

Storage and Classification of Inventory

Learning Objectives

- Godowns management
- Creation & storing inventories in godowns
- Recording purchase voucher with godown
- Recording sales voucher with godown
- Stock categories & summary reports
- Create and maintain batch-wise details
- Record transaction by honouring the expiry date of batches

11.1 Introduction

It is very important to keep the track of goods manufactured or received in batches with expiry details and also storage of the same is very crucial for an organisation, which is dealing in manufacturing or trading of goods. A good storing and classification details will help a business to move out the stock on time.

In Tally.ERP 9, we can maintain storage details by activating godown feature and also classification or grouping of stock can be maintained by enabling the option stock category and stock group. We can also maintain the details of perishable goods, batch details, manufacturing and expiry details in Tally.ERP 9 by enabling the option batch wise details.

Godown is a place where inventories/ stocks are stored. You can specify the stock item to a particular Godown. The user can get the reports of movement of stocks between different locations/ Godowns and inward and outward of stock items for each Godown.

Stock Category offers a parallel classification of stock items. Like stock Groups, classification is done based on similarity in behaviour

Business Scenario 1

Sharp-Soft Industries, is into trading business of Bicycles, the Bicycles are purchased and placed in multiple warehouses and used accordingly during sales. Sometime as per requirement the bicycles may be moved/ transferred from one warehouse to another for effective sales management

Activity: Create a company with the following details:

Company Name: Sharp-Soft Industries

Address: S-Block No: 154, Kosapet, Rama Nagar Square, Bengaluru,

Country: India

State: Karnataka

Pin: 560001

11.2 Godown Management

Godown is a place where inventories/ stocks are stored. You can specify the stock item to a particular godown. The user can get the reports of movement of stocks between different locations/ godowns and inward and outward details of stock items for each godown.

In Tally.ERP 9, we have provided the feature to create godown in single mode and multiple mode

In Tally.ERP 9, we have provided the feature to create godown in single mode and multiple mode and also we can provide address for created godown. Stock transfers between several locations and warehouses can be easily tracked. Based on the godown types, you can view the stock summary from the stock summary report.

Note: In case of Job work or outsourcing, we even maintain the details of stock lying with third party or third party stock lying with us (company), these details can be efficiently managed.

11.2.1 Activating Godown

To enable the order processing, follow the steps given below:

1. Go to **Gateway of Tally > Press F11: Company Features > F2: Inventory Features**

2. Set the option – **Maintain multiple Godowns** to **Yes**

The **Inventory Features** screen appears as shown in the figure 11.1

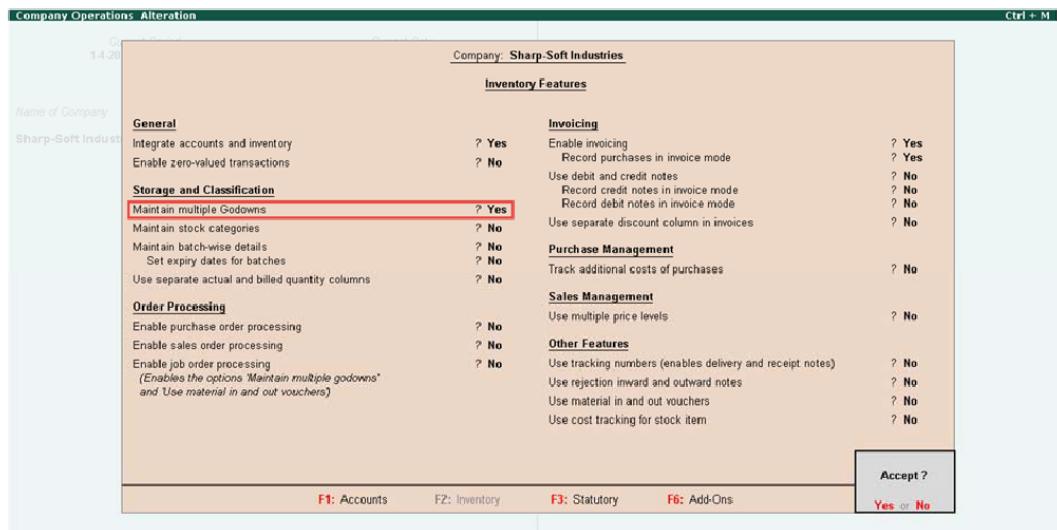


Figure 11.1 Inventory Features Screen

3. Accept the screen

11.2.2 Creating a Godown

In Tally.ERP 9, we can create the godown from the inventory info menu screen. We have the option to create a single godown at a time or multiple godowns at one go.

Illustration 1: Creation of godown in Tally.ERP 9

| Date | Particulars |
|------------|--|
| 01-07-2017 | <p>The company stores the goods in the following godown</p> <ul style="list-style-type: none"> • Local Warehouse – In this godown newly purchased goods are landed • Showroom stores – In this godown new stocks will be bought from local warehouse. • Scrap Warehouse- In this godown scarp/old/damaged goods are |

| | |
|--|--------|
| | stored |
|--|--------|

To maintain the godown in Tally.ERP 9, follow the steps given below:

Creating Single Godown

Go to **Gateway of Tally > Inventory Info > Godowns > Single Godown > Create**

| Local Warehouse | |
|-------------------|---------------------------------|
| Against the Field | Action to be Performed |
| Name | Enter as Local Warehouse |

| Under | Select as Primary |
|--|--------------------------|
| Use For | |
| Our stock with third party | Set to No |
| Third party stock with us | Set to No |
| <p><i>Our stock with third party:</i> Set this option to Yes, if you want to keep the track of goods sent to third party, this option will be enabled by the principal manufacturer (the person who will outsource the work to job worker)</p> <p><i>Third party stock with us:</i> Set this option to Yes, if you want to keep the track of goods received from third party, this option will be enabled by the job worker (the person who is undertaking the outsourcing work)</p> | |

Activity: Similarly create the following godowns in Tally.ERP 9

- Showroom Stores
- Scrap Godown

Note: We can create multiple godown at once from **Gateway of Tally > Inventory Info > Under Multiple Godown > Create > Select All Items**

11.2.3 Allocation of Stock to Particular Godown while Defining Opening Balance

In Tally.ERP 9, we can define the details of godown even at the time of providing stock opening balance.

Illustration 2: Defining stock opening balance along with godown in Tally.ERP 9

Pass the following transaction in the book of Sharp-Soft Industries:

| Date | Particulars | | | |
|------------|--|----------|--------------|------------|
| 31-03-2017 | Sharp-Soft Industries has the following stock with them in local warehouse godown | | | |
| | Name of Stock Item | Quantity | Rate per (₹) | Amount (₹) |
| | Bicycle | 15 Nos | 4800 / Nos | 72,000 |

| | | | |
|---------|--------|-----------|----------|
| Bicycle | 15 Nos | 7000/ Nos | 1,25,000 |
|---------|--------|-----------|----------|

To record the above transaction, in the books of account, first ensure that the required ledgers are created in Tally.ERP 9.

Creation of Inventory Masters

Unit of Measure

Go to **Gateway of Tally > Inventory Info > Units of Measure**

| |
|-----|
| Nos |
|-----|

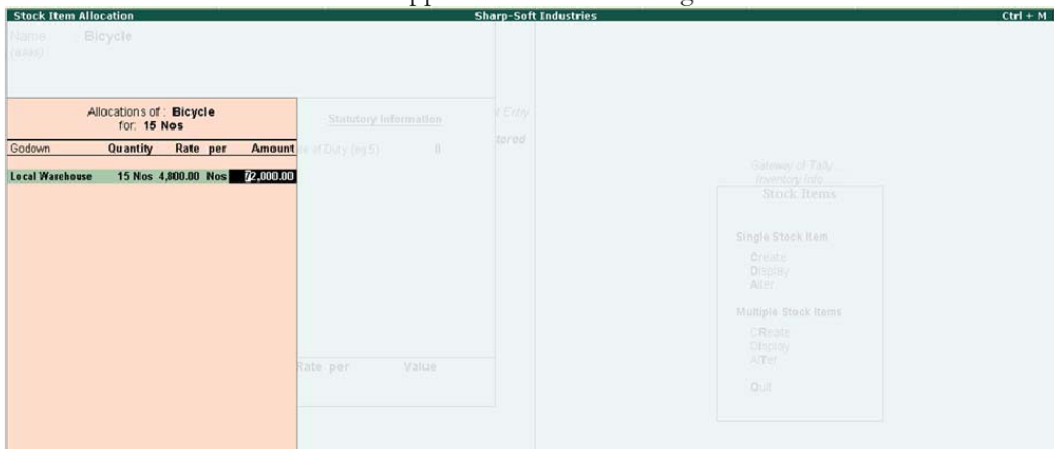
| Against the Field | Action to be Performed |
|--------------------------|-------------------------|
| Type | Let it be Simple |
| Symbol | Enter as Nos |
| Formal Name | Enter as Numbers |
| Number of decimal places | Let it be as 0 |

Stock Item

Go to **Gateway of Tally > Inventory Info > Stock Items > Under Single Stock Item > Create**

| Bicycle | |
|-------------------|----------------------------------|
| Against the Field | Actions to be Performed |
| Name | Enter as Bicycle |
| Under | Select as Primary |
| Units | Select as Nos |
| Opening Balance | Enter as 15 Nos @ ₹ 4800 |
| Godown | Select as Local Warehouse |

The **Stock Item Allocation** screen appears as shown in the figure 11.2



| | |
|--------|-----------|
| 15 Nos | 72,000.00 |
|--------|-----------|

Figure 11.2 Stock Item Allocation with Godown details screen

In the stock item allocation screen, we are storing the stock items in local warehouse.

11.2.4 Recording of Purchase, Sales and Stock Transfers with Godown Details

In this section, we will learn to record purchase, sales and stock transfers details along with godown and also we will be checking the impact of the recorded transaction in the godown summary and stock summary report.

11.2.4.1 Purchase of Inventory

Illustration 3: Accounting of purchase, sales and stock transfer details in Tally.ERP 9

Pass the following transaction in the book of Sharp-Soft Industries:

| Date | Particulars | | | | | | | | |
|--------------------|--|--------------------|------------|--------------|------------|---------|--------|------------|----------|
| 01-07-2017 | Voucher: Purchase To avoid shortage of bicycle supply, Sharp-Soft Industries purchased the Bicycle from Atlas Global, and kept it in local warehouse | | | | | | | | |
| | <table border="1"> <thead> <tr> <th>Name of Stock Item</th> <th>Quantity</th> <th>Rate per (₹)</th> <th>Amount (₹)</th> </tr> </thead> <tbody> <tr> <td>Bicycle</td> <td>70 Nos</td> <td>4,900/ Nos</td> <td>3,43,000</td> </tr> </tbody> </table> | Name of Stock Item | Quantity | Rate per (₹) | Amount (₹) | Bicycle | 70 Nos | 4,900/ Nos | 3,43,000 |
| Name of Stock Item | Quantity | Rate per (₹) | Amount (₹) | | | | | | |
| Bicycle | 70 Nos | 4,900/ Nos | 3,43,000 | | | | | | |

To record the above transactions, in the books of account, first ensure that the required ledgers are created in Tally.ERP 9.

Step 1: Creation of Accounting Masters

Party Ledger

Go to **Gateway of Tally > Accounts Info. > Ledgers > Create**

| Atlas Global | |
|---|--------------------------------|
| Against the Field | Actions to be Performed |
| Name | Enter as Atlas Global |
| Under | Select Sundry Creditors |
| Maintain balances bill-by-bill | Set to Yes |
| Default Credit Period | Leave it Blank |
| Check for credit days during voucher entry? | Set to No |
| Inventory values are affected | Set to No |

Purchase Ledger

| Purchase A/c | |
|-------------------------------|------------------------------------|
| Against the Field | Actions to be Performed |
| Name | Enter as Purchase A/c |
| Under | Select as Purchase Accounts |
| Inventory values are affected | Set to Yes |

Step 2: Recording Purchase Voucher

1. Go to **Gateway of Tally > Accounting Vouchers > F9: Purchase**
2. Press **F2:Date** and change the date to 01-07-2017

3. Enter the **Supplier invoice no.: PUR01**
4. In the **Party A/c name** field select the ledger **Atlas Global**
5. In **Purchase ledger** field select **Purchase A/c**
6. Under **Name of Item**, select **Bicycle**, and enter the details as shown in the figure no 11.2:

The **Stock Item Allocations** screen with godown appears as shown in the figure 11.2:

| Stock Item Allocations | | | | Sharp-Soft Industries | | Ctrl + M | | |
|---------------------------------------|----------------------------|--------------|------------|-----------------------|--------------------|----------|-----|--------|
| Purchase No. 1 | Supplier Invoice No. PUR01 | Date | 1-Jul-2017 | 1-Jul-2017 Saturday | | | | |
| Party A/c name | | Atlas Global | | | | | | |
| Item Allocations for : Bicycle | | | | | | | | |
| Godown | Quantity | Rate | per | Amount | Quantity | Rate | per | Amount |
| Local Warehouse | 70 Nos | 4,900.00 | Nos | 3,43,000.00 | | | | |
| | | | | 70 Nos | 3,43,000.00 | | | |

Figure 11.3 Inventory Allocation for Screen

7. Accept the **Stock Item Allocations** screen

The **Purchase Voucher** appears as shown in the figure 11.3:

| Accounting Voucher Creation | | | | Sharp-Soft Industries | | Ctrl + M | |
|-----------------------------|-----------------------------|--------------|------------|-----------------------|--|----------|--|
| Purchase No. 1 | Supplier Invoice no.: PUR01 | Date | 1-Jul-2017 | 1-Jul-2017 Saturday | | | |
| Party A/c name | | Atlas Global | | | | | |
| Current balance | | | | | | | |
| Purchase ledger | | Purchase A/c | | | | | |
| Name of Item | Quantity | Rate | per | Amount | | | |
| Bicycle | 70 Nos | 4,900.00 | Nos | 3,43,000.00 | | | |
| [End of List | | | | | | | |

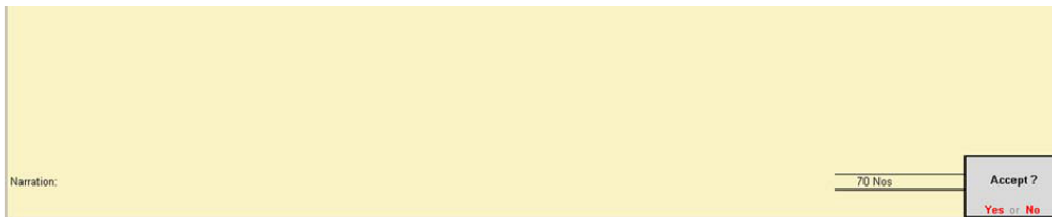


Figure 11.4 Purchase Voucher Screen

8. Accept the screen

Once after recording the entry, go to **Gateway of Tally > Stock Summary > Press Alt+F1**, to get the details of godown in which the stock is stored.

11.2.4.2 Recording stock transfer entry using stock journal

In this section, we will learn to transfer the stock from one godown to another godown and also transferring of goods from multiple godowns to one godown.

Illustration 4: Transferring of stock from one godown to another in Tally.ERP 9

Pass the following transaction in the book of Sharp-Soft Industries:

| Date | Particulars | | | |
|------------|---|-----------------|---------------------|-------------------|
| 01-07-2017 | Voucher: Stock Journal On the same day, 55 Nos of Bicycle was transferred from local warehouse to showroom stores | | | |
| | Name of Stock Item | Quantity | Rate per (₹) | Amount (₹) |
| | Bicycle | 55 Nos | 4882.35/ Nos | 2,68,529.25 |

To record the above transactions, in the books of account, first ensure that the required ledgers are created in Tally.ERP 9.

Recording Stock Journal Voucher

1. Go to **Gateway of Tally > Inventory Vouchers > Alt+F7: Stock Journal**
2. Press **F2: Date** and change the date to 01-07-2017
3. Enter the details as shown in the figure 11.5:

The **Stock journal Voucher Creation** screen appears as shown in the figure 11.5:

| Source (Consumption) | | | | | Destination (Production) | | | | |
|----------------------|--------|----------|------|--------|--------------------------|--------|----------|------|--------|
| Name of Item | Godown | Quantity | Rate | Amount | Name of Item | Godown | Quantity | Rate | Amount |
| | | | | | | | | | |

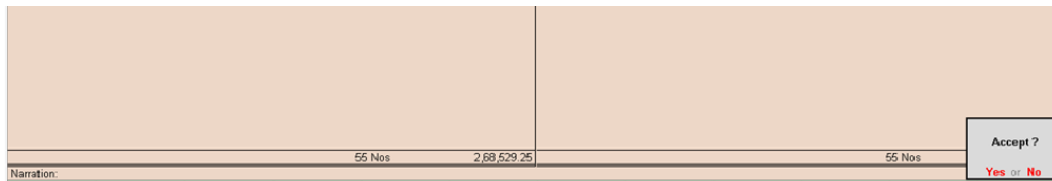


Figure 11.5 Stock Journal Screen

4. Accept the screen

Note: In the **Source (Consumption)** side, select the Godown from which the stock will be moved out and in the **Destination (Production)** select the **Godown** in which the stock will be moved in.

Activity: Record the following stock transfer

| Date | Particulars |
|------|-------------|
|------|-------------|

| 01-07-2017 | The company has opened a new showroom and transferred the following stock items from local warehouse to jayanagar stores. | | | |
|------------|---|----------|---------------|-----------|
| | Name of Item | Quantity | Rate | Amount |
| | Bicycle | 10 Nos | 4,882.35/ Nos | 48,823.50 |

Illustration 5: Transferring of stock from multiple godowns to one godown by using a class in Tally.ERP 9

Pass the following transaction in the book of Sharp-Soft Industries:

| Date | Particulars | | | | |
|-----------------|---|--------------------|---------------|---------------|------------|
| 01-07-2017 | Voucher: Stock Journal | | | | |
| | The following stock items were transferred to locale warehouse from jayanagar stores and showroom stores. | | | | |
| | Godown | Name of Stock Item | Quantity | Rate per (₹) | Amount (₹) |
| | Jayanagar stores | Bicycle | 2 Nos | 4,882.35/ Nos | 9,764.70 |
| Showroom Stores | Bicycle | 5 Nos | 4,882.35/ Nos | 2,4411.75 | |

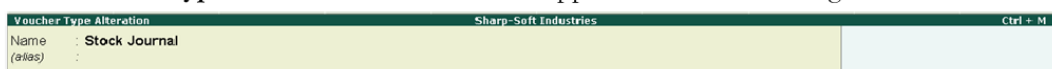
To record the above transactions, in the books of account, first ensure that the required ledgers are created in Tally.ERP 9.

Step 1: Setting of Class in Stock Journal Voucher

Note: The class is created in order to transfer the stock items to multiple godowns at once from a single voucher.

- Go to **Gateway of Tally > Inventory Info > Voucher Types > Alter > Stock Journal.**
- Under **Name of Class**, type Godown Transfer

The **Voucher Type Alteration** screen with class appears as shown in the figure 11.6:



| General | Printing | Name of Class |
|---|--|-------------------------|
| Select type of voucher : Stock Journal | Print voucher after saving ? No | Godown Transfer. |
| Abbreviation : Stk Jml | | |
| Method of voucher numbering ? Automatic | | |
| Use advanced configuration ? No | | |
| Use effective dates for vouchers ? No | | |
| Make this voucher type as 'Optional' by default ? No | | |
| Allow narration in voucher ? Yes | | |
| Use as a Manufacturing Journal ? No | | |

Figure 11.6 Stock Journal-Name of Class Screen

- Set the option – **Use Class for Inter-Godown Transfers** to **Yes**
The **Voucher Type Class** screen appears as shown in the figure 11.7:

| General | Printing | Name of Class |
|---|--|-------------------------|
| Select type of voucher : Stock Journal | Print voucher after saving ? No | Godown Transfer. |
| Abbreviation : Stk Jml | | |
| Method of voucher numbering ? Automatic | | |
| Use advanced configuration ? No | | |
| Use effective dates for vouchers ? No | | |
| Make this voucher type as 'Optional' by default ? No | | |
| Allow narration in voucher ? Yes | | |
| Use as a Manufacturing Journal ? No | | |
| Class: Godown Transfer Use Class for Inter- Godown Transfers ? Yes | | |

Figure 11.7 Class Godown Transfer Screen

- Accept the screen

Step 2: Recording of Stock Journal Voucher with Class

- Go to **Gateway of Tally > Inventory Vouchers > Alt+F7: Stock Journal**
- Select the class from **Voucher Class List**

The **Voucher Class List** appears as shown in the figure 11.8:

| Change Voucher Type | Sharp-Soft Industries | Ctrl + M |
|--|--------------------------------|------------------------|
| Stock Journal NO: 2 | Voucher class: Godown Transfer | 1-Jul-2017 Saturday |
| Transfer of Materials (Inter- Godowns) | | |
| Destination Godown | | |
| Name of Item | Godown | Quantity Rate Amount |
| Voucher Type | | |



Figure 11.8 Voucher Class List Screen

3. Press **F2: Date** and change the date to 01-07-2017
4. Select **Showroom Stores** in **Destination Godown**
5. Under **Name of Item**, select **Bicycle**
6. In **Godown** field, select the **Jayanagar Stores**
7. Enter the details as shown in the figure 11.8:

The **Stock Journal Voucher Creation** screen with godown transfer class appears as shown in the figure 11.9:

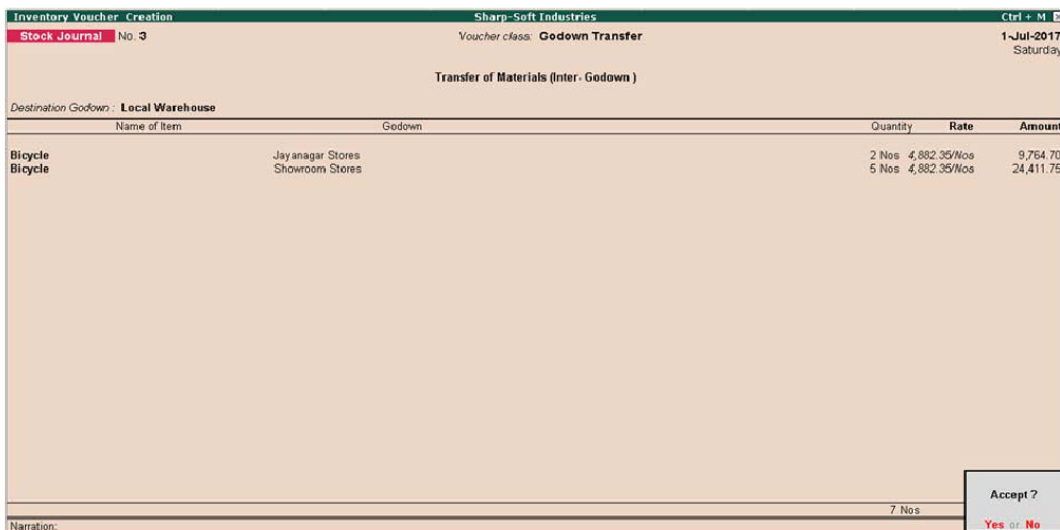


Figure 11.9 Stock Journal – Godown Transfer Class Screen

8. Accept the screen

11.2.4.3 Sale of Inventory

In this section, we will learn to record the sales transactions with inventory and godown details in Tally.ERP 9.

Illustration 6: Recording of sales transaction with inventory and godown details.

Pass the following transaction in the book of Sharp-Soft Industries:

| | |
|------------|---|
| 01-07-2017 | Voucher: Sales Sold Bicycle to Mega Cycle Mart , the stock was dispatch from showroom stores godown |
|------------|---|

| Sales godown | | | |
|--------------------|----------|--------------|------------|
| Name of Stock Item | Quantity | Rate per (₹) | Amount (₹) |
| Bicycle | 45 Nos | 5,500/ Nos | 2,47,500 |

To record the above transactions, in the books of account, first ensure that the required ledgers are created in Tally.ERP 9.

Step 1: Creation of Accounting Masters

Party Ledger

Go to Gateway of Tally > Accounts Info > Ledgers > Create

| Mega Cycle Mart | |
|-------------------|---------------------------------|
| Against the Field | Actions to be Performed |
| Name | Enter as Mega Cycle Mart |

| | |
|---|---------------------------------|
| Under | Select as Sundry Debtors |
| Maintain balances bill-by-bill | Set to Yes |
| Default Credit Period | Leave it Blank |
| Check for credit days during voucher entry? | Set to No |
| Inventory values are affected | Set to No |

Sales Ledger

| Sales A/c | |
|-------------------------------|---------------------------------|
| Against the Field | Actions to be Performed |
| Name | Enter as Sales A/c |
| Under | Select as Sales Accounts |
| Inventory values are affected | Set to Yes |

Step 2: Recording Sales Voucher

1. Go to **Gateway of Tally > Accounting Vouchers > F8: Sales**
2. Press **F2:Date** and change the date to 01-07-2017
3. Enter the **Reference no.: SAL01**
4. In the **Party A/c name** field select the ledger **Mega Cycle Mart**
5. In **Sales ledger** field select **Sales A/c**
6. Under **Name of Item**, select **Bicycle**, and enter the details as shown in the figure 11.10:

The **Stock Item Allocations** screen appears as shown in the figure 11.10:

| Stock Item Allocations | | | | Sharp-Soft Industries | | Ctrl + M | |
|--------------------------------------|----------|---------------------|--------|-----------------------|----------|----------|--|
| Sales No: 1 | | Reference no: SAL01 | | 1-Jul-2017 | | Saturday | |
| Party A/c name: Mega Cycle Mart | | | | | | | |
| Item Allocations for: Bicycle | | | | | | | |
| Godown | Quantity | Rate per | Amount | Quantity | Rate per | Amount | |

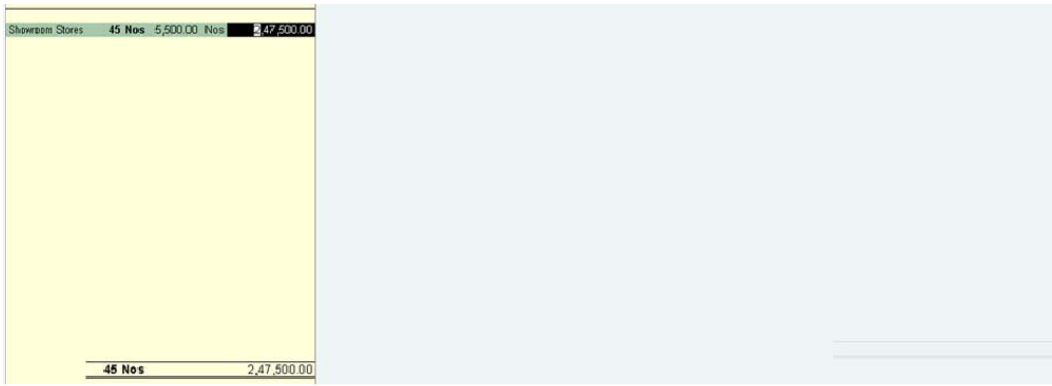


Figure 11.10 Item Allocations for Screen

7. Accept the **Stock Items Allocations** screen

Note: In the stock items allocations screen, we can define the details of godown.

The **Sales Voucher Creation** screen appears as shown in the figure 11.11:



Figure 11.11 Sales Voucher Screen

8. Accept the screen

11.2.5 Maintaining Damaged Goods

Damaged goods are the goods which cannot be sold to the customer. The business will send these goods for reprocessing or sell it as a scrap. In Tally.ERP 9, we can maintain a damaged goods details.

Illustration 7: Maintaining Damaged Goods

Pass the following transaction in the book of Sharp-Soft Industries:

| Date | Particulars | | | | | | | | |
|--------------------|---|--------------------|------------|--------------|------------|---------|-------|-----------|-------|
| 03-07-2017 | Voucher: Stock Journal Sharp-Soft Industries identified that the Bicycle which is kept in Local Warehouse , has got damaged and they transferred it to Scrap Warehouse. | | | | | | | | |
| | <table border="1"> <thead> <tr> <th>Name of Stock Item</th> <th>Quantity</th> <th>Rate per (₹)</th> <th>Amount (₹)</th> </tr> </thead> <tbody> <tr> <td>Bicycle</td> <td>2 Nos</td> <td>4900/ Nos</td> <td>9,800</td> </tr> </tbody> </table> | Name of Stock Item | Quantity | Rate per (₹) | Amount (₹) | Bicycle | 2 Nos | 4900/ Nos | 9,800 |
| Name of Stock Item | Quantity | Rate per (₹) | Amount (₹) | | | | | | |
| Bicycle | 2 Nos | 4900/ Nos | 9,800 | | | | | | |

To record the above transactions, in the books of account, first ensure that the required ledgers are created in Tally.ERP 9.

Recording Stock Journal without Using Class

1. Go to **Gateway of Tally > Inventory Vouchers > Alt+F7: Stock Journal**
2. Press **F2:Date** and change the date to 03-07-2017
3. Enter the details as shown in the figure 11.12:

The **Stock Journal Voucher Creation** screen appears as shown in the figure 11.12:

| Source (Consumption) | | | | Destination (Production) | | | |
|----------------------|-----------------|----------|--------------|--------------------------|-----------------|----------|--------------|
| Name of Item | Godown | Quantity | Rate | Name of Item | Godown | Quantity | Rate |
| Bicycle | Local Warehouse | 2 Nos | 4,900.00/Nos | Bicycle | Scrap Warehouse | 2 Nos | 4,900.00/Nos |
| | | | 9,800.00 | | | | 9,800.00 |
| | | 2 Nos | 9,800.00 | | | 2 Nos | 9,800.00 |

Figure 11.12 Stock Journal Screen

4. Press **Ctrl+A** to accept the screen

Observation: Once after recording the entry of figure 11.12, go to **Gateway of Tally > Stock Summary > Press Alt+F1**, the details of the above quantity will reflect under scrap warehouse

11.2.6 Analysing Godown Summary and Stock Movement Reports

In this section, we will learn to generate godown summary and stock movement details in Tally.ERP 9. Godown summary report displays the details of godown-wise stock item details along with quantity, rate and amount information. This report helps to understand the total quantity available in particular godown. Stock Movement report gives the details of the stock inward and stock outward.

Godown Summary

To view godown summary report follow the steps given below:

1. Go to **Gateway of Tally > Display > Statements of Inventory > Godowns**
2. Select **Primary**
3. Press **Alt+F1**, to view in detailed mode

The **Godown Summary** report appears as shown in the figure 11.13:

| Godown Summary | | Sharp-Soft Industries | | Ctrl + M | |
|--------------------|--|--|----------|--------------------|--|
| Particulars | | Sharp-Soft Industries 1-Jul-2017 to 31-Jul-2017 | | | |
| | | Closing Balance | | | |
| | | Quantity | Rate | Value | |
| Jayanagar Stores | | 8 Nos | 4,882.35 | 39,058.80 | |
| Bicycle | | 8 Nos | 4,882.35 | 39,058.80 | |
| Local Warehouse | | 25 Nos | 4,882.35 | 1,22,058.82 | |
| Bicycle | | 25 Nos | 4,882.35 | 1,22,058.82 | |
| Scrap Warehouse | | 2 Nos | 4,900.00 | 9,800.00 | |
| Bicycle | | 2 Nos | 4,900.00 | 9,800.00 | |
| Showroom Stores | | 5 Nos | 4,882.35 | 24,411.75 | |
| Bicycle | | 5 Nos | 4,882.35 | 24,411.75 | |
| Grand Total | | 40 Nos | | 1,95,329.37 | |

Figure 11.13 Godown Summary Screen

Observation: From the report of figure 11.13, we can observe the godown-wise details of stock item, by this information we will come to know the total number of stock available in particular godown.

Movement Analysis

1. Go to **Gateway of Tally > Display > Inventory Books > Movement Analysis > Stock Group Analysis**
2. Select **Primary**
3. Press **Alt+F1**, to view in detailed mode

The **Movement Analysis** report appears as shown in the figure 11.14:

| Movement Analysis | | Sharp-Soft Industries | | Ctrl + M | |
|-------------------|--|--|------|----------|------|
| Particulars | | Sharp-Soft Industries 1-Jul-2017 to 31-Jul-2017 | | | |
| | | Inward | | Outward | |
| | | Quantity | Rate | Quantity | Rate |

| | QUANTITY | EST. MARK | VALUE | QUANTITY | EST. MARK | VALUE |
|--------------------|----------|-----------------|--------------------|----------|-----------------|--------------------|
| Bicycle | 144 Nos | 4,891.18 | 7,04,329.20 | 119 Nos | 5,116.21 | 6,08,829.20 |
| Jayanagar Stores | 10 Nos | 4,882.35 | 48,823.50 | 2 Nos | 4,882.35 | 9,764.70 |
| Local Warehouse | 77 Nos | 4,898.40 | 3,77,176.45 | 67 Nos | 4,882.88 | 3,27,152.75 |
| Scrap Warehouse | 2 Nos | 4,900.00 | 9,800.00 | | | |
| Showroom Stores | 55 Nos | 4,882.35 | 2,68,529.25 | 50 Nos | 5,438.24 | 2,71,911.75 |
| Grand Total | 144 Nos | 4,891.18 | 7,04,329.20 | 119 Nos | 5,116.21 | 6,08,829.20 |

Figure 11.14 Movement Analysis Screen

Observation: In the report of figure 11.14, we can observe the details of stock inward and outward along with godown information.

11.3 Stock Category

Stock Category offers a parallel classification of stock items. Like stock Groups, classification is done based on similarity in behaviour.

Business Scenario

Sharp-Soft Industries deals in weather cover of different brands like Hercules and Sharp with 10 & 12, size. Now the company wants to know the availability of stock items based on sizes and irrespective of their brand.

11.3.1 Activation of Stock Categories

In order to set the parallel classification for stock item, stock category feature should be activated in Tally.ERP 9.

To enable the stock categories, follow the steps given below:

1. Go to **Gateway of Tally > Press F11: Company Features > F2: Inventory Features**
2. Set the option – **Maintain stock categories** to **Yes**

The **Inventory Features** screen appears as shown in the figure 11.15:

| General | | Invoicing | |
|---|--------------|---|-------|
| Integrate accounts and inventory | ? Yes | Enable invoicing | ? Yes |
| Enable zero-valued transactions | ? No | Record purchases in invoice mode | ? Yes |
| Storage and Classification | | Use debit and credit notes | ? No |
| Maintain multiple Godowns | ? Yes | Record credit notes in invoice mode | ? No |
| Maintain stock categories | ? Yes | Record debit notes in invoice mode | ? No |
| Maintain batch-wise details | ? No | Use separate discount column in invoices | ? No |
| Set expiry dates for batches | ? No | Purchase Management | |
| Use separate actual and billed quantity columns | ? No | Track additional costs of purchases | ? No |
| Order Processing | | Sales Management | |
| Enable purchase order processing | ? No | Use multiple price levels | ? No |
| Enable sales order processing | ? No | Other Features | |
| Enable job order processing | ? No | Use tracking numbers (enables delivery and receipt notes) | ? No |

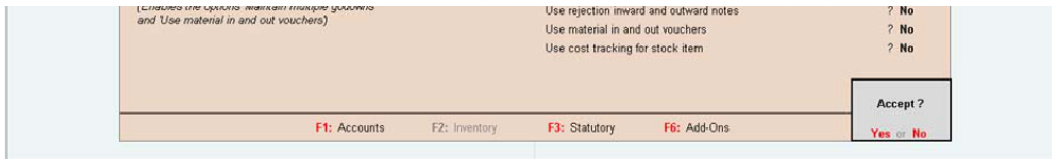


Figure 11.15 Inventory Features Screen

11.3.2 Creating Stock Categories

In this section, we will learn to create and set the stock categories for stock items in Tally.ERP 9.

Illustration 8: Creation of Stock Category

Maintain the following stock category in the books of sharp-soft industries:

| Name of Stock Item | Stock Category |
|-----------------------------|----------------|
| Bicycle Cover (Hercules-10) | Size 10 |
| Bicycle Cover (Sharp-10) | |
| Bicycle Cover (Hercules-12) | Size 12 |

| | |
|--------------------------|--|
| Bicycle Cover (Sharp-12) | |
|--------------------------|--|

Once after enabling the stock category in Tally.ERP 9, next steps is to create the stock category, to do so, follow the steps given below:

Step 1: Creation of Stock Categories

Go to **Gateway of Tally > Inventory Info > Stock Categories > Create**

| Size 10 | |
|-------------------|--------------------------|
| Against the Field | Action to be Performed |
| Name | Enter as Size 10 |
| Under | Select as Primary |

The **Stock Category Creation** screen appears as shown in the figure 11.16

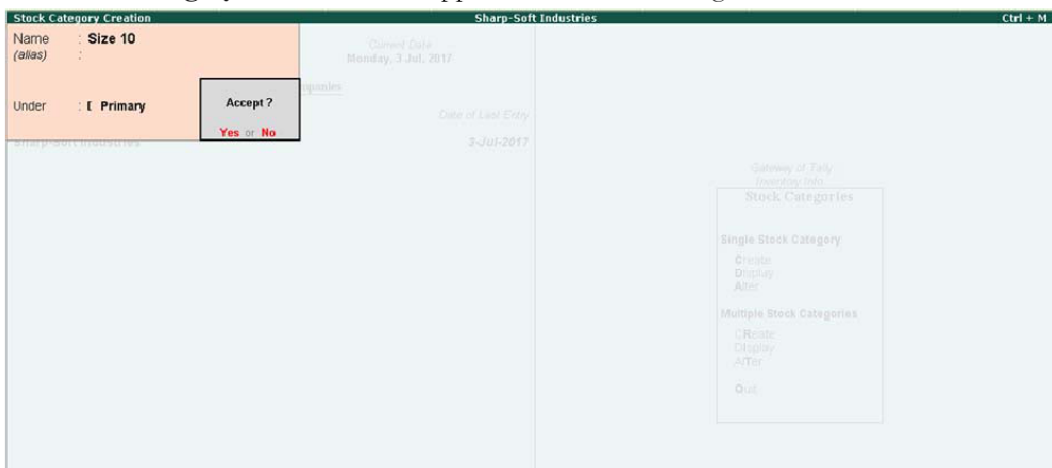


Figure 11.16 Stock Category Creation Screen

Activity: Similarly, create the following stock categories

| |
|-----------------------|
| Stock Category |
| Size 12 |

Step 2: Creation of Stock Items

Go to **Gateway of Tally > Inventory Info > Stock Items > Create**

| Bicycle Cover (Hercules-10) | |
|-----------------------------|-------------------------------|
| Against the Field | Actions to be Performed |
| Name | Enter as Bicycle Cover |
| Under | Select as Primary |

| | |
|----------|--------------------------|
| Category | Select as Size 10 |
| Units | Select as Nos |

The **Stock Item Creation** with stock category appears as shown in the figure 11.17:

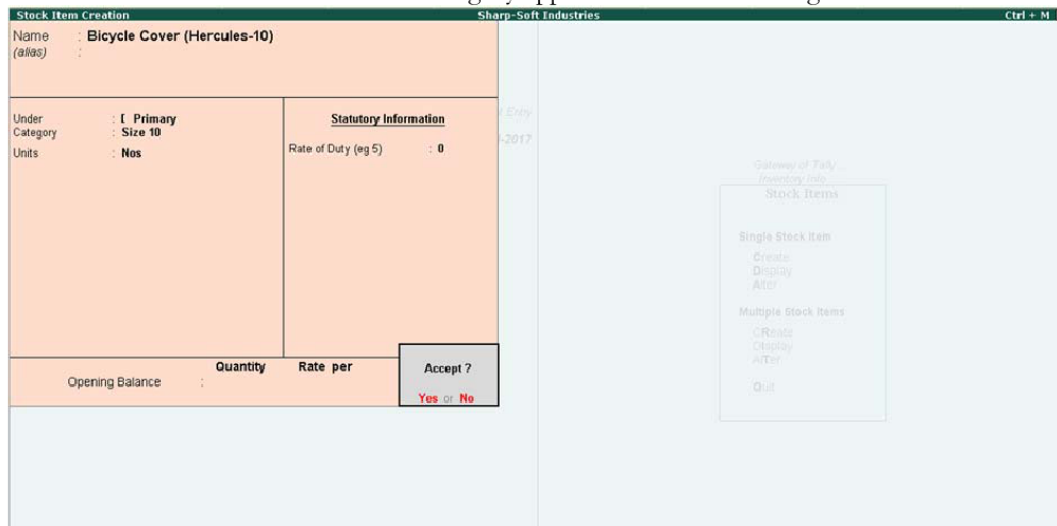


Figure 11.17 Stock Item Creation Screen

Activity: Create the following stock items

| Name of Stock Item | Stock Category |
|-----------------------------|----------------|
| Bicycle Cover (Sharp-10) | Size 10 |
| Bicycle Cover (Hercules-12) | Size 12 |
| Bicycle Cover (Sharp-12) | Size 12 |

Once after setting the stock categories in stock items, once after recording the transactions using the stock items in which the stock category is defined, the reports related to stock categories will get updated automatically.

11.3.3 Recording of Transactions

In this section, we will learn to record the transactions with stock items in which stock category is defined.

Illustration 9: Recording of Transaction

Pass the following transaction in the book of Sharp-Soft Industries

| Date | Particulars | | | |
|------------|---|-----------------|---------------------|-------------------|
| 04-07-2017 | Voucher: Purchase Sharp-Soft Industries purchased the following stock from Atlas Global , the stocks are kept in Local Warehouse | | | |
| | Name of Stock Item | Quantity | Rate per (₹) | Amount (₹) |
| | Bicycle Cover (Hercules-10) | 100 Nos | 125/ Nos | 12,500 |

| | | | | |
|--|------------------------------|---------|---------|--------|
| | Bicycle Cover (Sharp-10) | 100 Nos | 125/Nos | 12,500 |
| | Bicycle Cover (Hercules -12) | 100 Nos | 130/Nos | 13,000 |
| | Bicycle Cover (Sharp -12) | 100 Nos | 130/Nos | 13,000 |

To record the above transactions, in the books of account, first ensure that the required ledgers are created in Tally.ERP 9.

Recording Purchase Voucher

1. Go to **Gateway of Tally > Accounting Vouchers > F9: Purchase**
2. Press **F2:Date** and change the date to 04-07-2017
3. Enter the **Supplier invoice no.: PUR02**
4. In the **Party A/c name** field select the ledger **Atlas Global**
5. In **Purchase ledger field** select **Purchase A/c**
6. Under **Name of Item**, select **Bicycle Cover (Hercules -10)**
7. In the Stock Item Allocations screen, enter the godown as local warehouse, quantity as 100 Nos and rate as ₹125 details
8. Similarly select the other stock items as shown in the figure 11.18:

The **Purchase Voucher** appears as shown in the figure 11.18:

| Accounting Voucher Creation | | Sharp-Soft Industries | | Ctrl + M |
|-----------------------------|----------------|-----------------------|-----------------------|----------|
| Purchase | No. 2 | Date : 4-Jul-2017 | 4-Jul-2017 Tuesday | |
| Supplier invoice no.: | PUR02 | | | |
| Party A/c name : | Atlas Global | | | |
| Current balance : | 3,43,000.00 Cr | | | |
| Purchase ledger : | Purchase A/c | | | |
| Name of Item | Quantity | Rate per | Amount | |
| Bicycle Cover (Hercules-10) | 100 Nos | 125.00 Nos | 12,500.00 | |
| Bicycle Cover (Sharp-10) | 100 Nos | 125.00 Nos | 12,500.00 | |
| Bicycle Cover (Hercules-12) | 100 Nos | 130.00 Nos | 13,000.00 | |
| Bicycle Cover (Sharp-12) | 100 Nos | 130.00 Nos | 13,000.00 | |
| | | | 51,000.00 | |
| [End of List | | | | |



Figure 11.18 Purchase Voucher Creation Screen

9. Accept the screen

Once after recording the transaction the details will be updated in stock category summary report.

To check **Stock Category Summary** report, follow the steps given below:

1. Go to **Gateway of Tally > Display > Statements of Inventory > Categories > Select Size 10**
2. Press **Alt+F2**, enter the period as 01-07-2017 – 31-07-2017
3. Press **Alt+F1**, to view in detailed mode

The **Stock Category Summary** report appears as shown in the figure 11.19:

| Stock Category Summary | | Sharp-Soft Industries | | Ctrl + M |
|-----------------------------|--|--|--------|------------------|
| Particulars | | Size 10 Sharp-Soft Industries 1-Jul-2017 to 31-Jul-2017 Closing Balance | | |
| | | Quantity | Rate | Value |
| Bicycle Cover (Hercules-10) | | 100 Nos | 125.00 | 12,500.00 |
| Local Warehouse | | 100 Nos | 125.00 | 12,500.00 |
| Bicycle Cover (Sharp-10) | | 100 Nos | 125.00 | 12,500.00 |
| Local Warehouse | | 100 Nos | 125.00 | 12,500.00 |
| Grand Total | | 200 Nos | | 25,000.00 |

Figure 11.19 Stock Category Summary Screen

In the report of figure 11.19, we are getting the total quantity of stock items falling under stock category - size 10 irrespective of their brand – hercules and sharp. Similarly we can check the details of other stock category.

11.4 Movements of Goods in Batches/Lots - Batch wise details

Batch details are used to identify the movement of inventory in batches or lots. Although this is a requirement primarily of the pharmaceutical industry, the same can be used by other industries that maintain or manufacture perishable goods. Many organizations also purchase in batches in order to monitor the result of the batch purchased individually. Hence Tally ERP 9 has used the

order to monitor the receipt of the batch purchased individually. Hence, Tally.ERP 9 has used the term Batch/Lot.

Batches/Lots are also often used to monitor the date of manufacture, date of receipt and the date of expiry. Tally.ERP 9 makes provisions to enter both the manufacturing date and the expiry date to take decisions as required.

Batch-wise details are given for maintaining batch information pertaining to stock items. The Manufacturing date and expiry date can be set for the batches.

Let us understand how to use the batch-wise details feature in Tally.ERP 9 through the below given scenario

Business Scenario

Sharp-Soft Industries diversified its business and now started dealing in medicines which is traded in lots/batches. It has two Godowns, namely Onsite and Stores and it wants to keep the track of the expiry and manufacturing dates.

11.4.1 Activating Batch-wise Details in Tally.ERP 9

In order to maintain the details of manufacturing date, expiry date and batch details, we need to first activate the Batch-wise Details in Tally.ERP 9.

To activate Batch-wise Details feature in Tally.ERP 9, follow the steps given below:

1. Go to **Gateway of Tally > Press F11: Company Features > F2: Inventory Features**
2. Set the option – **Maintain batch-wise details** to **Yes**
3. **Set expiry dates for batches** to **Yes**

The **Inventory Features** screen appears as shown in the figure 11.20:

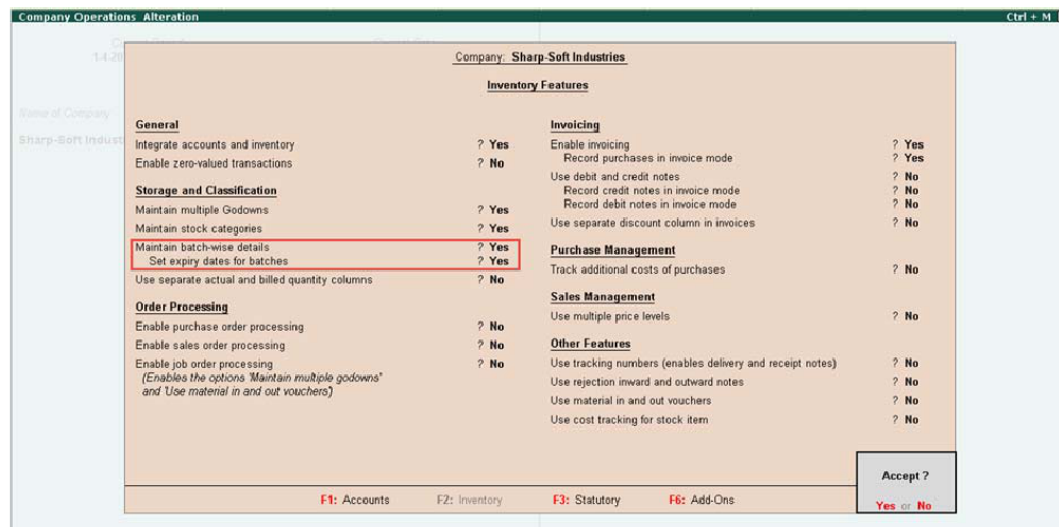


Figure 11.20 Inventory Features Screen

11.4.2 Using Batch-wise Details in Purchase Invoice

In this section, we will learn to set manufacturing and expiry details and set batch wise details while

recording the purchase transaction.

Illustration 10: Purchase of goods with Batch details

Pass the following transaction in the book of Sharp-Soft Industries:

| Date | Particulars | | | | | | | | |
|--------------------|--|--------------------|------------|--------------|------------|----------------|----------|-----------|----------|
| 01-08-2017 | Voucher: Purchase Sharp-Soft Industries, purchased medicinal drugs from Timela Pharmaceuticals. One Box contains 100 blister packs of tablets; with Batch No. RGBP-001 and manufacturing and expiry dates are 31-07-2017 and 31-12-2017 respectively | | | | | | | | |
| | <table border="1"> <thead> <tr> <th>Name of Stock Item</th> <th>Quantity</th> <th>Rate per (₹)</th> <th>Amount (₹)</th> </tr> </thead> <tbody> <tr> <td>Reginseng-10mg</td> <td>1200 Box</td> <td>₹ 200/Box</td> <td>2,40,000</td> </tr> </tbody> </table> | Name of Stock Item | Quantity | Rate per (₹) | Amount (₹) | Reginseng-10mg | 1200 Box | ₹ 200/Box | 2,40,000 |
| Name of Stock Item | Quantity | Rate per (₹) | Amount (₹) | | | | | | |
| Reginseng-10mg | 1200 Box | ₹ 200/Box | 2,40,000 | | | | | | |

To record the above transactions in the books of account, first ensure that the required masters are created in Tally.ERP 9

Step 1: Creation of Accounting Masters

Party Ledger

Go to **Gateway of Tally > Accounts Info. > Ledgers > Create**

| Timela Pharmaceuticals | |
|---|--|
| Against the Field | Action to be Performed |
| Name | Enter as Timela Pharmaceuticals |
| Under | Select as Sundry Creditors |
| Maintain balances bill by bill | Set to Yes |
| Default credit period | Leave it Blank |
| Check for credit days during voucher entry? | Set to No |
| Inventory values are affected | Set to No |

Purchase Ledger

| Purchase of Medicines | |
|-------------------------------|---------------------------------------|
| Against the Field | Action to be Performed |
| Name | Enter as Purchase of Medicines |
| Under | Select Purchase Accounts |
| Inventory values are affected | Set to Yes |

Step 2: Creation of Inventory Masters

Stock Group

Go to **Gateway of Tally > Inventory Info > Stock Groups > Create**

| Antioxidant | |
|--------------------------------------|-----------------------------|
| Against the Field | Action to be Performed |
| Name | Enter as Antioxidant |
| Under | Select as Primary |
| Should quantities of Items be added? | Set to Yes |

Units of Measure

Go to Gateway of Tally > Inventory Info > Unit of Measure > Create

Simple Unit

| Blister Packs | |
|--------------------------|-------------------------------|
| Against the field Name | Action to be performed |
| Type | Select Simple |
| Symbol | Enter as Bpks |
| Formal name | Enter as Blister Packs |
| Number of decimal places | Let it be as 0 |

Activity: Similarly create the other simple unit by Box.

Compound Unit

A **Compound Unit** is a relation between two Simple Units. Hence, before you create a Compound Unit, ensure that you have already created the required Simple Units.

Compound Type

| Box of 100 Bpks | |
|------------------------|---------------------------|
| Against the field Name | Action to be performed |
| Type | Select as Compound |
| First Unit | Enter as Bx |
| Conversion Factor | Enter 100 |
| Second Unit | Enter as Nos |

The **Completed Unit Creation** screen appears as shown in the figure 11.21:



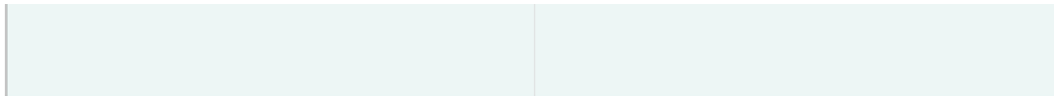


Figure 11.21 Unit Creation Screen

Godown

Go to **Gateway of Tally > Inventory Info > Godowns > Create**

| Onsite | |
|----------------------------|--------------------------|
| Against the Field | Action to be Performed |
| Name | Enter as Onsite |
| Under | Select as Primary |
| Use For: | |
| Our Stock with third party | Set to No |
| Third party stock with us | Set to No |

Activity: Similarly create one more Godown by name Stores

Stock Item

Go to **Gateway of Tally > Inventory Info > Stock Items > Create**

| Reginseng-10mg | |
|------------------------------|----------------------------------|
| Against the Field | Action to be Performed |
| Name | Enter as Reginseng-10mg |
| Under | Select as Antioxidant |
| Category | Select as Not Applicable |
| Units | Select as Box of 100 Bpks |
| Maintain in batches | Set to Yes |
| Track date of manufacturing? | Set to Yes |
| Use expiry dates? | Set to Yes |

The Completed **Stock Item Creation** screen with batch details appears as shown in the figure 11.22:

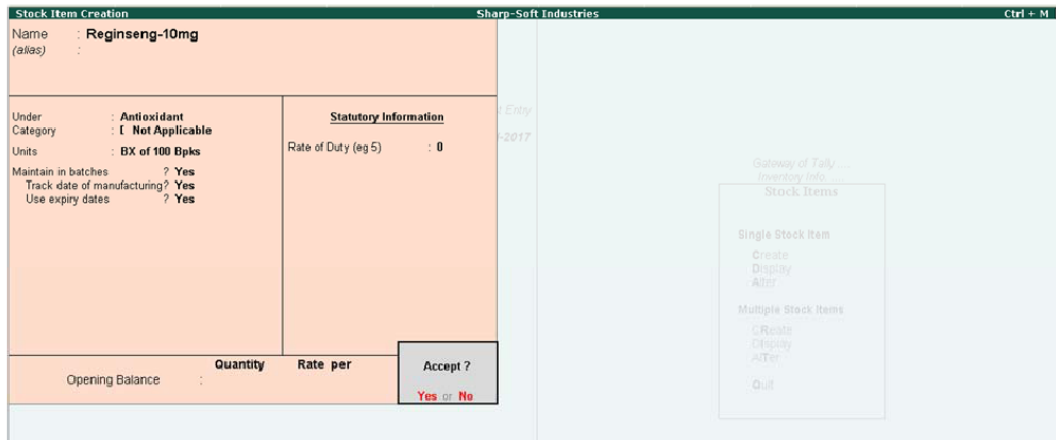


Figure 11.22 Stock Item Creation Screen

Step 3: Recording Purchase Voucher

1. Go to **Gateway of Tally > Accounting Vouchers > F9: Purchase**
 2. Press **F12: Configure > Press F12: Advance Configuration** and set the option **Allow use of expired batches for all stock items** to **No**
 3. Press **F2:Date** and change the date to **01-08-2017**
 4. Enter the **Supplier invoice no.: PUR03**
 5. In the **Party A/c name** field select the ledger **Timela Pharmaceuticals**
 6. In **Purchase ledger** field select **Purchase of Medicines**
 7. Under **Name of Item**, select **Reginseng-10mg**, and press **Enter** the **Stock Item Allocations** screen will appear
 8. Select **Onsite** in the **Godown** field
 9. Under **Batch/ Lot No.** select **New Number** and enter as **RGBP-001**
 10. Enter **Quantity** as **1200 Box**, **Rate @ ₹ 200/ Box** and amount will be calculated automatically
 11. Enter the **Manufacturing Date** as **01-07-2017** and **Expiry Date** as **31-12-2017**
- The **Stock Item Allocation** screen appears as shown in the figure 11.23:

| Item Allocations for : Reginseng-10mg | | | | | Quantity | Rate per | Amount |
|---------------------------------------|---------------|----------------------|------------|-----------|------------|-------------|-------------|
| Godown | Batch/Lot No. | | Quantity | Rate per | | | |
| | Mfg Dt. | Expiry Date | | | | | |
| Onsite | RGBP-001 | Aug-2017 31-Dec-2017 | 1,200.0 BX | 200.00 BX | | 2,40,000.00 | |
| | | | | | 1,200.0 BX | | 2,40,000.00 |

Figure 11.23 Stock Item Allocations Screen

12. Press enter and **End of List**
13. Enter the **Bill wise Details** and accept the screen

The **Purchase Voucher Creation** screen appears as shown in the figure 11.24:

| Name of Item | Quantity | Rate per | Amount |
|----------------|------------|-----------|-------------|
| Reginseng-10mg | 1,200.0 BX | 200.00 BX | 2,40,000.00 |



Figure 11.24 Purchase Voucher Screen

14. Accept the screen

Activity: Record the following transaction:

| Date | Particulars | | | | | | | | |
|---------------------------|--|---------------------------|-------------------|---------------------|-------------------|----------------|--------|-----------|--------|
| 26-10-2017 | Sharp-soft Industries, purchased the following goods from Timela Pharmaceuticals with Batch No. RGBP-002, manufactured date - 01-10-2017 and expiry date - 31-03-2017 respectively, select Godown as Onsite. | | | | | | | | |
| | <table border="1"> <thead> <tr> <th>Name of Stock Item</th> <th>Quantity</th> <th>Rate per (₹)</th> <th>Amount (₹)</th> </tr> </thead> <tbody> <tr> <td>Reginseng-10mg</td> <td>50 Box</td> <td>₹ 200/Box</td> <td>10,000</td> </tr> </tbody> </table> | Name of Stock Item | Quantity | Rate per (₹) | Amount (₹) | Reginseng-10mg | 50 Box | ₹ 200/Box | 10,000 |
| Name of Stock Item | Quantity | Rate per (₹) | Amount (₹) | | | | | | |
| Reginseng-10mg | 50 Box | ₹ 200/Box | 10,000 | | | | | | |

| | |
|--|--|
| | |
|--|--|

Once after recording the purchase entry, go to **Gateway of Tally > Display > Inventory Books > Batch**, select the item and batch number, to view batch wise details. In Batch voucher report, the purchase details will be captured under Inward column.

11.4.3 Using Batch-wise Details in Sales Invoice

In this section, we will learn to set manufacturing and expiry details and set batch wise details while recording the sales transaction.

Illustration 11: Sales of goods with Batch details

Pass the following transaction in the book of Sharp-Soft Industries:

| Date | Particulars | | | | | | | | |
|---------------------------|---|---------------------------|-------------------|---------------------|-------------------|----------------|---------|-----------|--------|
| 07-11-2017 | Voucher: Sales Sold goods on cash and generated Cash Invoice for Batch No RGBP-001 | | | | | | | | |
| | <table border="1"> <thead> <tr> <th>Name of Stock Item</th> <th>Quantity</th> <th>Rate per (₹)</th> <th>Amount (₹)</th> </tr> </thead> <tbody> <tr> <td>Reginseng-10mg</td> <td>200 Box</td> <td>₹ 250/Box</td> <td>50,000</td> </tr> </tbody> </table> | Name of Stock Item | Quantity | Rate per (₹) | Amount (₹) | Reginseng-10mg | 200 Box | ₹ 250/Box | 50,000 |
| Name of Stock Item | Quantity | Rate per (₹) | Amount (₹) | | | | | | |
| Reginseng-10mg | 200 Box | ₹ 250/Box | 50,000 | | | | | | |

To record the above transactions in the books of account, first ensure that the required masters are created in Tally.ERP 9

Recording Sales Voucher

1. Go to **Gateway of Tally > Accounting Vouchers > F8: Sales**
 2. Press **F2:Date** and change the date to 07-11-2017
 3. Enter the **Reference no.: SAL02**
 4. In the **Party A/c name** field select **Cash** ledger
 5. In **Sales ledger** field select **Sales A/c**
 6. Under **Name of Item**, select the **Stock Item, Reginseng-10mg** and press enter
 7. The **Item Allocations** for screen will appear
 8. Select the **Godown** as **Onsite**
 9. From the **List of Active Batches**, select the **Batch/ Lot No. RGBP-001**
- The **Stock Item Allocations** with batch wise details appears as shown in the figure 11.25:

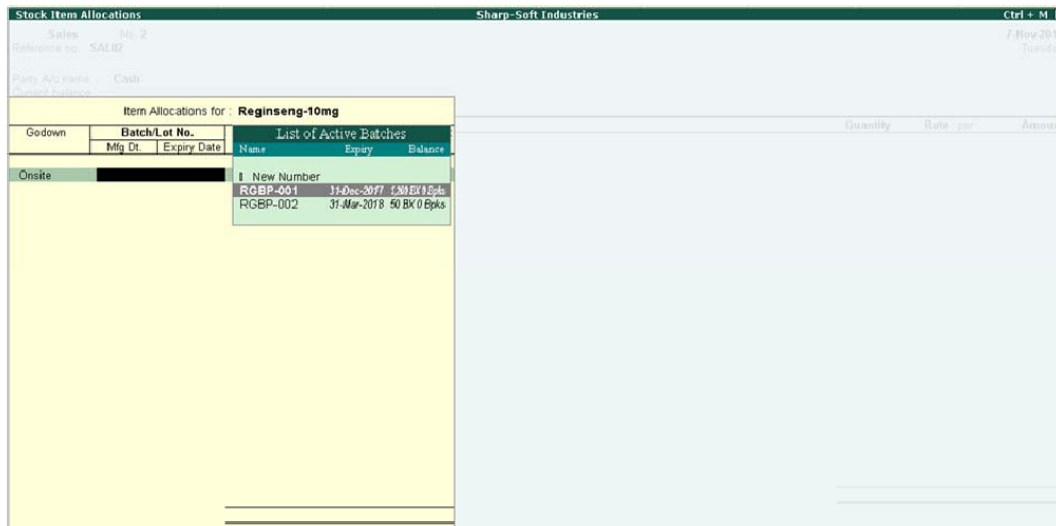


Figure 11.25 List of Active Batches

10. Enter the Quantity as 200 Box and ₹ 250 Rate fields respectively

The **Sales Voucher Creation** screen appears as shown in the figure 11.26:





Figure 11.26 Sales Invoice Screen

11. Accept the screen

Illustration 12: Handling of expired batches in Tally.ERP 9

Pass the following transaction in the book of Sharp-Soft Industries:

| Date | Particulars | | | | | | | | |
|--------------------|---|--------------------|------------|--------------|------------|----------------|--------|-----------|-------|
| 15-01-2018 | Voucher: Sales Made cash sales and generated Cash Invoice for Batch No RGBP-001 | | | | | | | | |
| | <table border="1"> <thead> <tr> <th>Name of Stock Item</th> <th>Quantity</th> <th>Rate per (₹)</th> <th>Amount (₹)</th> </tr> </thead> <tbody> <tr> <td>Reginseng-10mg</td> <td>30 Box</td> <td>₹ 250/Box</td> <td>7,500</td> </tr> </tbody> </table> | Name of Stock Item | Quantity | Rate per (₹) | Amount (₹) | Reginseng-10mg | 30 Box | ₹ 250/Box | 7,500 |
| Name of Stock Item | Quantity | Rate per (₹) | Amount (₹) | | | | | | |
| Reginseng-10mg | 30 Box | ₹ 250/Box | 7,500 | | | | | | |

To record the above transactions in the books of account, first ensure that the required masters are created in Tally.ERP 9

Recording Sales Voucher

1. Go to **Gateway of Tally > Accounting Vouchers > F8: Sales**
2. Press **F12:Configure > F12:Advanced** and disable the option **Allow use of expired batches for all stock items**
3. Press **F2:Date** and change the date to 15-01-2018
4. Enter the **Reference no.: SAL03**
5. In the **Party A/c name** field select **Cash** ledger
6. In **Sales ledger field** select **Sales A/c**
7. Under **Name of Item**, select **Reginseng-10mg** and press enter
8. The Item Allocations for screen will appear
9. Select the **Godown** as **Onsite**
10. From the **List of Active Batches**, select the **Batch No. RGBP-001**

The **Stock Item Allocations** screen with batch no. details appears as shown in the figure 11.27:

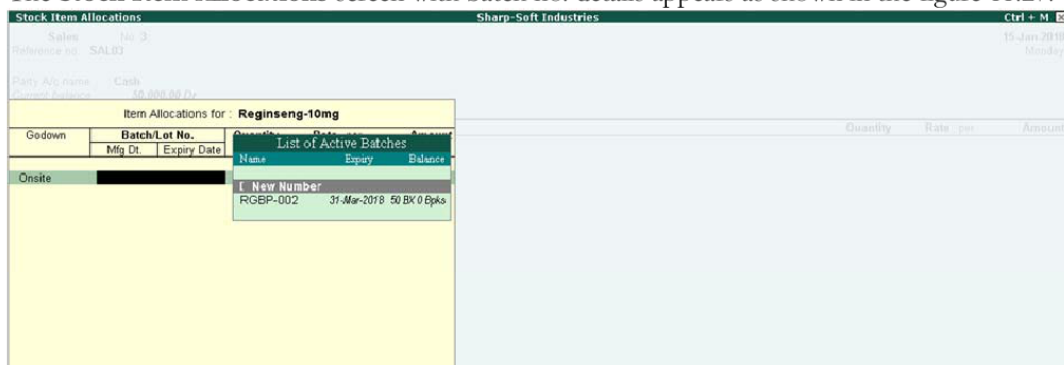




Figure 11.27 List of Active Batches Screen

Note:

- As shown in the figure 11.27, the Batch No. **RGBP-001** is not appearing because the batch has expired on 31-12-2017. Hence, it is not made available in the List of Active Batches.
- If you want the expired batches to be displayed in the List of Active Batches, then the same can be achieved by enabling the option **Allow use of expired batches for all stock items** in **F12: Advanced Configuration**.
- Similarly, you have the option of **Show batches with zero quantity** in the **List of Active Batches** from **F12: Advanced Configuration**.

11. To Record the entry use the batch number **RGBP-002**

12. Enter the quantity as 30 and rate as 250, the amount will get captured automatically

The **Stock Item Allocations** screen appears as shown in the figure 11.28:

| Stock Item Allocations | | | | | Sharp-Soft Industries | | Ctrl + M | |
|---|----------------------------------|----------------|--------|-----|-----------------------|-------------|----------|-----|
| Sales | | No. 3 | | | | 15-Jan-2018 | | |
| Reference no. SAL03 | | | | | | Monday | | |
| Party A/c name | | Cash | | | | | | |
| Current balance | | 50,000.00 Dr | | | | | | |
| Sales ledger | | Sales | | | | | | |
| Item Allocations for: Reginseng-10mg | | | | | | | | |
| Godown | Batch/Lot No. | Quantity | Rate | per | Amount | Quantity | Rate | per |
| | Mfg Dt. Expiry Date | | | | | | | |
| Onsite | RGBP-002 Oct-2017 31-Mar-2018 | 30.0 BX | 250.00 | BX | 7,500.00 | | | |
| | | 30.0 BX | | | 7,500.00 | | | |

Figure 11.28 Stock Item Allocation Screen

13. Press **Enter** to accept

The **Sales Voucher Creation** screen appears as shown in the figure 11.29:

| Accounting Voucher Creation | | | | Sharp-Soft Industries | | Ctrl + M | |
|-----------------------------|----------|--------------|-----|-----------------------|--|-------------|--|
| Sales | | No. 3 | | | | 15-Jan-2018 | |
| Reference no. SAL03 | | | | | | Monday | |
| Party A/c name | | Cash | | | | | |
| Current balance | | 50,000.00 Dr | | | | | |
| Sales ledger | | Sales | | | | | |
| Name of Item | Quantity | Rate | per | Amount | | | |
| Reginseng-10mg | 30.0 BX | 250.00 | BX | 7,500.00 | | | |



Figure 11.29 Sales Invoice

- Press **Ctrl+A** to accept the screen

11.4.4 Expired Batch/Stock Transfer

Transfer of stock item from one location to another location is recorded in the Stock Journal voucher. In this section, we will learn to transfer the expired batches or stocks from one location to another.

Illustration 13: Transfer of expired batch/stock from one location to another

Pass the following transaction in the book of Sharp-Soft Industries:

| Date | Particulars |
|------|-------------|
|------|-------------|

| 23-01-2018 | Voucher: Stock Journal | | | | | | | |
|--------------------|---|--------------------|------------|--------------|------------|----------------|-----------|-----------|
| | Sharp-Shop Industries, transferred expired stock of Batch No. RGBP-001 , from the Onsite Godown to the Scrap Warehouse, since the stock items got expired | | | | | | | |
| | <table border="1"> <thead> <tr> <th>Name of Stock Item</th> <th>Quantity</th> <th>Rate per (₹)</th> <th>Amount (₹)</th> </tr> </thead> <tbody> <tr> <td>Reginseng-10mg</td> <td>1,000 Box</td> <td>₹ 200/Box</td> <td>2,00,000</td> </tr> </tbody> </table> | Name of Stock Item | Quantity | Rate per (₹) | Amount (₹) | Reginseng-10mg | 1,000 Box | ₹ 200/Box |
| Name of Stock Item | Quantity | Rate per (₹) | Amount (₹) | | | | | |
| Reginseng-10mg | 1,000 Box | ₹ 200/Box | 2,00,000 | | | | | |

To record the above transactions in the books of account, first ensure that the required masters are created in Tally.ERP 9

Recording Stock transfer details using Stock Journal

- Go to **Gateway of Tally > Inventory Vouchers > Press Alt+F7: Stock Journal**
- Press **F12: Configure** and set the option **Allow use of expired batches for all stock items** to **Yes**

The **Stock Journal Configuration** screen appears as shown in the figure 11.30:



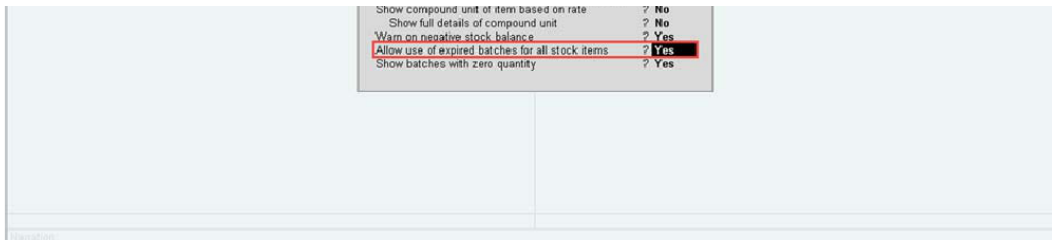


Figure 11.30 Stock Journal Configuration Screen

Note: Set the option - **Allow use of expired batches for all stock items** must be **Yes**, this option is enabled to get the expired batch listed in the List of Active Batches. If the option is set to No, then the expired batch RGBP-001 will not get listed in the List of Active Batches)

3. Accept the screen
4. Press **F2: Date** and change the date to 23-01-2018
5. Under **Name of Item** select as Reginseng-10mg, select the godown as Onsite, you will get the **Stock Item Allocations** screen with batch details
6. Enter the details as shown in the figure 11.31:

The **Stock Item Allocations** screen with expired batch details appears as shown in the figure 11.31:

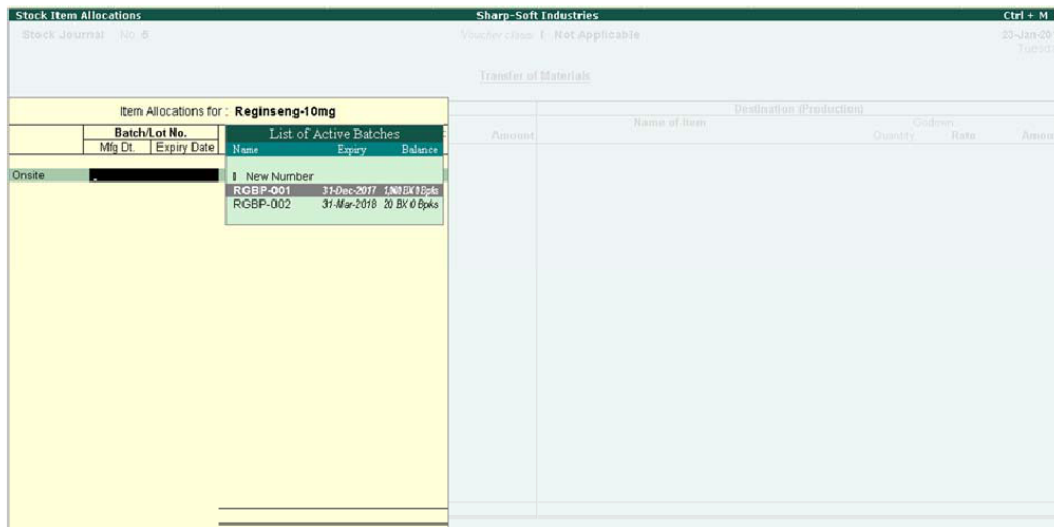


Figure 11.31 List of Active Batches in the Stock Journal

7. Select the batch number from which you want to transfer the goods select **RGBP-001**
8. Enter the **Quantity** as **1,000 Nos @ Rate** as **200/ Nos**, the amount will be calculated automatically.

Note: Do not change the manufacturing date and expiry date while recoding stock journal voucher

9. Under the **Destination (Production)** column select the following details
 10. Under **Name of Item** select the stock item - **Reginseng-10mg**
 11. Select the **Godown** as **Scrap Warehouse**
 12. Enter the new Batch number as **RGBP/EXP/RNV – 001**
 13. Enter the **Quantity** as **1,000** and **Rate @ 200/ Nos**, the amount will be captured automatically
 14. Enter the **Manufacturing Date** as **01-07-2017** and **Expiry Date** as **31-12-2017**.
- The **Stock Item Allocations** screen with expired batch details appears as shown in the figure 11.32:

| Item Allocations for : Reginseng-10mg | | | | | | Destination (Production) | | | | | |
|--|-----------------|-------------|-----------|-------------------|--------------|--------------------------|--------------------|--------|--------|-------------|----------|
| Batch/Lot No. | Quantity | Rate per | Amount | Amount | Name of Item | Godown | Rate | Amount | | | |
| | | | | | | | | | Mfg Dt | Expiry Date | Quantity |
| Onsite | RGBP-001 | 1,000.0 BX | 200.00 BX | 2,00,000.00 | | | | | | | |
| | Aug-2017 | 31-Dec-2017 | | | | | | | | | |
| | | | | 1,000.0 BX | | | 2,00,000.00 | | | | |

Figure 11.32 Item Allocation Screen

15. Press **Enter** to accept

The Completed **Stock Journal Voucher Creation** screen appears as shown in the figure 11.33:

| Inventory Voucher Creation | | | | Sharp-Soft Industries | | | | Ctrl + M | | | |
|------------------------------|--|-------|--|--------------------------------------|--|--|--|------------------------|--|--|--|
| Stock Journal | | No. 5 | | Voucher class: Not Applicable | | | | 23-Jan-2018 Tuesday | | | |
| Transfer of Materials | | | | | | | | | | | |

| Source (Consumption) | | | | Destination (Production) | | | | | | |
|----------------------|--------|------------|-----------|--------------------------|----------------|-----------------|------------|-----------|-------------|-------------|
| Name of Item | Godown | Quantity | Rate | Amount | Name of Item | Godown | Quantity | Rate | Amount | |
| Reginseng-10mg | Onsite | 1,000-0 BX | 200.00/BX | 2,00,000.00 | Reginseng-10mg | Scrap Warehouse | 1,000-0 BX | 200.00/BX | 2,00,000.00 | |
| | | | | 1,000-0 BX | | | | | 1,000-0 BX | 2,00,000.00 |
| | | | | 2,00,000.00 | | | | | 2,00,000.00 | |
| Narration: | | | | | | | | | | |

Figure 11.33 Stock Journal – Transfer of Materials screen

16. Accept the screen

Note: Stock Journal voucher can also be used to record the details of manufacturing process in Tally.ERP 9.

Once after recording the entry go to **Gateway of Tally > Display > Inventory > Statements of Inventory > Godowns > Select Scrap Warehouse**

The **Godown Summary** report of scrap warehouse appears as shown in the figure 11.34:

| Godown Summary | | | | Sharp-Soft Industries | | Ctrl + M | |
|--------------------|-----------------|----------|--------------------|--|--|----------|--|
| Particulars | Closing Balance | | | Scrap Warehouse | | | |
| | Quantity | Rate | Value | Sharp-Soft Industries 1-Jul-2017 to 23-Jan-2018 | | | |
| Antioxidant | 1,000 BX | 200.00 | 2,00,000.00 | | | | |
| Bicycle | 2 Nos | 4,900.00 | 9,800.00 | | | | |
| Grand Total | | | 2,09,800.00 | | | | |

Figure 11.34 Godown Summary Report Screen

In the Godown Summary report, we are getting the details of stock item available in scrap warehouse. This report indicates the total value of scrap lying with us, in this case it is ₹ 2,09,800.

11.4.5 Batch Reports

In this section, we will learn to generate and analyse the details available in batch reports like batch

voucher, batch summary and transfer analysis.

11.4.5.1 Batch Vouchers Report

Batch Vouchers is a list of all vouchers for a particular stock item of the same batch for a given period. This report comprises of both inwards and outwards transactions along with Quantity, Rate and Closing Value details for the selected batch.

To view batch vouchers report, follow the steps given below:

1. Go to **Gateway of Tally > Display > Inventory Books > Batch** and press enter
2. Select the required **Stock Item** and **Batch** from the **List of Batches**

The **Batch Items** screen with list of batches appears as shown in the figure 11.35:

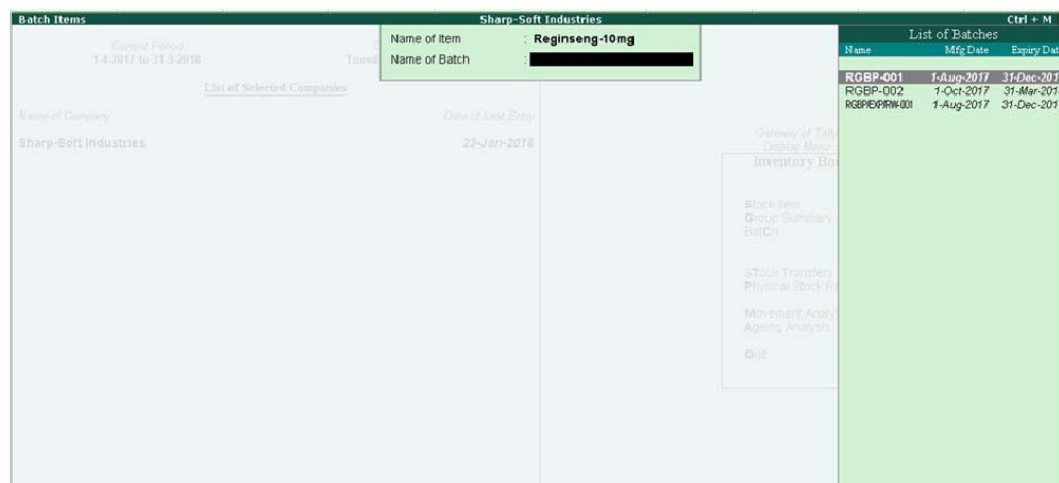


Figure 11.35 Selection of Batch of Stock Item screen

3. Select the **Batch No. RGBP-001**
4. Press **F2: Period** and set the period from **01-07-2017** to **31-03-2018**

The **Batch Voucher** report appears as shown in the figure 11.36:

| Date | Particulars | Vch No. | Inwards | Outwards | Closing |
|------|-------------|---------|---------|----------|---------|
|------|-------------|---------|---------|----------|---------|

| | | Quantity | Value | Quantity | Value | Quantity | Value | |
|-------------------------------------|------------------------|----------|-------------|--------------|-------------|--------------|--------------|-------------------|
| 1-8-2017 | Timela Pharmaceuticals | | | | | | | F7: Show Profit |
| | Purchase | 3 | 1,200.00 Bk | 2,400,000.00 | | 1,200.00 Bk | 2,400,000.00 | F8: Stock After |
| 7-11-2017 | Cash | | | | | | | F9: Godown Type |
| | Sales | 2 | 200.00 Bk | 50,000.00 | 1,000.00 Bk | 2,000,000.00 | | F6: Batch Summary |
| 23-1-2018 | Reginseng 10mg | | | | | | | F6: Dly Bk-up |
| | Stock Transf | 5 | | | | | | |
| Totals as per 'Default' valuation : | | | | | | | | |
| | | | 1,200.00 Bk | 2,400,000.00 | 1,200.00 Bk | 2,500,000.00 | 0.00 Bk | |

Figure 11.36 Batch Vouchers Report Screen

Note: The report of figure 11.36, shows that one purchase, one sales have been made using Batch no. **RGBP-001** and also it displays the details of stock transfer. It displays the details of batch manufactured date and expiry date.

Activity: The same report can be generated from the Stock Summary report. To generate the same, go to Gateway of Tally > Stock summary > Select the Group Antioxidant > Select the Stock Item Reginseng-10mg > Bring the cursor in the May month > Press Enter > Press F5: Batch > Select the Name of Item and Batch to view the **Batch Vouchers** report.

11.4.5.2 Batch Summary Report

Batch Summary is a summary of all the batches of a particular stock item for a given period. We can select the required batch and further drill down to view the **Batch Monthly Summary** and then further to the batch voucher report of the selected batch of an item.

To view the batch summary report, follow the steps given below:

1. Go to **Gateway of Tally > Display > Inventory Books > Batch**
2. Select the required **Stock Item** and select the **Batch** from the **List of Batches**
3. Select the required **Batch number**
4. Press **F2: Period** and set the period from **01-07-2017 to 31-03-2018**
5. Press **F6: Batch Summary** and then press **Alt+F1: Detailed**

The **Batch Summary** report appears as shown in the figure 11.37:

| Batch Summary | | Reginseng-10mg | | |
|-----------------|--|---------------------------|--------|-------------|
| Particulars | | Sharp Soft Industries | | |
| | | 1-Jul-2017 to 31-Mar-2018 | | |
| | | Closing Balance | | |
| | | Quantity | Rate | Value |
| RGBP-002 | | 20 Bk | 200.00 | 4,000.00 |
| Opote | | 20 Bk | 200.00 | 4,000.00 |
| RGBP/EXP/RW-001 | | 1,000 Bk | 200.00 | 2,00,000.00 |
| Scrap Warehouse | | 1,000 Bk | 200.00 | 2,00,000.00 |

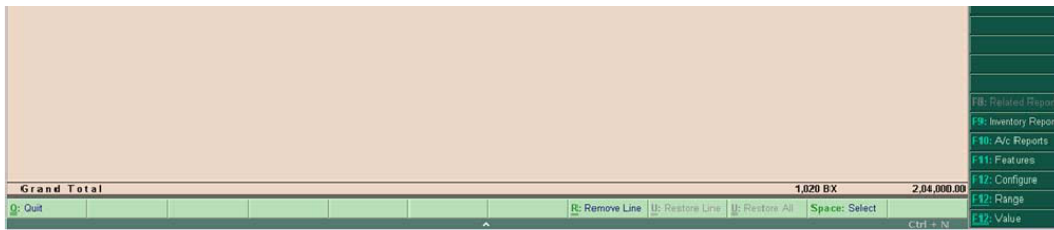


Figure 11.37 Batch Summary Report Screen

Note: Press **F12: Configure** from the above screen and enable the options **Show Mfg date** and **Show exp date** and check the **Batch Summary** report. It will display the expiry and manufacturing date details.

From the report of figure 11.37, we will get the details of the stock available in the selected batch/lot. It displays the details of stock quantity and godown details.

11.4.5.3 Transfer Analysis report

Transfer analysis report gives you the details of stock transferred from one location to another with quantity, rate and additional cost details, it will also give you the details of Batches/Lots.

To view transfer analysis report, follow the steps given below:

1. Go to **Gateway of Tally > Display > Inventory books > Movement Analysis > Transfer Analysis > Select Stock Journal > Select the Stock Item**
2. Press **F12: Configure** and set the below options enabled
 - **Show Batch Details** to **Yes**
 - **Show Batch Mfg. and Expiry Date** to **Yes**

The **Transfer Analysis** report, appears as shown in the figure 11.38:

| Item Voucher Analysis | | Sharp-Soft Industries | | | | | Ctrl + Alt + E | |
|-------------------------------|--------------------------------|---------------------------|------------|-------------|-----------|-------------|----------------|--|
| Stock Item: Reginseng 10mg | | 1-Jul-2017 to 31-Mar-2018 | | | | | | |
| Under Transfer: Stock Journal | | | | | | | | |
| Date | Particulars | Quantity | Basic Rate | Basic Value | Adst Cost | Total Value | Eff. Rate | |
| | Goods In (Production) | | | | | | | |
| 23-Jun-2018 | Stock Journal | 1,000 BX | 200.00/BX | 2,00,000.00 | | 2,00,000.00 | 200.00/BX | |
| | Total | 1,000 BX | 200.00/BX | 2,00,000.00 | | 2,00,000.00 | 200.00/BX | |
| | Goods Out (Consumption) | | | | | | | |
| 23-Jun-2018 | Stock Journal | 1,000 BX | 200.00/BX | 2,00,000.00 | | | | |
| | Total | 1,000 BX | 200.00/BX | 2,00,000.00 | | | | |

Figure 11.38 Transfer Analysis Report - with Batch Manufacturing & Expiry Details

In the transfer analysis report, we will get the transfer details like goods in, goods out and other inventory information like quantity, value, additional cost etc.

Conclusion

In this chapter, we have learnt to configure godown, stock category, batch details and also we have learnt to record different business transaction involving inventory in Tally.ERP 9. Generated specific reports and checked how instantly the inventory reports like batch summary, godown summary, transfer analysis and stock summary with stock valuation gets updated.

Key Takeaways

- **Godown** is a place where inventories/ stocks are stored
- Multiple Godowns can be maintained in Tally.ERP 9
- Stock Category offers a parallel classification of stock items
- Multiple Stock categories can be created in Tally.ERP 9
- Batch-wise details are extremely beneficial for perishable goods.
- Manufacturing and expiry dates can be set for batch-wise details.
- Tally.ERP 9 has an option to display only those batches which have not expired and hide the expired batches.

Shortcut Keys

| Shortcut Key | Description |
|--------------|---|
| Alt+F6 | <ul style="list-style-type: none">• From the Batch Voucher report |

| | |
|--------|--|
| | <ul style="list-style-type: none">• To navigate to the Daily Breakup of batch Items report. |
| F4 | <ul style="list-style-type: none">• From godown summary report• To select the godown from the list of godown |
| Ctrl+S | <ul style="list-style-type: none">• From batch voucher report• To navigate to the stock item alteration screen. |
| F6 | <ul style="list-style-type: none">• From batch voucher report• To navigate to the batch summary report. |