Consumption)				Co-Product/By-Product/Scrap				
Name of Item	Quantity	Rate	Amount	Name of Item	% of Cost allocation	Quantity	Rate	Amount
Auto Amplifier	5 no	400.00/no	2,000.00					
PCB Main Board	5 no	300.00/no	1,500.00					
Picture Tube	5 no	200.00/no	1,000.00					
Stereo Speaker	5 no	300.00/no	1,500.00					
TV Tuner Card	5 no	300.00/no	1,500.00					
				Cost of components:				7,500.00
				Type of Additional Cost	Percentage			



Re-Order Level

- Reorder level is the quantity of stock beyond which the stocks have to be replenished
- By defining the Reorder levels and Reorder Quantities in Tally.ERP 9, you can ensure that you never run out of stocks
- To decide on reorder levels for stock items consider the following:
 - The lead-time for suppliers to deliver the stock.
 - The delivery time specified by the customer.
 - The stock-in-hand to satisfy existing orders.
- In simple mode, Tally.ERP 9 accepts the quantities that you want to specify. In advanced mode, it considers the previous consumption patterns to suggest reorder levels.
- The purpose of specifying reorder levels is to obtain a report that indicates the quantity of a stock item that you must order.



Re-Order Level – Enable and Use

- Enable reorder level feature
 1. Go to **Gateway of Tally > F11 > F2 .**
 2. Set the option **Enable purchase order processing** to Yes.
- Now the option **Reorder Levels** will appear in the **Inventory Info.** Menu
- On Selection of Reorder Level, you get option to select Stock group, Item or category
- In Simple form, two information is entered Reorder Quantity and Minimum Order Quantity
- View the report Display-> Statement Of Inventory -> Reorder Status
- Click **R : Adv Reorder** to view the **Advanced Parameters for Reorder Level**
- Click **M : Adv Min Qty** to view the **Advance Minimum Order Quantities .**