

SHRIMATHI INDIRA GANDHI COLLEGE

DEPARTMENT OF BANK MANAGEMENT

COMPUTER APPLICATION IN BANKING

SECTION - A

1) What is freezing panes?

To freeze the top horizontal pane, select the row below where we want the split to appear.

1. To freeze the left vertical pane, select the column to the right of where we want the split to appear.
2. To freeze both the upper and left panes, click the cell below and to the right of where we want the split to appear. On the Window menu, click **Freeze Panes**

2) What are the primary groups?

- i. Capital Account
- ii. Reserves and Surplus
- iii. Current Assets
- iv. Bank Accounts
- v. Cash-in-Hand
- vi. Deposits
- vii. Loans and advances
- viii. Stock in Hand
- ix. Sundry debtors
- x. Current liabilities

3) How to set or alter budgets?

- a. *There are three options to set or alter budgets*
- b. Group
- c. Ledger
- d. Cost Center
- e.

4) Write the sub-groups of current asset?

There are six sub-groups to current assets.

- Bank Accounts
- Cash-in-Hand
- Deposits
- Loans and advances

- Stock in Hand
- Sundry debtors

5) What is a Profit and loss account?

Profit and Loss Account will display the Net profit or loss of the company for the current financial year. Select profit and loss account from Gateway of Tally.

6) What is Automation?

The computers do the calculations or manipulation on the data automatically by using instructions. The instructions not only relate to arithmetic operations such as multiplication, division, etc but also logical decision such as right or wrong.

7) Trial Balance.

The periodical monetary events summary is known as Trial Balance. In double entry system for every transaction, Debit aspect always equal to Credit aspect. The detailed trial balance shows the groups and subgroups or ledgers and subgroups or ledgers under them.

8) What is Purchase order?

Purchase orders may be produced printed and sent to suppliers. Goods received are linked with the Pos and invoices. Outstanding purchase orders should be monitored.

Purchase order details will also depend on configuration settings.
From **Gateway of tally > select voucher Entry > select purchase order.**

9) Explain Voucher entry

Press relevant button at voucher creation screen to select particular type of voucher.

Basic voucher types available in tally are:

- Receipt voucher F6
- Payment voucher F5
- Purchase voucher F9
- Sales voucher F8
- Contra voucher F4
- Journal voucher F7
- Memorandum F10

10) Write any 4 shortcuts keys?

Ctrl + A, Alt + F4, Ctrl + Del, Ctrl + S.

11) How to Edit and Delete stocks items?

Editing stocks:

Location: Inventory Info/Stock Items

Shortcut: I, I, A

Upon selection of stock item from pop-up menu we can alter any data.

Deleting Stocks:

Once created stock item can be altered and deleted. To delete a Stock, select item in Alternation mode and press Alt + D, it would be deleted provided no voucher has been created for it.

12) Columnar reports:

Tally provides columnar reports in sales, purchase and journal registers as well as ledgers and cash, bankbooks.

13) Explain Inventories?

The inventory control application should provide high quality service to its customer by utilizing fast, accurate and efficient method of filling customer's orders and avoiding stock outs.

14) Accounts receivable/payables:

Tally provides complete bill-wise information of amounts receivable from sundry debtors as well as amounts payable to sundry creditors.

15) Voucher scheme and numbering scheme:

Tally provides 23 predefined voucher types. We can set voucher numbering as per our need as automatic, manual or none.

16) What are the ways to consolidate data?

We can consolidate data in many ways.

- a. Consolidate data by using 3D reference.
- b. Consolidate data by position
- c. Consolidate data by category etc.

17) How to run an application?

- i. To start a program by using the **Run** command
- ii. Click **Start**, and then click **Run**.

- iii. In the **Open** box, enter the location and name of the program we want to start

18) Explain computerized accounting.

Accounting is the language of business. It involves identifying, measuring, and presenting economic information about a business. Accounting has been defined as the art of recording, classifying and summarizing in a significant manner transaction and events, which are of financial character and interpreting results.

19) Contra voucher?

Cash or cheque deposited into bank, cash withdrawn from bank, transfer of funds from one bank account to another will be entered through contra voucher. Debit and credit accounts can only be cash and Bank accounts. By pressing function key F4, we can enter contra voucher.

20) Explain any two vouchers?

Receipt Voucher:

Receipt voucher is used to enter all receipts of cash or bank. The amount received from the sale of fixed assets must also be treated as Receipts. By pressing the function key F6 we can enter the receipt voucher.

Sales Voucher:

Sales voucher is meant for sale entries. Sales made in the regular course of business will be entered in this voucher. By pressing the function key F8, we can enter a sales voucher.

21) What is a spreadsheet?

A spreadsheet is a table of values arranged in rows and columns. Each value can have a predefined relationship to the other values. If we change one value, we may need to change the other values as well.

22) How will you create table?

Create a table by using the **Insert Table** command, or use the Draw Table tool to create a more complex table; for example, one that contains cells of different heights or a varying number of columns per row.

23) How to save a document?

To save a document on first time we can use **File -> save** command or icon is clicked.

24) What is an Operating system?

An OS consists of a series of programs, which control, coordinate and supervise the activities of various components of a computer. The OS provides links between the user's program and the computer hardware. An OS is software that forms a bridge between the user and the hardware.

25) What is Hardware?

Hardware consists of all machinery and equipment in a computer system. The hardware includes among other devices, the keyboard, the screen the printer and the computer or processing devices itself. Hardware represents the physical component of a computer.

26) How to Create Shortcuts?

Right click the item and we can create shortcuts for any application, folder or files. Shortcuts can be created in desktop or within that folder or subfolder. Shortcuts are created by two methods a) Keyboard shortcuts b) Desktop shortcuts.

27) Write the Icons on Desktop.

Desktop has several icons. Icons are small pictures/images representing applications. Each icon has a label telling us the name of the application it represents E.g. my computer, Recycle bin, Internet Explores etc.

28) What are the different types of Word Document?

There are several types of Word Documents.

Blank Document _ To create a traditional document.

Web page – We can display the contents in a web browser.

E-Mail messages – We can compose and send a message to others directly

29) What is meant by Control Unit?

It manages the operation of the entire system. This circuit directs the movement of electronic signals between memory, which temporarily holds data, and instruction. This memory is non-volatile. Processed control unit supervises every operation within the CPU and co-ordinates all the activities.

30) I-P-O Cycle?

Input Process Cycle is the basic for most activities. For example, take a car assembly line. This activity constitutes the input part. The process is the actual building of the car.

31) What is budgetary control?

Budgets are used to set targets and compare against actual and get variances. The use of budgets to control day-to-day operations can be an educative task as well as a beneficial one. Tally gives the facility to fine tune our control of budgets over Ledger accounts, groups of accounts and cost centers.

32) Define Computer.

Computer is defined as an electronic device that can accept data, process information in a predefined fashion. It works according to the set of instructions provided to it and produces desired output.

33) What is Logging on?

Windows is a multi user operating system. Several users can access the different applications. There may be an administrator controls all the users and other users. An adminster can be provided with different log on and password and other users with different log on.

34) What is an Inventory report?

Inventory reports are prepared based on the voucher. All the reports have default format, which can be changed by using different buttons as per our requirements.

35) Define software.

Software consists of the instructions that tell the computer how to perform a task. Programs, which are list of instructions, to be executed by a computer are known as the software of a computer. In other words, software is defined as a set of programs associated with the operation of a computer.

36) How to configure Tally?

Tally can configure options by pressing the button F12. This button is context sensitive.

37) What is Tally Vault?

Tally offers data encryption option, which follows Data Encryption Standards (DES).

38) What is cost center report?

Cost Center report enables us to analyze the net income or expense in each cost center.

39) What are the Inserting Objects?

We can insert object using

- i. WordArt feature.
- ii. AutoShapes etc.

40) Write the meaning of Thesaurus.

Thesaurus is used to find synonym, an antonym or related words. On the **Tools** menu, point to Language, and then click **Thesaurus**.

SECTION – B

1) Explain Auto Correct.

We can use the **Auto Correct** feature by selecting **Tools** menu and click Auto correct. It is used to automatically detect and correct types, misspelled words, grammatical errors, and incorrect capitalization. We can also use **AutoCorrect** to correct errors in another language.

Turn on or off Auto Correct options

- i. On the Tools menu, click AutoCorrect
- ii. Do one or more of the following:
 - To set the capitalization options, select or clear the first four check boxes in the dialog box.
 - To turn on or off the AutoCorrect entries, select or clear the **Replace text as we type** check box.
 - To turn on the spelling checker corrections, select the **Replace text as we type** check box, and then select the **Automatically use suggestions** from the spelling checker check box.

To turn off the spelling checker corrections, clear the **automatically use suggestions from the spelling checker** check box.

2) Explain Compiler.

- Compiler is a program that translates source code into object code.
- It checks the entire user-written program converts the whole into a machine language program.
- After translating the entire program, it executes the program sequentially statement-by-statement and loads one statement at a time in core memory.
- If any corrections occur in it, it asks for rectifications. Hence the execution time is less in it.

- All compiled programs run faster.
- Any mistakes in the programs cannot be known at the time of entering instructions.
- Objects code is generated here.
- Useful for compiling large applications.

Code security – When programs are executed using compilers, the code is highly secured. The basic software on which the application software was developed is not needed at the time of implementation. Thus the user has no need in seeing the source code.

3) What are the Classifications of Computer?

Computers are classified usually as,

- Digital*
- Analog*
- Hybrid*

Digital computer

A digital computer is one that directly counts the number. It represents numerals, letters, or other special symbols.

Analog computer

An analog computer is one that measured physical values such as temperature or pressure that fall along a continuous scale.

In contrast to digital computer, analog computers carry out operations on data, which can vary continuously. An analog channel transmits digital channel on the other hand, transmits binary digits represented by voltage pulses.

Hybrid Computers

Desirable features of analog and digital computers are sometimes combined to create a **hybrid computing system**.

4) Write the usage of cost category and cost centers in vo voucher entry?

- Tally implements the use of cost centers in a manner which forces the full allocation of the relevant amounts to the respective cost centers.
- Whenever a revenue item is used in a voucher, Tally pops up a small box, asking how the amount for the account is to be allocated.
- We can tag cost categories and cost center to vouchers by
- Check with the ledger accounts whether we have specified yes to cost centers are applicable.

Select voucher Enter > select suitable voucher > pass the entry and tag the cost centers individually.

5) What are the features of stock items?

To create stock items choose **Gateway of Tally > Inventory Info > Stock Items**.

To configure stock item settings press F12.

- a. **Advanced Usage:** This section deals with the additional fields we would input during the creation of a stock item.
- b. **Part No:** This is option. To give part number for the item to identify them in certain industries Example: In automation industry, various parts are known by their number.
- c. **Alias:** We are allowed to give aliases for the part number.
- d. **Description:** Give a description of the stock item that would appear in our invoices.
- e. **Category:** Classify stock items into stock categories. Modify previously created stock items to assign them to stock categories.
- f. **Remarks:** This is to identify the products or its usage when we look at its details.
- g. **Alternate units:** This is another unit, apart from the main unit, that we can use for the stock item. This is useful when we need to deal in different units at different times.
- h. **Enter Standard Rates:** If we wish to specify standard purchase and sales rates for the item, select yes.
- i. **Costing method:** Select the method of valuation for the entry.

6) Explain Tally locker?

It is a small external hardware device. We can store data and work directly at Tally locker. When the task is over, we can simply pull it and slip it into our pocket.

Other features of Tally:

- i. We can import and export data from tally. It imports data in SDF and XML format. It exports data in ASCII (American standard code for information interchange), SDF and XML (Extensible Markup Language) formats. It reports in HTML (Hypertext Markup Language) format.
- ii. Tally is Open Database Connectivity (ODBC) compliant.
- iii. Tally is a web-enabled tool.

7) Write the Fundamentals of computerized accounting?

Accounting is the language of business. It involves identifying, measuring, and presenting economic information about a business. The users of the information can form opinions about the business, judge its performance and take certain decisions.

Accounting has been defined as the art of recording, classifying and summarizing in a significant manner transaction and events, which are of financial character and interpreting results thereof.

Computerizing any function in organization results in reduced operation costs, increased efficiency and minimized errors. Repetitive entry of input is avoided. The laborious process of repetitive compilation is done by the computers. User-friendly application software helps in generating any type of reports at the flick of a key.

Organization introducing computers invariably start with the accounting function, since accounting is performed in a fairly consistent and uniform way.

Financial accounting software is used to store and maintain daily business transactions like purchases, sales, receipts, payments, purchase returns, sales returns, deposits and withdrawals. Tally is one of the most popular packages used for this purpose.

In FA, we should be able to distinguish between debit and credit in a transaction.

8) Explain Daybooks?

Day Book lists all the vouchers we have entered. It is the best place to locate any voucher. By default, it lists all the vouchers we entered on current date. Daybook is used to display the vouchers entered. We can also verify whether the voucher is entered correctly or not. If the voucher entry is wrong, it can also be corrected. If duplicate vouchers exist, such vouchers can also be deleted.

To display the Day Book, select Display from Gateway of Tally menu, and then select Day Book. To view the actual entries in detailed Day Book, press Alt + F1. To view the Day Book of the specific date, press F2, type a date and press enter. Alt +F2 is used to displaying Range of date.

Configuring Day Book:

To change the configuration of day book, press F12.

In the configuration, we can see the following things:

- a. Whether the narration of voucher is to be displayed or not.
- b. Type of vouchers to show
- c. Sorting method – alphabetical or Amount Wise.

To alter a voucher, select voucher from Day Book menu. Make necessary changes.

To delete a voucher, select the voucher from the day book. Press Alt + D to delete the voucher and confirm Delete? Yes.

Printing Day Book:

To print a Day Book first display it on the screen and then press Alt + P. If the options are set properly, press Y to print.

9) What is balance sheet? State about configuring balance sheet?

Balance Sheet:

A Balance sheet is a statement of the financial position of the company. It displays the capital, assets and liabilities of the company. Balance sheet is the ultimate report of the financial Accounting system.

The result of all transactions finally conveyed into the balance sheet. To display the balance sheet, select balance sheet from Gateway of Tally menu.

By default balance sheet will be displayed in double columnar horizontal format with the closing balances of primary groups and Liabilities.

To view the detailed balance sheet presses **Alt+F1**. To view the balance sheet for particular period presses **F2**.

To closing stock in balances sheet press F7.

Configuring Balance Sheet:

Pressing F12 can configure the balance sheet.

- Balance sheet can be displayed in horizontal format or in vertical format.
- In order to view the Balance sheet figures with their percentage break ups, select show percentage yes. Default is No.
- Instead of representing current Assets and Liabilities separately, to present working capital Analysis, select show working capital figures? Yes.
- By default, the balance sheet will display the liabilities on the left and Assets on the right side. We can alter order by selecting the option from Method of showing balance sheet.
- Different scale factors for values are available to round off the balances to the nearest crores, lakhs, hundred etc.

10) What is the use of Briefcase?

By using Briefcase, we can synchronize files connected computers. It can be done when computers are connected. We can open the briefcase on our portable computer and copy the appropriate files from our main computer.

- i. Work on the files on our portable computer.
- ii. When we have finished working if they files connect the two computers if they were disconnected, open Briefcase on our portable computer, and then do one of the following:
 - ✓ To update all the files, click the **Briefcase** menu, and then click Update All.
 - ✓ To update only some of the files, select the files we want to update, click the **Briefcase** menu, and then click Updated selection.

Using My Briefcase to keep our files synchronized

If we want to work on files at home or on the road, we can use My Briefcase to help keep the various copies of our files updated

To open My Briefcase, double-click My Briefcase on the desktop.

11) What is Desktop and Taskbar?

Desktop

The Desktop is the workspace that appears our screen. It has several icons. Icons are small pictures/images representing applications. Each icon has a label telling us the name of the application represents. Example: My computer, etc.

We can use the desktop for almost any such as opening programs, copying files, connecting to the internet, reading our e-mail, and so on. The improved windows 98 desktop is designed for easy performance of everyday tasks and for complete Internet integration.

Taskbar

The taskbar is usually a narrow gray strip present at the bottom of the screen. On the left it has the Start button. When we click the button, the start Menu appears on the screen. We can start any application that we want using start menu. Right side to start button is the Quick Launch Toolbar. It contains icons that allow us to select some commonly used applications.

12) Write the advantages and disadvantages of High-level Language?

It is otherwise referred to as “procedure-oriented language (POL)”. The limitations of machine and assembly language were overcome by a set of new language called “High-level Language”. It resembles English language in syntax and uses common mathematical symbols, which makes the job of the programmer easier.

Example: COBOL, BASIC, ALGOL, PASCAL, C etc.

Advantages:

- i. It is easy to use and learn
- ii. The syntax is similar to commonly used languages. So the writing of program is easy.
- iii. It is user-centered.
- iv. They are machine-independent and hence a High-level Language program can be done on different systems with little or no modification.
- v. The programmer need not be familiar to the machine characters.
- vi. They require less effort.

Disadvantages:

- i. They have to be translated into machine readable codes before execution
- ii. Translation consumes extra time and hence less efficient than the low level languages programs are available for converting into machine codes and they are known as “compilers”.

13) How will you create Stock items?

Stock items are the actual items that are transacted, received, issued or produced and take part in any inventory voucher. Stock items are normally placed under stock groups and categories.

Like ledgers, stock items are the primary inventory entity. We will use stock items while recording their receipts and issues. Each item that is required needs to be created. We create stock ledger account for each item. Tally calls this account as “stock item”.

Stock items are actual items in the stock Example: cooks, pens, pencils, cables, papers etc, which are purchased and sold in the business. The quantity and rate of each item can be entered to each stock item, when making the purchase or sales entry.

The information entered is two types:

1. Normal information
2. Advanced information

In Normal information the things entered are:

Name, Alias, part no, remarks, Enter standard rates, rate of duty, tariff classification, set components and opening balance.

In advanced information the additional information like:

Costing method, market valuation method, ignore difference due to physical counting, ignore negative balance, treat all sales as new manufacture, treat all purchase as consumed, treat all rejection inward as scrap, and allow use of expired bathes, entered.

14) Explain Memory and control unit.

Central processing unit (CPU)

The central processing unit is the brain of the computer. It processes data, store them, controls the interpretation and execution of instructions. It is composed of three important units.

- a. Arithmetic and logic unit
- b. Control unit
- c. Memory unit

Arithmetic and logic unit

Arithmetic and logical operations are performed by ALU. Arithmetic operations include addition, subtraction, multiplication and division. Logical operations consists of comparisons.

Control unit

It manages the operation of the entire system. This circuit directs the movement of electronic signals between memory, which temporarily holds data, and instructions. This memory is non-volatile.

Processed control unit supervises every operation within the CPU and co-ordinates all the activities.

Memory unit

This unit holds all data, instructions and intermediate results. It is otherwise referred to as main memory or “Primary storage” or “Internal storage”. The internal storage consists of a set of microchip connected by very fine wire.

15) Write any three Direct-Input devices.

Voice input and speech recognition:

- New methods to enter data at rapid rate are becoming popular; voice input is one such method, which does not require keyboard skills and technical training.
- This technology allows the computer not only to record voice input but also to understand speech into electrical signals.

Joystick:

- It is a positioning device.
- A small cursor displayed on the screen moves in response to users manipulation of the joystick
- Mostly used in playing computer games

Light pen:

- It is a pointing device.
- If it is pointed at anywhere on the screen, the computer can identify the specific location to which the pen is pointing and determines the item selected by the user.

16) Give an introduction to vouchers.

Voucher is a document containing the details of a transaction. For every transaction we make a voucher. The voucher entry option at the **Gateway** enables us to make day-to-day entries.

To make voucher entry, the accounts are broadly classified into 3 types

Personal accounts- Accounts related to person, normally accounts related to names such as Hassan (p) Ltd.

Real Accounts- Accounts related to tangible and visible things such as cash, all types of assets like land, buildings etc.

Nominal Accounts- Accounts related to intangible and invisible things, which do not have a specific shape. E.g. all income and expenses.

17 Write the advantages of using windows 98.)

- It is a user friendly operating system. It displays all information on the screen and we can point out information and can select any by mouse.
- It can run two or more applications at the same time.
- It has an excellent internet interface. With Windows 98, we can easily access and browse through web pages from anywhere on our computer.
- Windows 98 inherits the features of Windows 95 as a powerful desktop operating system.
- Windows 98 makes the web as an extension of the user's desktop.
- Windows 98 is more reliable, faster, tightly integrated with web and fun to use.
- Windows 98 has the built-in support for the latest hardware and software

18) How to use tally in Bank reconciliation statement?

BANK RECONCILIATION STATEMENT

Bank reconciliation means that the accounts maintained by the banker tallies with the bank ledger account.

Tally in reconciliation mode displays in condensed format showing date, Ledger account name, voucher type, Debit or credit amount but to identify an entry, we need to see cheque numbers to easily match with the Bank statement. Press F12 to configure, select detailed format, and respond yes to the query show narration also.

To entering the Bank date selects the Bank Book under display and select the bank we want to reconcile. We can even select the Bank option through any other option of display example: Balance sheet.

To skip any entry press up/down key or press enter key. To accept the changes press Ctrl + A.

19) How will you generate and print reports in detailed and condensed format?

Tally prepares the books of account and financial statements based on the vouchers entered. The appearance of reports can be changed according to the requirements. The reports can be displayed on the screen as well printed on the paper. General reports, which are prepared by Tally, are:

- ❖ Ledgers
- ❖ Cash and Bank Books
- ❖ Purchase, Sales and other Registers
- ❖ Trial Balance
- ❖ Profit and Loss Accounts
- ❖ Balance Sheet
- ❖ Stock Statement
- ❖ Ledger and Summaries
- ❖ Stock item summaries
- ❖ Group summaries
- ❖ Cash and Fund flow statements
- ❖ Cost center analysis etc.

The purpose of putting all our data is to present them in the form of comprehensive Accounting and Inventory reports.

All we do is entering vouchers and we get all reports readily based on these transactions.

We are also able to retrieve a wide variety of information at a press of a key. The printing screen consists of 3 parts: The top of the screen consists:

- i. The method of Output.
- ii. The Title and Sub-Title, if any, for the report.
- iii. The Date Range applied to this report.

20) How will you Edit Word Documents?

Editing is the act of making alterations in the content of a document. To edit a document Cut, Copy, Past, Find and Replace, insert and delete spelling checker, grammar checker, thesaurus are some of the common editing function.

Insert and delete: Inserting is the act of adding to the document. We can simply place the cursor wherever we want to add text

Deleting is the act of removing text, using delete or Backspace key. The delete keys delete the character form the current position.

Backspace key delete the character to the left of the cursor. Undo command allows us to restore a deleted text.

Find and replace: Find or search command allow us to find any word, phrase, or number that exists in our document. Replace allows us to automatically replace it with something else.

Cut Copy and Paste: We can use the copy or cut command to move it to a special area in the computer's memory called the clipboard. We can paste or transfer anywhere in the existing document or in a new document from the clipboard.