



POWER OF SIMPLICITY

**Getting Started with Excise for Manufacturers
in Tally.ERP 9**

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Contents

Introduction

Scope and Applicability	1
Manufacturer	1
Excisable Goods	2
Types of Excise Duties.....	2
Valuation Methods	3
CENVAT Credit	4
Excise Registration (of Factory/Warehouse)	5
<i>Separate Registration</i>	5
<i>Excise Control Code (ECC) Number</i>	6
Central Excise Invoice System	7
<i>Removals only on invoice</i>	7
<i>Serially numbered invoice</i>	7
<i>Number of Invoice copies</i>	8
<i>Number of Invoice book</i>	8
<i>Authentication of Invoices</i>	8
<i>Intimation of serial numbers</i>	8
<i>Rounding off of duty in invoice</i>	8
Types of Duties and Method of Calculation	9
Time and Mode of Payment of Duty	10
Returns & Timelines	10
Salient Features of Excise in Tally.ERP 9	11
Excise Process in Tally.ERP 9	12

Lesson 1: Enabling Excise in Tally.ERP 9

1.1 Enabling Excise in Tally.ERP 9	13
1.1.1 <i>Enabling VAT</i>	20
1.1.2 <i>Entering Tax Information</i>	21

Lesson 2: Creating Masters

2.1 Creating a Customer Ledger	22
2.2 Creating a Supplier Ledger	24
2.3 Creating a Sales Ledger	27
2.4 Creating a Purchase Ledger	30
2.5 Creating VAT Ledgers	32
2.5.1 <i>Input VAT</i>	32

2.5.2 Output VAT	33
2.6 Creating Basic Excise Duty Ledger	36
2.7 Creating Education Cess Ledger	39
2.8 Creating Secondary and Higher Education (SHE) Cess Ledger	41
2.9 Creating a Expense Ledger	43
2.10 Creating Excise Voucher Types	45
2.10.1 Creating Purchase Voucher Type	45
2.10.2 Creating Sales Voucher Type	47
2.10.3 Creating a Debit Note Voucher Type.....	49
2.10.4 Manufacturing Journal Voucher Type	49
2.11 Creating Tariff Classification	50
2.12 Creating Stock Item - Raw materials	52
2.13 Creating Stock Item - Finished Goods (MRP)	58
2.14 Creating Stock Item - Finished Goods (Quantum)	65
2.15 Creating Stock Item - Finished Goods (Ad Valorem)	69

Lesson 3: Transactions

3.1 Creating a Excise Purchase Voucher – Not Availing CENVAT Credit	73
3.2 Creating a Excise Purchase Voucher – Availing CENVAT Credit	79
3.3 Creating a Manufacturing Voucher	87
3.3.1 Alter the Stock Journal	87
3.3.2 Create a Manufacturing Journal	88
3.4 Creating a Excise Sales Voucher – Rule 11 Invoice	89
3.5 Rule 11 Invoice for Stock Items Falling Under Different Valuation Type	97
3.6 Rule 11 Invoice for Stock Items with Expenses	103
3.7 Creating a Debit Note (Purchase Returns) – Rule 11 invoice	107
3.8 Creating a Journal Voucher – CENVAT Credit Adjustment	111
3.8.1 Create Voucher Class in Journal Voucher	111
3.8.2 Record the transaction in Journal Voucher	112
3.9 Creating a Payment Voucher – GAR 7 Payment	118

Lesson 4: Reports

4.1 Excise Reports	123
4.1.1 Excise Computation	124
4.1.2 Daily Stock Register	125
4.1.3 PLA Register	127
4.1.4 Form ER I	129
4.1.5 CENVAT Credit Availed	135

Introduction

Excise Duty or Duty on Excise is a tax on goods manufactured or produced in India and intended for domestic consumption i.e. sale in India. The Excise Duty is payable at the time of production or manufacture, however, for administrative convenience duty is paid at the time of removal of goods.

Excise Duty is an indirect tax. The liability of payment of Excise Duty is of manufacturers or producers (which is passed on to the ultimate consumer). The levy and collection of duty of Excise is provided under authority of the Central Excise Act, 1944 at the rates specified Central Excise Tariff Act, 1985.

Scope and Applicability

Excise Duty means the tax to be paid by the manufacturer, on the goods manufactured in India, either at the time of manufacture or at the time of removal of the goods.

Excise Duty can be levied, only on the fulfilment of the below mentioned conditions.

- ❑ The Duty is on Goods
- ❑ The Goods must be excisable
- ❑ The goods must be manufactured or produced
- ❑ Manufacture and Production must be in India

Manufacturer

Manufacturer is a person who actually manufactures or produces excisable goods, i.e. one that actually brings into existence new and identifiable product.

Excisable Goods

Excisable Goods means goods specified in the schedule to the Central Excise Tariff Act, 1985 as being subject to a duty of Excise.

The Basic requirements to be satisfied are,

Goods must be movable.

- Goods must be marketable i.e. the goods must be such that it is known in the market and is capable of being bought or sold

Types of Excise Duties

1. **Basic Excise Duty:** This is the duty charged under section 3 of the Central Excises and Salt Act, 1944 on all excisable goods other than salt which are produced or manufactured in India. Basic Excise Duty [also known as Central Value Added Tax (CENVAT)] is levied at the rates specified in Central Excise Tariff Act.
2. **Special Excise Duty:** As per the Section 37 of the Finance Act, 1978 Special excise Duty was attracted on all excisable goods on which there is a levy of Basic excise Duty under the Central Excises and Salt Act, 1944. Special Excise Duty is levied at the rates specified in the Second Schedule to Central Excise Tariff Act, 1985.
3. **Education Cess on excise duty:** Section 93 of Finance (No. 2) Act, 2004 states that education cess is 'duty of excise', to be calculated on aggregate of all duties of excise including special excise duty or any other duty of excise, but excluding education cess on excisable goods.
4. **Excise duty in case of clearances by EOU:** The EOU units are expected to export all their production. However, if they clear their final product in DTA (domestic tariff area), the rate of excise duty will be equal to customs duty on like article if imported in India.
5. **National Calamity contingent Duty (NCCD):** A 'National Calamity Contingent Duty' (NCCD) has been imposed vide section 136 of Finance Act, 2001 [clause 129 of Finance Bill, 2001, w.e.f. 1.3.2001]. This duty is imposed on pan masala, chewing tobacco and cigarettes.
6. **Duties under other Acts:** Some duties and cesses are levied on manufactured products under other Acts. The administrative machinery of central excise is used to collect those taxes. Provisions of Central Excise Act and Rules have been made applicable for levy and collection of these duties / cesses.
7. **Additional Duty on goods of special importance** - Some goods of special importance are levied Additional Excise under Additional Duties of Excise (Goods of Special Importance) Act, 1957. The 'Additional Duty' is in addition to excise duty. This scheme was introduced based on the suggestion made by the manufacturers to Government, that multiple level taxes and duties should be avoided. Levy and collection of all taxes at one stage by single authority will be convenient for payment and administration. Hence, by agreement between Central and State Governments, it was decided to make a beginning in 1957, by selecting some items where additional duty will be collected instead of sales tax and such additional duty will be distributed among various States. Revenue from this duty is distributed among State Governments on the basis of percentages given in the second schedule to the Act.

Some items covered are textile articles like cotton fabrics, silk and wool fabrics, man-made fibres, terry fabrics, metallised yarn, embroidery; sugar, branded tobacco, pan masala containing tobacco and cigarettes.

8. **Duty on Medical and Toilet preparations:** A duty of excise is imposed on medical preparations under Medical and Toilet Preparations (Excise Duties) Act, 1955.
9. **Additional duty on mineral products** - Additional duty on mineral products (like motor spirit, kerosene, diesel and furnace oil) is payable under Mineral Products (Additional Duties of Excise and Customs) Act, 1958.
10. **Additional Customs Duty commonly known as countervailing Duty (CVD):** Countervailing duty (CVD) is imposed on the Imports.
11. **Special Additional Duty of Customs (Special CVD):** Special CVD is being imposed on items bound under the Information Technology Agreement (except information technology software), and also on specified inputs/raw materials for manufacture of electronics/IT goods.
12. **Additional Duties of Excise (Textiles and Textile Articles) [AED (TTA)]**
13. **Additional Duty of Excise (Tea and Tea Waste) [AED (TTW)]**
14. **Secondary Higher Education Cess**

Valuation Methods

Value of the excisable goods has to be necessarily determined to levy the duty on the goods. Under the Central Excise Act, 1944, the following methods of valuation of goods are considered for the assessment of Duty

1. **Ad valorem/ Transaction Value:** Transaction value means the value of goods which are sold at the time and place of removal and includes in addition to the amount charged as price, any amount that the buyer is liable to pay to, including any amount charged for, or to make provision for, advertising or publicity, marketing and selling, organization expenses, storage, outward handling, servicing, warranty, commission or any other matter.

Transaction value, on each removal of goods shall be determined on the fulfilment of following conditions

- ❑ The goods should be sold at the time and place of removal
- ❑ Buyer and Assessee should not be related
- ❑ Price should be the sole consideration for the sale
- ❑ Each removal will be treated as a separate transaction and 'value' for each removal will be separately fixed.

2. **Ad Quantum:** In case of Ad Quantum the duty is payable on the basis of certain unit Like Weight, Length, volume etc.

For Example: Duty on cigarette is payable on the basis of length of the cigarette, duty on Sugar is based on per Kg.

3. **Value determined on the basis of Maximum Retail Sale Price:** Retail sale price means the maximum price at which the excisable goods in packaged form may be sold to the ultimate consumer and includes all taxes local or otherwise, freight, transport charges, commission payable to dealers, and all charges towards advertisement, delivery, packing, forwarding and the like, as the case may be, and the price is the sole consideration for such sale.

Following factors needs to be considered while determining the value on the basis of maximum retail sale price

- ❑ Where on the packages of any excisable goods, more than one retail sale price is declared, the maximum of such retail sale price shall be deemed to be the retail sale price
- ❑ Where the retail price, declared on the package of any excisable goods at the time of its clearance from the place of manufacture, is altered to increase the retail sale price, such altered retail sale price shall be deemed to be the retail sale price.
- ❑ where different retail sale prices declared on different packages for the sale of any excisable goods in packaged form in different areas, each such retail price shall be the retail sale price for the purposes of valuation of the excisable goods intended to be sold in the area to which the retail sale price relates.

CENVAT Credit

The MODVAT scheme has been replaced by a new set of rules called CENVAT Credit Rules 2002.

Duties eligible for CENVAT Credit

A manufacturer or producer of final product is allowed to take CENVAT credit of duties specified in the Cenvat Credit Rules, 2002.

The duties specified under Cenvat Credit Rules, 2002 are:

- ❑ Basic Excise Duty on inputs specified in the First Schedule to Central Excise tariff Act (corresponding CVD on imported goods is allowable).
- ❑ Special Excise Duty on goods specified in the Second Schedule to the Tariff Act (corresponding CVD on imported goods is allowable).
- ❑ Additional Excise Duty paid under Additional Duties of Excise (Textile and Textile Article).
- ❑ Additional Excise Duty paid under Additional Duties of Excise (Goods of Special Importance).
- ❑ National Calamity Contingent duty (NCCD).
- ❑ Education Cess and Secondary and Higher Education Cess on Excise Duty.
- ❑ Additional custom duty leviable under Customs Tariff Act (Spl. CVD)
- ❑ Education Cess and Secondary and Higher Education Cess on CVD
- ❑ Additional Excise Duty paid under Clause 85 of Finance Bill, 2005 on Pan Masala and Certain other Tobacco products.
- ❑ Service tax on input services.
- ❑ Education Cess and Secondary & Higher Education Cess paid on service tax. This credit can be utilised only for payment of education cess on final product or output services.

Excise Registration (of Factory/Warehouse)

In accordance with Rule 9 of Central Excise Rules, 2002 and notifications issued under rules 18 and 19 of the said Rules, as the case may be, the following category of persons are required to register with jurisdictional Central Excise Officer in the Range office having jurisdiction over his place of business/factory, by making an application for registration in Form A –1 or A –2 or A –3.

- ❑ Every manufacturer of excisable goods (including Central/State Government undertakings or undertakings owned or controlled by autonomous corporations) on which excise duty is leviable.
- ❑ Persons who desire to issue CENVATABLE invoices under the provisions of the CENVAT Credit Rules, 2001.
- ❑ Persons holding private warehouses.
- ❑ Persons who obtain excisable goods for availing end-use based exemption.
- ❑ Exporters manufacturing or processing export goods by using duty paid inputs and intending to claim rebate of such duty or by using inputs received without payment of duty and exporting the finished export goods.

On receipt of application for registration, registration number will be issued to the applicant. Later, the jurisdictional Excise Officer carries out the post facto verification and on fulfilment of all the requirements, issues the registration certificate with in 7 days from the date of application.



Form A–2: Application form for central excise registration of powerloom weavers / hand processors / Dealers of Yarns and Fabrics/ manufacturers of ready made Garments

Form A–3: Application form for central excise registration of manufacturers of hand rolled cheroots of tobacco falling under sub-heading no. 2402.00 of central excise tariff act, 1985

Separate Registration

Separate Registration is required in respect of separate premises except in cases where two or more premises are actually part of the same factory (where processes are interlinked), but are segregated by public road, canal or railway-line. The fact, that, the two premises are part of the same factory will be decided by the Commissioner of Central Excise based on factors, such as:

- ❑ Interlinked process - product manufactured/produced in one premise are substantially used in other premises for manufacture of final products.
- ❑ Large number of raw materials received or proposed to be received is common for both or all the premises
- ❑ Common electricity supplies.

- ❑ Common labour or work force
- ❑ Common administration or works management.
- ❑ Common sales tax registration and assessment
- ❑ Common Income Tax assessment
- ❑ Any other factor as may be indicative of inter-linkage of the manufacturing processes.

Separate Registration is required for each depot, godown etc. in respect of persons issuing CENVAT invoices. However, in the case liquid and gaseous products, availability of godown should not be insisted upon.

Registration Certificate may be granted to minors provided they have legal guardians' i.e. natural guardians or guardians appointed by the Court, as the case may be, to conduct business on their behalf.

Excise Control Code (ECC) Number

The ECC number is a registration number, issued to all the Central Excise Assesseees. This Number is based on the principles of 'Common Business Identifier' which shall be used for revenue accounting, validation of documents (e.g. CENVAT invoices), inter-agency coordination and for creation of data warehouse.

ECC number is a PAN based 15 digit alpha numeric numbers. The first part denotes 10 character (alpha numeric) Permanent Account number issued by Income tax authorities to the concerned person to whom the ECC Number is to be allotted and the second part comprises of a fixed 2 character alpha code which is as follows:

Category	Code
Central Excise Manufacturer (Including registered warehouses)	XM
Registered Dealer	XD

This is followed by 3-Character numeric code - 001, 002, 003 etc. In case, a manufacturer, registered with the Central Excise Department, has only one factory /dealer's premise/warehouse, the last three characters will be 001. If there are more than one factories/warehouses/dealer's premises of such a person having common PAN for all such factories/warehouses/dealer's premises, the last 3 character of the new ECC would be 001, 002, 003 etc.

The ECC Number has to be quoted on the GAR-7 Challans covering deposit of Central Excise duties, Additional duties, Cess and other dues to the Government.

Examples:

Where the concerned person has only one factory:

ECC Number will be - PAN + XM + 001

Suppose PAN is ABCDE1234H, the ECC Number will be -
ABCDE1234H XM **001**

Where the concerned person has more than one factory, say 3 factories, having PAN as aforesaid, then the ECC Number will be:

ABCDE1234H XM 001

ABCDE1234H XM 002

ABCDE1234H XM 003

Where the concerned person has one factory and is also registered as dealer, having PAN as aforesaid, then the New ECC Number will be:

ABCDE1234H XM 001 (for Factory)

ABCDE1234H XD 001 (for Dealer)

Central Excise Invoice System

An invoice is the document under cover of which the excisable goods are to be cleared by the manufacturer. This is also the document which indicates the assessment of the goods to duty. No excisable goods can be cleared except under an invoice.

Removals only on invoice

- ❑ Rule 11 of the Central Excise (No.2) Rules, 2001 provides that no excisable goods shall be removed from a factory or a warehouse except under an invoice signed by the owner of the factory or his authorised agent.
- ❑ In case of cigarettes, which is under physical control, the Factory Officers are posted by rotation in the factory (If the factory operation is 24 hours, the officers are posted 24 hours), will check the operations as per the instructions contained in commodity manual for cigarettes. Accordingly, in the case of cigarettes, each invoice shall also be countersigned by the Inspector of Central Excise or the Superintendent of Central Excise before the cigarettes are removed from the factory.

Serially numbered invoice

- ❑ The invoice shall be serially numbered and shall contain the registration number, description, classification, time and date of removal, rate of duty, quantity and value, of goods and the duty payable thereon. The serial number shall commence from 1st April every year [beginning of a financial year].
- ❑ The serial number can be given at the time of printing or by using franking machine. But when the invoice book is authenticated in the manner specified in sub-rule (5) of rule 11, each leaf should contain serial number. Hand written serial number shall not be accepted.
- ❑ In case of computer-generated invoice, the serial number may be allowed to be generated and printed by computer at the time of preparation of invoice ONLY IF the software is such that computer automatically generates the number and same number cannot be generated more than once. For this purpose, the Central Excise Officers may check the system/software from time to time.

Number of Invoice copies

The invoice shall be prepared in triplicate:

- The original copy being marked as **Original For Buyer**
- The duplicate copy being marked as **Duplicate For Transporter**
- The triplicate copy being marked as **Triplicate For Assessee**

The above requirement is mainly for Central Excise purposes. However, the assessee may make more than three copies for his other requirements. But such copies shall be prominently marked **Not For Cenvat Purposes**.

Number of Invoice book

- The rule 11 of the Central Excise (No.2) Rules, 2001 provides that only one invoice book shall be in use at a time, unless otherwise allowed by the Deputy/Assistant Commissioner of Central Excise in the special facts and circumstances of each case.
- The Board has decided that where assessee requires two different invoice books for the purposes of removals for home-consumption, and removals for export they may do so by intimating the jurisdictional Deputy/Assistant Commissioner of Central Excise.
- Wherever, an assessee is allowed to keep more than one invoice book, he should be asked to keep different numerical serial numbers for the different sets.
- In case of running stationary used in computers, the bound book shall not be insisted upon provided the stationary is pre-printed with distinctive names and marks of the assessee. After the invoices are prepared, the triplicate copy shall be retained in bound-book form. Where invoices are to be typed written, the leafs have to be first taken out from the book for typing. In such cases also the triplicate copy shall be retained in bound-book form.

Authentication of Invoices

The rule provides that owner or working partner or Managing Director or Company Secretary shall authenticate each foil of the invoice book, before being brought into use. However, in order to facilitate the trade it has been decided that any person duly authorised in this regard by the Company, owner or working partner may also authenticate invoices. Copy of the letter of authority should be submitted to the Range office.

Intimation of serial numbers

Before making use of the invoice book, the serial numbers of the same shall be intimated to the Superintendent of Central Excise having jurisdiction over the factory of the assessee. This can be done in writing by post/e-mail/fax/hand delivery or any other similar means.

Rounding off of duty in invoice

The amount of duty being shown in invoices issued under rule 11 of the Central Excise (No.2) Rules, 2001 be rounded off to the nearest rupee as provided for under Section 37D of the Central Excise Act, 1944 and the duty amount so rounded off should be indicated both in words as well as in figures.

Types of Duties and Method of Calculation

Type of Duty	Duty Type	Method of calculation
Basic Excise Duty (BED)	Excise	on Assessable Value
Special Excise Duty (SED)	Excise	on Assessable Value
AED (GSI)	Excise	on Assessable Value
AED (TTA)	Excise	on BED + SED
AED (TTW)	Excise	on BED + SED
AED (PM&T)	Excise	on BED + SED
NCCD	Excise	on BED + SED + AED (GSI)
Special AED	Excise	on Quantity
AED on High Speed Diesel	Excise	on Quantity
Educational Cess	Excise	On Total Excise Duty
SHE Cess on Excise duty	Excise	On Total Excise Duty
Countervailing Duty(CVD)	CVD	on Assessable Value+ BCD
SED of CVD	CVD	on Assessable Value+ BCD
AED (GSI) of CVD	CVD	on Assessable Value+ BCD
AED (TTA) of CVD	CVD	on CVD + SED–CVD
AED (TTW) of CVD	CVD	on CVD + SED–CVD
AED (PM&T) of CVD	CVD	on CVD + SED–CVD
NCCD of CVD	CVD	on CVD + SED–CVD + AED (GSI)–CVD
Special AED of CVD	CVD	on Quantity
AED on High Speed Diesel of CVD	CVD	on Quantity
Educational Cess on CVD	CVD	On Total CVD
SHE Cess on CVD	CVD	On Total CVD
Basic Custom Duty	Customs	on Assessable Value
Additional Duty on Customs	Customs	on BCD
Educational Cess on Customs	Customs	on Total Customs and CVD
SHE Cess on Customs	Customs	on Total Customs and CVD
Special Custom Duty	Customs	on Current Sub Total

Time and Mode of Payment of Duty

1. Fortnightly Payment of Duty

Assesses (Large Units) who are not availing the concession of duty based on turnover, have to pay duty on **fortnightly** basis. Duty in respect of clearances made between **1st to 15th** of a month is payable by **20th** of a month. Duty in respect of clearances made between **16th to end of a month** is payable by **5th** of the following month. However, in respect of clearances made in the **second fortnight of March** should be paid by **31st of March**.

2. Monthly payment of Duty

- Assessee who are neither Large Units nor availing concession of duty based on turnover, and
- Assessee availing small scale industries (SSI) concession of duty based on turnover

Have to pay duty on **monthly basis**. Duty in respect for clearances made in a month should be paid by **15th** of the following month.

3. **Excise Duty** shall be paid to the government along with **G.A.R. – 7 Challans**.

Returns & Timelines

The following Returns are required to be filed under Excise for Manufacturers

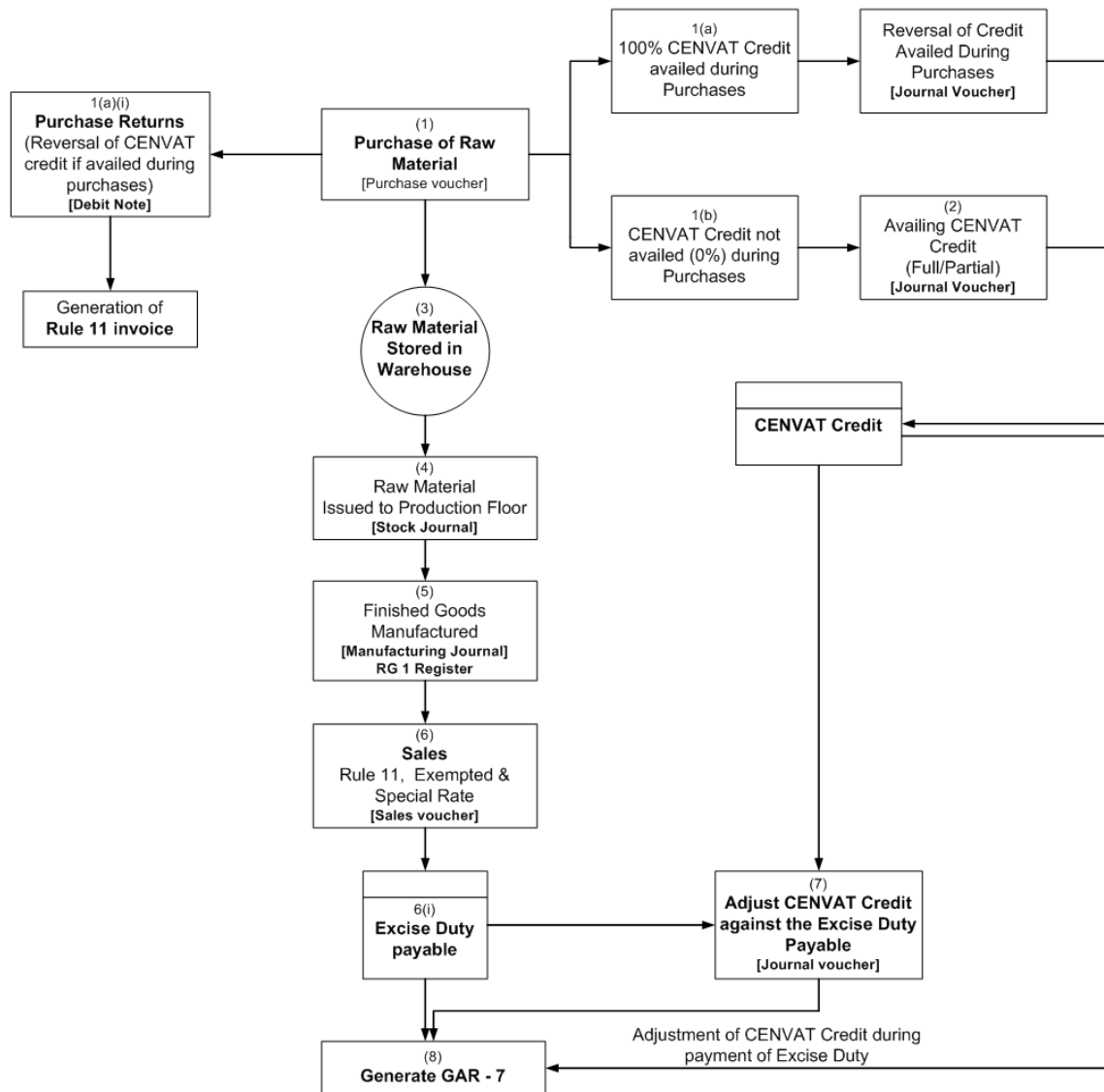
Form No.	Particulars	Periodicity	Due Date
ER-1	Monthly Return by Assesses who are not availing the concession of duty based on turnover (large units) (e>Returns)	Monthly	On or before 10th of the following month
	Monthly Return by Assessee who are neither Large Units nor availing concession of duty based on turnover	Monthly	On or before 10th of the following month
Monthly Return for CENVAT	Monthly Return by large and Regular units	Monthly	On or before 10th of the following month (With ER-1)
ER-3	Quarterly Return by Assessee availing small scale industries (SSI) concession of duty based on turnover	Quarterly	With in 20days from the close of quarter

Salient Features of Excise in Tally.ERP 9

Tally.ERP 9's simple yet powerful Excise feature enables you to record transactions related to Excise with ease. The TDS functionality in Tally.ERP 9 has the following features:

- ❑ Simple and user-friendly
- ❑ Quick and easy to set up and use
- ❑ Allows Multiple Excise Registration (Manufacturer & Dealer) in Single Company
- ❑ Create Tariff (HSN) / Commodity Code
- ❑ Flexibility to have separate Unit of Measures for recording transactions and excise reporting
- ❑ Item wise Valuation Methods (Valorem, Quantum, MRP)
- ❑ Maintain Rule 11 Excise Invoice
- ❑ Can apportion Expense / Income ledger value to calculate Assessable Value
- ❑ Item wise Duty calculation for different Valuation Methods in single invoice
- ❑ Generate Rule 11 invoice for Purchase Returns
- ❑ Record Exempt, Export & Special Rate transactions
- ❑ Avail Full / Partial CENVAT Credit on Inputs and Capital Goods/ Service Tax towards Duty payable
- ❑ Reversal of CENVAT Credit
- ❑ Print G.A.R. -7 Challan
- ❑ Maintain Invoice Register
- ❑ Maintain RG -1 register
- ❑ Generate CENVAT Credit Register
- ❑ Generate ER-1 & ER-3 returns
- ❑ Maintain PLA Register
- ❑ Excise Computation Report

Excise Process in Tally.ERP 9



Excise Process in Tally.ERP 9

Lesson 1: Enabling Excise in Tally.ERP 9

1.1 Enabling Excise in Tally.ERP 9

You can enable Excise in Tally.ERP 9, in the F11: Features screen.

Go to **Gateway of Tally > F11: Features > Statutory & Taxation**

- Set **Enable Excise** to **Yes**
- Enable **Set/Alter Excise Details** to **Yes**

Company Operations Alteration Ctrl + M

Current Period: Current Date:

Company: ABC Company

Statutory & Taxation

Enable Excise	? Yes	Enable Tax Deducted at Source (TDS)	? No
Set/Alter Excise Details	? Yes	Set/Alter TDS Details	? No
(Note : 'Enable Maintain Multiple Godowns' for Multiple Excise Units)		Enable Tax Collected at Source (TCS)	? No
Follow Excise rules for Invoicing	? No	Set/Alter TCS Details	? No
Enable Value Added Tax (VAT)	? No	Enable Fringe Benefit Tax (FBT)	? No
Set/Alter VAT Details	? No	Set/Alter FBT Details	? No
Enable Service Tax	? No		
Set/Alter Service Tax Details	? No		

Tax Information

Local Sales Tax Number :
Inter-state Sales Tax Number :
PAN / Income - Tax No. :

F1: Accounts **F2:** Inventory **F3:** Statutory **F5:** Audit

Figure 1.1 Enabling Excise

The **Excise Registration Details** sub-form appears as shown

Excise Registration Details ABC Company Ctrl + M

Registration Type : Registration Types
 Address : #25
 PIN Code : 560087
 Telephone No. : 080-55647251

Excise Details
(Dealer Unit)

Unit Mailing Name : ABC Company
 (Will be used in all Excise Reports)

Excise Registration (ECC) No. :
 Date of Registration :

Other Details

Range		Division		Commissionerate	
Code	:	Code	:	Code	:
Name	:	Name	:	Name	:
Address	:	Address	:	Address	:

Figure 1.2 Excise Registration Details

1. **Registration Type:** Selects Manufacturer from Registration Types list
2. **Address, Telephone No and PIN Code:** Address, Telephone No. and PIN Code details are captured from the company creation screen. If required, it can be altered.
3. **Excise Details:** Under this section provide Excise Details of the unit. Excise Details will be specific to the Registration Type selected.



Registration Type selected will be displayed below the heading - Excise Details to identify the unit as a manufacturer or a dealer.

- **Unit Mailing Name:** The **Mailing Name** entered in the company creation will be displayed as the Unit Mailing Name. If required, it can be altered.



Name entered in the Unit Mailing Name will be used in all Excise Reports.

- ❑ **Excise Registration (ECC) No.:** Enter **15** digits Excise Registration Number (ECC) of the Company/Unit, e.g. **AAPCA2149RXM001**
- ❑ **Date of Registration:** Enter the date of Excise registration, e.g. **10-4-2000**
- ❑ **Type of Manufacturer:** select the appropriate **Manufacturer Type** from the list of Types of Manufacturer, e.g. Regular

Excise Registration Details		ABC Company		Ctrl + M
Excise Registration Details				
Registration Type	: Manufacturer			
Address	: #25 Electronic City Phase - I Bangalore			
PIN Code	: 560087			
Telephone No.	: 080-55647251			
Excise Details (Manufacturer Unit)				
Unit Mailing Name <i>(Will be used in all Excise Reports)</i>	: ABC Company			
Excise Registration (ECC) No.	: AAPCA2149RXM001			
Date of Registration	: 10-Apr-2000			
Type of Manufacturer	: Regular			
Large Tax payer Unit (LTU) Code	:			
Excise Book Name (as per Rule 11)	:			
Types of Manufacturer				
Regular Small Scale Industries (SSI)				
Other Details				
<u>Range</u>	<u>Division</u>	<u>Commissionerate</u>		
Code :	Code :	Code :		
Name :	Name :	Name :		
Address :	Address :	Address :		

Figure 1.3 Excise Registration Details

- ❑ **Large Tax Payer Unit (LTU) Code:** Enter the LTU code, if your company/unit is a large tax payer and has opted for assessment in Large Tax Payer Unit. **Skip the Large Tax Payer Unit (LTU) Code** field.



Large Tax Payers are those assesseees who pay large amount of Tax. They are the eligible taxpayer for the purposes of being served by the LTU. For e.g.: **Rs.5 Crores**

Large Tax Unit is self-contained tax office under the Department of Revenue acting as a single window clearance point for all matters relating to Central Excise, Income Tax/ Corporate Tax and Service Tax. Eligible Tax Payers who opt for assessment in LTU shall be able to file their excise return, direct taxes returns and service tax return at such LTUs and for all practical purposes will be assessed to all these taxes there under. These units are being equipped with modern facilities and trained manpower to assist the tax payers in all matters relating direct and indirect tax/ duty payments, filing of documents and returns, claim of rebates/ refunds, settlement of disputes etc.

Large Tax Unit location Code for **Bangalore** is **L-10000**

More information on LTU is available on - <http://www.cbec.gov.in/cae1-english.htm>

- **Excise Book Name (as per Rule 11):** Enter the **Excise Book Name** which is allowed by the Commissioner of Central Excise for the company/unit.

Select the option **New Number** from the **List of Excise Books**, to view **Serial Number Alteration (Secondary)** screen

Serial Number Alteration (Secondary)				ABC Company			
Name :							
(alias) :							
Method of Numbering		? Automatic (Manual Override)					
Prevent Duplicates		? Yes					
Starting Number		? 1					
Width of Numerical Part		:					
Prefill with ZERO		? No					
Restart Numbering			Prefix Details		Suffix Details		
Applicable From	Starting Number	Particulars	Applicable From	Particulars	Applicable From	Particulars	
1-Apr-2008	1 Yearly		1-Apr-2008		1-Apr-2008		

Figure 1.4 Serial Number Alteration

- **Name:** Enter the excise invoice book name allowed by the Commissioner of Central Excise for the company/unit, e.g. **ABC/Rule11/Book1/08-09**
ABC - Denotes Company Name.
Rule 11: Denotes that invoice book is maintained as per Rule 11 of Central Excise Rules, 2002
Book1: Stands for Book Number, which is allowed for the current financial year
08-09: Denotes the financial year.
- **Method of Numbering:** By default **Automatic (Manual Override)** is displayed as the method of numbering.



Automatic (Manual override) method of numbering assures the Rule 11 requirement of maintaining invoices serially numbered and sequence of numbering.

- **Prevent Duplicates:** By default this field will be set to **Yes**.
- **Starting Number:** Enter the **Starting Voucher Number** which is allowed by the Commissioner of Central Excise. E.g. **1001**
- **Width of Numerical part:** Mention the width of the numerical part.
- **Prefill with Zero:** when this option is set to No the digits before the invoice number will be blank. If this field is set to Yes the invoice number will be prefilled with Zeros based on the width of numerical part e.g. **00001** (where the width of numerical part is set to 5).
- **Restart Numbering:** In this field enter the **Starting Number** as **1001** and ensure under Particulars the Type of Period is Yearly
 In this section user can set the dates to restart the voucher number by defining the types of period (Daily, Monthly, Never, weekly or Yearly).
- **Prefix Details:** Here enter the information to be prefixed with voucher number
Applicable From: Enter **1-4-2008** in **Applicable From** field. The date mentioned in this field indicates the date from when the prefix should be displayed along with the voucher number.
Particulars: Enter the information to be prefixed to the voucher number E.g. **ABC/**
- **Suffix Details:** Here enter the information to be suffixed with voucher number
Applicable From: Enter **1-4-2008** in **Applicable From** field. The date mentioned in this field indicates the date from when the suffix should be displayed along with the voucher number.
Particulars: Enter the information to be suffixed to the voucher number E.g. **/08-09**



For complete details on Restart Numbering, Prefix and Suffix Details refer Tally.ERP 9 Help, topic Voucher Types > Use Advance Configuration

Serial Number Alteration (Secondary)				ABC Company	
Name : ABC/Rule11/Book1/08-09					
(alias) :					
Method of Numbering		? Automatic (Manual Override)			
Prevent Duplicates		? Yes			
Starting Number		? 1,001			
Width of Numerical Part		: 0			
Prefill with ZERO		? No			
Restart Numbering			Prefix Details		Suffix Details
Applicable From	Starting Number	Particulars	Applicable From	Particulars	Applicable From
1-Apr-2008	1,001	Yearly	1-Apr-2008	ABC/	1-Apr-2008
					/08-09
					Accept ?
					Yes or No

Figure 1.5 Serial Number Alteration

In Tally.ERP 9 user can create more than one Excise Book Name for the same company or Unit. But, as per Rule 11 of Central Excise Rules, 2001 only one invoice book shall be in use at a time. A unit can maintain more than one invoice book if it is allowed by the Deputy/Assistant Commissioner of Central Excise.

To create more **serial numbers**, user can follow the above said procedure or he can directly create the serial numbers from the option **Serial Number** in **Accounts info** menu.



*The option **Serial Number** will be displayed in **Accounts Info**.menu only when the **Excise Feature** is enabled and the **Registration Type** of the **Company/Unit** is selected as **Manufacturer**. **Serial Number** option can be used to create or alter the serial numbers.*

4. **Other Details:** In this section enter **Range**, **Division** and **Commissionerate** details

- **Range:** Enter the code Name and Address of the range under which your company is registered.
 - **Code:** Enter Range Code as **090308**
 - **Name:** Enter Range Name as **Electronic City**
 - **Address:** Enter the **Range Address**
- **Division:** Enter the code Name and Address of the division under which your company is registered.
 - **Code:** Enter Division Code as **0903**
 - **Name:** Enter Division Name as **Division III**
 - **Address:** Enter the **Division Address**
- **Commissionerate:** Enter the code Name and Address of the Commissionerate under which your company is registered.
 - **Code:** Enter Commissionerate Code as **09**
 - **Name:** Enter Commissionerate Name as **Bangalore I**
 - **Address:** Enter the **Commissionerate Address**

Excise Registration Details		ABC Company		Ctrl + M	
Excise Registration Details					
Registration Type	: Manufacturer				
Address	: # 25 Electronic City Phase - I Bangalore				
PIN Code	: 560087				
Telephone No.	: 080-55647251				
Excise Details (Manufacturer Unit)					
Unit Mailing Name (Will be used in all Excise Reports)	: ABC Company				
Excise Registration (ECC) No.	: AAPCA2149RXM001				
Date of Registration	: 10-Apr-2000				
Type of Manufacturer	: Regular				
Large Tax payer Unit (LTU) Code	:				
Excise Book Name (as per Rule 11)	: ABC/Rule11/Book1/08-09				
Other Details					
Range		Division		Commissionerate	
Code	: 090308	Code	: 0903	Code	: 09
Name	: Electronic City	Name	: Division III	Name	: Bangalore I
Address	: 6th Floor, A Wing, Kendriya Sadan, Koramangala, Bangalore Urban - 560034	Address	: 7th Floor, C Wing, Kendriya Sadan, Koramangala, Bangalore - 560034	Address	: P.B.No. 5400, Queens Road, C.R. Building, Bangalore GPO, Bangalore Urban - 560001

Figure 1.6 Excise Registration Details

5. Press **Enter** to accept and save Excise Registration Details.

1.1.1 Enabling VAT

To enable **VAT Feature**, for a company

6. Set the option **Enable Value Added Tax (VAT)** to **Yes**
7. Enable the option **Set/Alter VAT Details** to **Yes**
8. Specify the **Company VAT Details** as shown below

<u>VAT Details</u>	
State	: Karnataka
Type of Dealer	? Regular
Regular VAT Applicable From	: 1-4-2008

Figure 1.7 Enabling VAT

1.1.2 Entering Tax Information

9. Enter VAT TIN e.g. **11004578121**

10. Enter Inter-state Sales Tax Number e.g. **42514878240**

11. Enter Company's PAN / Income - Tax No. e.g. **AAPCA2149R**

<u>Company: ABC Company</u>			
<u>Statutory & Taxation</u>			
Enable Excise	? Yes	Enable Tax Deducted at Source (TDS)	? No
Set/Alter Excise Details <i>(Note : 'Enable Maintain Multiple Godowns' for Multiple Excise Units)</i>	? Yes	Set/Alter TDS Details	? No
Follow Excise rules for Invoicing	? No	Enable Tax Collected at Source (TCS)	? No
Enable Value Added Tax (VAT)	? Yes	Set/Alter TCS Details	? No
Set/Alter VAT Details	? Yes	Enable Fringe Benefit Tax (FBT)	? No
Enable Service Tax	? No	Set/Alter FBT Details	? No
Set/Alter Service Tax Details	? No		
<u>Tax Information</u>			
VAT TIN (Composition)	:		
VAT TIN (Regular)	:	11004578121	
Local Sales Tax Number	:		
Inter-state Sales Tax Number	:	42514878240	
PAN / Income - Tax No.	:	AAPCA2149R	
			Accept ?
F1: Accounts F2: Inventory F3: Statutory F5: Audit			Yes or No

Figure 1.8 F11: Features

12. Press **Enter** to accept and save.

Lesson 2: Creating Masters

2.1 Creating a Customer Ledger

To create the **Sundry Debtor (Customer)** Ledger,

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

1. Enter the **Name** of the **Customer** in the Name field. E.g. **Universal Distributors**
2. Select the group **Sundry Creditors** in the **Under** field.
3. Set **Maintain Balances Bill by Bill** to **Yes** and enter the **Default Credit Period** if any
4. Set **Inventory Values are affected** to **No**
5. In **Mailing Details** and **Tax Information** sections enter the supplier contact details, Income Tax and the Sales Tax numbers.
6. Enable **Set/Alter Excise Details** to **Yes** to display the Excise Details sub screen.

Ledger Creation		ABC Company		Ctrl.
Name	: Universal Distributors			Total Op. Bal.
(alias)	:			
Under	: Sundry Debtors (Current Assets)			
Maintain balances bill-by-bill	? Yes			
Default Credit Period	:			
Inventory values are affected	? No			
		Mailing Details Name : Universal Distributors Address : No-54 Jai Bharat Industrial Area Yeshwanthpur Bangalore State : Karnataka PIN Code : 560022		
		Tax Information PAN / IT No. : AACCL0014C TIN/Sales Tax No. : 51102140584 Set/Alter Excise Details ? Yes		
Opening Balance (on 1-Apr-2008) :				

Figure 2.1 Party Ledger Creation

7. In the **Excise Details** screen

- ❑ Enter the **Excise Registration (ECC) No.** of the customer e.g. **AACCL0014CXD001**
- ❑ Enter the **Date of Excise Registration** in Date of Registration field e.g. **20-Jul-2004**
- ❑ Enter the **Range** under which the supplier's company is registered. E.g. **Yeshwanthpur II**
- ❑ Enter the **Division** under which the supplier's company is registered. E.g. **Yeshwanthpur**
- ❑ Enter the **Commissionerate** under which the premise of the Supplier's company is registered. E.g. **Bangalore III**
- ❑ In **Default Nature of Purchase** field select the option **Not Applicable**
- ❑ Select the **Nature of Removal** as **Domestic** from Types of Removal list.

Excise Details		ABC Company		Ctrl + M	
Name : Universal Distributors (alias) :			Total Op. Bal.		
Under : Sundry Creditors (Current Liabilities)		Mailing Details			
Maintain balances bill-by-bill : ? Yes		Name : Universal Distributors			
Default Credit Period : ?		Address : No. 54			
Inventory values are affected : ?		Jai Bharat Industrial Area			
		Yeshwanthpur			
		Bangalore			
		Karnataka			
		560022			
		Information : AACCL0014C			
		Types of Removal : 0584			
		Domestic			
		Exempt			
		Export			
Opening Balance (on 1-Apr-2008) :					

Figure 2.2 Excise Details



*It is must to define the nature of removal for a customer. The **Nature of Removal** depends upon the removal, whether it is for **Domestic/Exports/Exempt sales**. The Type of Removal set for the ledger can be altered/changed during transaction.*

Ledger Creation		ABC Company	Ctrl
Name	: Universal Distributors		Total Op. Bal.
(alias)	:		
Under	: Sundry Debtors (Current Assets)	Name	: Universal Distributors
Maintain balances bill-by-bill	? Yes	Address	: No-54 Jai Bharat Industrial Area Yeshwanthpur Bangalore
Default Credit Period	:	State	: Karnataka
Inventory values are affected	? No	PIN Code	: 560022
		Tax Information PAN / IT No. : AACCL0014C TIN/Sales Tax No. : 51102140584 Set/Alter Excise Details ? Yes	
Opening Balance (on 1-Apr-2008) :		Accept ? Yes or No	

Figure 2.3 Party Ledger

8. Press **Enter** to Accept and save



*The Excise Details sub-screen appears for ledgers created under **Sundry Creditors** and **Sundry Debtors** only.*

2.2 Creating a Supplier Ledger

To Create the **Sundry Creditor (Supplier)** Ledger

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

1. Enter the **Name** of the Supplier in the Name field. E.g. **Swastik Water Suppliers**
2. Select **Sundry Creditors** as the group name in the **Under** field.
3. Set **Maintain Balances Bill by Bill** to **Yes** and enter the **Default Credit Period** if any.
4. Set **Inventory Values are affected** to **No**

5. In the **Mailing Details** and **Tax Information** section enter the supplier contact details, Income Tax and the Sales Tax numbers.
6. Enable **Set/Alter Excise Details** to **Yes** to display the Excise Details screen.

Ledger Creation		ABC Company	Ctrl
Name	: Swastik Water Suppliers		Total Op. Bal.
(alias)	:		
Under		Mailing Details	
	: Sundry Creditors	Name	: Swastik Water Suppliers
	(Current Liabilities)	Address	: # 564
Maintain balances bill-by-bill	? Yes		J.P. Nagar
Default Credit Period	:		4th Phase
Inventory values are affected	? No	State	: Karnataka
		PIN Code	: 560076
		Tax Information	
		PAN / IT No.	: AESDE3210N
		TIN/Sales Tax No.	: 12004512124
		Set/Alter Excise Details	? Yes
Opening Balance (on 1-Apr-2008) :			

Figure 2.4 Party Ledger Creation

7. In the **Excise Details** screen,
 - ❑ Enter the **Excise Registration Number** of the supplier. E.g. **AESDE3210NXM001**
 - ❑ Enter the **Date of Excise Registration** in Date of Registration field. E.g. **15-May-1999**
 - ❑ Enter the **Range** under which the supplier's company is registered. E.g. **National Park**
 - ❑ Enter the **Division** under which the supplier's company is registered. E.g. **Bangalore II**
 - ❑ Enter the **Commissionerate** under which the premise of the Supplier's company is registered. E.g. **Bangalore I**
 - ❑ Select the **Default Nature of Purchase** as **Manufacturer** from Nature of Purchase



*The **Default Nature of Purchase** depends upon the status of the supplier, whether he is a **Manufacturer / First Stage Dealer / Importer / Second Stage Dealer**. The default **Type of Purchase** set for the Ledger can be altered/changed during transaction.*

Excise Details		ABC Company		Ctrl + M	
Name : Swastik Water Suppliers (alias) :			Nature of Purchase		
			☐ Not Applicable Agent of Manufacturer First Stage Dealer Importer Manufacturer Purchase from Importer Second Stage Dealer		
Under	: Sundry Debtors (Current Assets)	Name	: Swastik Water Suppliers	Mailing D	: Swastik Water Suppliers
Maintain balances bill-by-bill	? Yes	Address	: 56, 1st Floor, 4th Cross, 8th Stage, 56th	Inform	: AE
Default Credit Period	:		: 12	? Yes	
Inventory values are affected	?	Excise Details Excise Registration (ECC) No. : AESDE3210NXM001 Date of Registration : 15-May-1999 Range : National Park Division : Bangalore II Commissionerate : Bangalore I Default Nature of Purchase : Manufacturer Nature of Removal : Domestic			
Opening Balance (on 1-Apr-2008) :					

Figure 2.5 Excise Details

- Select the **Nature of Removal** as **Domestic** from Types of Removal list.



*The nature of removal can be defined for a **supplier** in such cases where the party acts as a **supplier** as well as a **customer**. However Nature of Removal will be used only in Sales and Debit Notes (where good are removed from factory)*

Figure 2.6 Party Ledger

2.3 Creating a Sales Ledger

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

- 27

Ledger Creation		ABC Company
Name : Sales @ 12.5%		Total Op. Bal.
(alias) :		
Under : Sales Accounts		
Inventory values are affected	? Yes	
<u>Statutory Information</u>		
Used In VAT Returns	? Yes	
Opening Balance (on 1-Apr-2008) :		

Figure 2.7 Sales Ledger Creation

5. Select the required **VAT/Tax Class**, for e.g., **Sales @ 12.5%**.

VAT/Tax Class		ABC Company	Ctrl + M
Name : Sales Account		Total Op. Bal.	VAT/TAX Class ☐ Not Applicable Consignment/Branch Transfer Outward Consignment/Branch Transfer Outward (Within State) Exports Inter-State Sales Other Exempt Sales Sales @ 1% Sales @ 12.5% Sales @ 20% Sales @ 4% Sales - Exempt Sales in the Course of Import into India Sales - Others
(alias) :			
Under : Sales Accounts			
Inventory values are affected	? Yes		
<u>Statutory Information</u>			
Used In VAT Returns	? Yes		
<u>VAT/Tax Class</u>			
Sales @ 12.5%			
Opening Balance (on 1-Apr-2008) :			

Figure 2.8 VAT/Tax Class

Ledger Creation		ABC Company
Name : Sales @ 12.5%		Total Op. Bal.
(alias) :		
Under : Sales Accounts		
Inventory values are affected	? Yes	
<u>Statutory Information</u>		
Used In VAT Returns	? Yes	
Opening Balance (on 1-Apr-2008) :		Accept ?
		Yes or No

Figure 2.9 Sales Ledger

6. Press **Enter** to Accept and save.



It is recommended to create separate Sales ledgers with appropriate VAT classification for different rates of VAT. However, Tally.ERP 9 provides you the flexibility to use a common sales ledger for different rates, by selecting VAT classification as Not Applicable and allows selection of required classification from the list of VAT/Tax Class while recording a transaction.

2.4 Creating a Purchase Ledger

To create a **Purchase Ledger**,

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

1. Enter the **Name** of the purchase ledger you wish to create, for e.g., **Purchase of Raw Materials**
2. Select **Purchase Accounts** as the group name in the **Under** field.
3. Set **Inventory values are affected** to **Yes**.
4. Set the option **Used In VAT Returns** to **Yes** to display the default VAT/Tax Class sub screen.

Ledger Creation		ABC Company
Name	: Purchase of Raw Materials	Total Op. Bal.
(alias)	:	
Under		: Purchase Accounts
Inventory values are affected	? Yes	
<u>Statutory Information</u>		
Used In VAT Returns	? Yes	
Opening Balance (on 1-Apr-2008) :		

Figure 2.10 Purchase Ledger Creation

5. Select the required **VAT/Tax Class**, for e.g., **Purchases @ 4%**.

VAT/Tax Class		ABC Company	Ctrl + M
Name :	Purchase of Raw Materials	Total Op. Bal.	VAT/TAX Class
(alias) :			☐ Not Applicable Consignment/Branch Transfer Inward Imports Inter-State Purchases Purchases @ 1% Purchases @ 12.5% Purchases @ 20% Purchases @ 4% Purchases - Capital Goods @ 12.5% Purchases - Capital Goods @ 4% Purchases - Exempt Purchases From Composition Dealers Purchases - From Unregistered Dealers Purchases - Others
Under :	Purchase Accounts		
Inventory values are affected	? Yes		
Statutory Information			
Used In VAT Returns	? Yes		
Opening Balance (on 1-Apr-2008) :			

Figure 2.11 VAT/Tax Class

Ledger Creation		ABC Company
Name :	Purchase of Raw Materials	Total Op. Bal.
(alias) :		5,00,000.00 Dr
		Difference
		5,00,000.00 Dr
Under :	Purchase Accounts	
Inventory values are affected	? Yes	
Statutory Information		
Used In VAT Returns	? Yes	
Opening Balance (on 1-Apr-2008) :		
		Accept ?
		Yes or No

Figure 2.12 Purchase Ledger

6. Press **Enter** to Accept and save.



It is recommended to create separate Purchase ledgers with appropriate VAT classification for different rates of VAT. However, Tally.ERP 9 provides you the flexibility to use a common Purchase ledger for different rates, by selecting VAT classification as Not Applicable and allows selection of required classification from the list of VAT/Tax Class while recording a transaction

2.5 Creating VAT Ledgers

2.5.1 Input VAT

To create a **Input VAT Ledger**,

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

1. Enter the **Name** of the input VAT ledger you wish to create, for e.g., **Input VAT @ 4%**
2. Select **Duties & Taxes** as the group name in the **Under** field.
3. Select **VAT** from the **Type of Duty/Tax** list in the field **Type of Duty/Tax**.
4. Select the requisite **VAT/Tax Class**, for e.g., **Input VAT @ 4%** from the **VAT/TAX Class** list.

Ledger Creation		ABC Company	Ctrl + M
Name	: Input VAT @ 4%	Total Op. Bal.	VAT/TAX Class
(alias)	:		☐ Not Applicable Input VAT @ 1% Input VAT @ 12.5% Input VAT @ 20% Input VAT @ 4% Output VAT @ 1% Output VAT @ 12.5% Output VAT @ 20% Output VAT @ 4% Purchases - Capital Goods @ 12.5% Purchases - Capital Goods @ 4%
Under	: Duties & Taxes (Current Liabilities)		
Type of Duty/Tax	: VAT		
VAT/Tax Class	: Input VAT @ 4%		
Percentage of Calculation (eg 5)	? 4 %		
Method of Calculation	: On VAT Rate		
Rounding Method	:		
Opening Balance (on 1-Apr-2008) :			

Figure 2.13 Input VAT Ledger Creation

5. **Percentage of Calculation** and **Method of Calculation** are updated automatically based on the Type of Duty/Tax and VAT/Tax Class selected.
6. Select **Not Applicable** in **Rounding Method** field

Ledger Creation		ABC Company
Name	: Input VAT @ 4%	Total Op. Bal.
(alias)	:	5,00,000.00 Dr
		<i>Difference</i>
		5,00,000.00 Dr
Under	: Duties & Taxes (Current Liabilities)	
Type of Duty/Tax	: VAT	
VAT/Tax Class	: Input VAT @ 4%	
Percentage of Calculation (eg 5)	? 4 %	
Method of Calculation	: On VAT Rate	
Rounding Method	: ☐ Not Applicable	
		Accept ?
Opening Balance (on 1-Apr-2008) :		Yes or No

Figure 2.14 Input VAT Ledger

7. Press **Enter** to Accept to save

2.5.2 Output VAT

To create a **Output VAT Ledger**,

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

1. Enter the **Name** of the Output VAT Ledger you wish to create, for e.g., **Output VAT @ 12.5%**
2. Select **Duties & Taxes** as the group name in the **Under** field.
3. Select **VAT** from the **Type of Duty/Tax** list in the field Type of Duty/Tax.
4. Select the requisite **VAT/Tax Class**, for e.g., **Output VAT @ 12.5%** from the VAT/TAX Class list.

Ledger Creation		ABC Company	Ctrl + M
Name	: Output VAT @ 12.5%	Total Op. Bal.	VAT/TAX Class
(alias)	:		☐ Not Applicable Input VAT @ 1% Input VAT @ 12.5% Input VAT @ 20% Input VAT @ 4% Output VAT @ 1% Output VAT @ 12.5% Output VAT @ 20% Output VAT @ 4% Purchases - Capital Goods @ 12.5% Purchases - Capital Goods @ 4%
Under	: Duties & Taxes (Current Liabilities)		
Type of Duty/Tax	: VAT		
VAT/Tax Class	: Output VAT @ 12.5%		
Percentage of Calculation (eg 5)	? 12.50 %		
Method of Calculation	: On VAT Rate		
Rounding Method	:		
Opening Balance (on 1-Apr-2008) :			

Figure 2.15 Output VAT Ledger Creation

5. **Percentage of Calculation** and **Method of Calculation** are updated automatically based on the Type of Duty/Tax and VAT/Tax Class selected.
6. Select **Not Applicable** in **Rounding Method** field.

Ledger Creation		ABC Company
Name	: Output VAT @ 12.5%	Total Op. Bal.
(alias)	:	
Under		
	: Duties & Taxes (Current Liabilities)	
Type of Duty/Tax	: VAT	
VAT/Tax Class	: Output VAT @ 12.5%	
Percentage of Calculation (eg 5)	? 12.50 %	
Method of Calculation	: On VAT Rate	
Rounding Method	: ☐ Not Applicable	
Opening Balance (on 1-Apr-2008) :		Accept ? Yes or No

Figure 2.16 Output VAT Ledger

7. Press **Enter** to Accept to save



It is recommended to create separate Output VAT ledgers with appropriate VAT classification for different rates of VAT. However, Tally.ERP 9 provides you the flexibility to use a common Output VAT ledger for different rates, by selecting VAT classification as Not Applicable and allows selection of required classification from the list of VAT/Tax Class while recording a transaction.

2.6 Creating Basic Excise Duty Ledger

To create a **Basic Excise Duty** Ledger,

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

1. Enter the **Name** of the excise duty ledger you wish to create, for e.g., **Basic Excise Duty @ 16%**
2. Select **Duties & Taxes** as the group name in the **Under** field.
3. Select **Excise** from the **Type of Duty/Tax** list in the field **Type of Duty/Tax**.



*The option **CENVAT** needs to be selected in the Duty ledgers to avail the CENVAT Credit. This will be explained in detail in **Purchase Voucher Processing**.*

4. In **Excise Accounting Code** field enter the accounting code of **Basic Excise Duty- 00380003**



***8 digit Accounting Code** and amount tendered against each type of duty should be mentioned in G.A.R.-7 Challan. Screen*

5. In **Duty Head** field select **Basic Excise Duty** from the **List of Excise Duty Classification**

Ledger Creation		ABC Company		Ctrl + M	
Name : Basic Excise Duty @ 16%				List of Excise Duty Classifications AED (GSI) AED on HSD AED (PMT) AED (TTA) AED (ITW) Basic Excise Duty Education Cess NCCD Secondary Education Cess Special AED Special Excise Duty	
(alias) :					
Under : Duties & Taxes (Current Liabilities)					
Type of Duty/Tax : Excise					
Excise Accounting Code : 00380003					
Duty Head : Basic Excise Duty				Mailing D State : PIN Code : Tax Inform PAN / IT No. :	
Inventory values are affected ? No					
Percentage of Calculation (eg 5) ? 0 %					
Opening Balance (on 1-Apr-2008) :					

Figure 2.17 Basic Excise Duty Ledger Creation

6. Set the option **Inventory values are affected** to **No**
7. In **Percentage of Calculation** field enter **16%** as the percentage of calculation
8. In **Method of Calculation** field, Tally.ERP 9 defaults **On Assessable Value** as the method of calculation.
9. Select **Not Applicable** in **Rounding Method** field

Ledger Creation		ABC Company	Ctrl
Name	: Basic Excise Duty @ 16%		Total Op. Bal.
(alias)	:		
Under	: Duties & Taxes (Current Liabilities)	Name	:
Type of Duty/Tax	: Excise	Address	:
Excise Accounting Code	: 00380003		
Duty Head	: Basic Excise Duty	State	:
Inventory values are affected	? No	PIN Code	:
Percentage of Calculation (eg 5)	? 16 %		
Method of Calculation	: On Assessable Value		
Rounding Method	: ☐ Not Applicable		
		Tax Information PAN / IT No. :	
		Accept ? Yes or No	
Opening Balance (on 1-Apr-2008) :			

Figure 2.18 Basic Excise Duty Ledger

10. Press **Enter** to Accept to save



Excise Duty is calculated on the **assessable value** (Stock item value + indirect expenses) of the transaction

2.7 Creating Education Cess Ledger

To create a **Education Cess** Ledger,

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

1. Enter the **Name** of the **Education Cess** ledger you wish to create, for e.g., **Education Cess @ 2%**
2. Select **Duties & Taxes** as the group name in the **Under** field.
3. Select **Excise** from the Type of Duty/Tax list in **Type of Duty/Tax** field.



*The option **CENVAT** needs to be selected in the Duty ledgers to avail the CENVAT Credit. This will be explained in detail in **Purchase Voucher Processing**.*

4. In **Excise Accounting Code** field enter the accounting code of **Education Cess - 00380111**



*It is mandatory to mention **Accounting codes of Duty/Cess** along with description of duty in **GAR 7 Challan**.*

5. In **Duty Head** field select **Education Cess** from the **List of Excise Duty Classification**

Figure 2.19 Education Cess Ledger Creation

- 40

Figure 2.20 Education Cess Ledger

2.8 Creating Secondary and Higher Education (SHE) Cess Ledger

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

- 

The option CENVAT needs to be selected in the Duty ledgers to avail the CENVAT Credit. This will be explained in detail in Purchase Voucher Processing.

4. In **Excise Accounting Code** field enter the accounting code of **Secondary Education Cess - 00380115**



*It is mandatory to mention Accounting codes of Duty/Cess along with description of duty in **GAR 7 Challan**.*

5. In **Duty Head** field select **Secondary Education Cess** from the **List of Duty Heads**

Ledger Creation		ABC Company		Ctrl + M	
Name : Secondary Education Cess @ 1%				List of Excise Duty Classifications	
(alias) :				AED (GSI) AED on HSD AED (PMT) AED (TTA) AED (TTW) Basic Excise Duty Education Cess NCCD Secondary Education Cess Special AED Special Excise Duty	
Under	: Duties & Taxes (Current Liabilities)	Name	:	Mailing D	
Type of Duty/Tax	: Excise	Address	:		
Excise Accounting Code	: 00380115	State	:		
Duty Head	: Secondary Education Cess	PIN Code	:		
Inventory values are affected	? No	PAN / IT No.	:	Tax Infor	
Percentage of Calculation (eg 5)	? 0 %				
Opening Balance (on 1-Apr-2008) :					

Figure 2.21 Secondary Education Cess Ledger Creation

6. Set the option **Inventory values are affected** to **No**
7. In **Percentage of Calculation** field enter **1%** as the percentage of calculation
8. In **Method of Calculation** field, Tally.ERP 9 defaults **On Total Excise Duty** as the method of calculation.

Ledger Creation		ABC Company		Ctrl	
Name :	Secondary Education Cess @ 1%				Total Op. Bal.
(alias) :					
Under : Duties & Taxes <i>(Current Liabilities)</i>		Mailing Details			
Type of Duty/Tax :	Excise	Name :			
Excise Accounting Code :	00380115	Address :			
Duty Head :	Secondary Education Cess	State :			
Inventory values are affected ?	No	PIN Code :			
Percentage of Calculation (eg 5) ?	1 %				
Method of Calculation :	On Total Excise Duty	Tax Information			
Rounding Method :	☐ Not Applicable	PAN / IT No. :			
Opening Balance (on 1-Apr-2008) :		Accept ?			
		Yes or No			

10. Press **Enter** to accept to save

To create a **Expense Ledger**

- 

5. In **Method of Apportion** select **Based on Value** from **Method of Apportion List**

Ledger Creation		ABC Company		Ctrl
Name	Packing Charges			Total Op. Bal.
(alias)				
Under	Indirect Expenses	Name		
Inventory values are affected	? No	Address		
		State		
		PIN Code		
Statutory Information		Mailing Details		
Use for Assessable Value Calculation (for Excise / VAT)	? Yes			
Method of Apportion	Based On Value	Tax Information		
		Methods of Apportion		
		Based on Quantity		
		Based On Value		
Opening Balance (on 1-Apr-2008) :				

Figure 2.23 Expense Ledger Creation

Example 1: Based on Value

In case of **Based on Value** method of apportion, expenses will be apportioned based on the Value of the Stock item.

- **Packing charges** is 5,000
- Value of **Item X** is 50,000
- Value of **Item Y** is 60,000
- Apportionment of Packing Charges to **Item X**: $5,000 \times 50,000 / 1,10,000 = 2272.73$
- Apportionment of Packing Charges to **Item Y**: $5,000 \times 60,000 / 1,10,000 = 2727.27$
- Assessable Value of **Item X** (52,272.73) = Value of **Item X** (50,000) +Packing Charges (2,272.73)
- Assessable Value of **Item Y** (62,727.27) = Value of **Item Y** (60,000) +Packing Charges (2,727.27)

Example 2: Based on Quantity

In case of **Based on Quantity** method of apportion, expenses will be apportioned based on the quantity of the Stock item.

- **Packing charges** is 5,000
- Quantity of **Item X** is 200 and Value is 20,000

- ❑ Quantity of **Item Y** is 600 and Value is 60,000
- ❑ Apportionment of Packing Charges to **Item X**: $5,000 \times 200 / 800 = 1,250$
- ❑ Apportionment of Packing Charges to **Item Y**: $5,000 \times 600 / 800 = 3,750$
- ❑ Assessable Value of **Item X** (21,250) = Value of **Item X** (20,000) + Packing Charges (1,250)
- ❑ Assessable Value of **Item Y** (63,750) = Value of **Item Y** (60,000) + Packing Charges (3,750)

Ledger Creation		ABC Company		Ctrl
Name : Packing Charges			Total Op. Bal.	
(alias) :				
Under : Indirect Expenses		Mailing Details		
Inventory values are affected ? No				
Statutory Information		Tax Information		
Use for Assessable Value Calculation ? Yes (for Excise / VAT) Method of Apportion : Based On Value				
Opening Balance (on 1-Apr-2008) :			Accept ?	
			Yes or No	

Figure 2.24 Expense Ledger

6. Press **Enter** to accept and save

2.10 Creating Excise Voucher Types

The Excise Voucher Type for **Purchase**, **Sales** and **Debit Note** has to be created before creating the invoices.

2.10.1 Creating Purchase Voucher Type

To create the **Purchase Voucher Type**,

1. Go to **Gateway of Tally > Accounts Info > Voucher Type > Create**
2. Enter the name of the Voucher type in **Name** Field e.g. **Excise - Purchases**
3. Select **Purchase** as the voucher type in **Type of Voucher** Field
4. You may **abbreviate** the Voucher type as per your requirement e.g. **Ex-Purc**

5. Select the appropriate **Method of Voucher Numbering** e.g. **Automatic**
6. Set **Use Advanced Configuration** to **Yes** to specify the advanced settings for the numbering method selected, if required.
7. Set **Use for Excise** to **Yes** to enter Excise Purchase to capture **Assessable Value and Excise Duty breakup**.
8. In **Default Excise Unit** field select **ABC Company** from the **List of Excise Units**

Voucher Type Creation		ABC Company	Ctrl + M
Name : Excise - Purchases			
(alias) :			
General Type of Voucher : Purchase Abbr. : Ex-Purc Method of Voucher Numbering ? Automatic Use Advance Configuration ? No Use EFFECTIVE Dates for Vouchers ? No Make 'Optional' as default ? No Use Common Narration ? Yes Narrations for each entry ? No Use for Excise ? Yes Default Excise Unit : ABC Company		Printing Print after saving Voucher ? No	Name of Class

List of Excise Units

ABC Company	Manufacturer
-------------	--------------

Figure 2.25 Excise Purchase Voucher Type Creation

9. Set **Print after saving Voucher** to **No**.

Voucher Type Creation		ABC Company	Ctrl + M
Name : Excise - Purchases (alias) :			
General Type of Voucher : Purchase Abbr. : Ex-Purc		Printing Print after saving Voucher ? No	Name of Class
Method of Voucher Numbering ? Automatic Use Advance Configuration ? No			
Use EFFECTIVE Dates for Vouchers ? No Make 'Optional' as default ? No Use Common Narration ? Yes Narrations for each entry ? No			
Use for Excise ? Yes Default Excise Unit : ABC Company			
			Accept ? Yes or No

Figure 2.26 Excise Purchase Voucher Type

10. Press **Enter** to accept and save.



*The **Use for Excise** option will appear in Purchase/Debit Note and Sales/Credit Note only and if the **Excise Feature** is enabled in the **F11 Feature > F3 - Statutory & Taxation**.*

*In case where a company **has more than One Excise Unit**, you have to create **separate set of voucher types for each Excise Unit**.*

2.10.2 Creating Sales Voucher Type

To create the **Sales Voucher Type**,

1. Go to **Gateway of Tally > Accounts Info > Voucher Type > Create**
2. Enter the name of the Voucher type in **Name** Field. E.g. **Excise - Sales**
3. Select **Sales** as the voucher type in **Type of Voucher** Field
4. You may **abbreviate** the Voucher type as per your requirement. E.g. **Ex- Sales**
5. Select the appropriate **Method of Voucher Numbering** e.g. **Automatic**
6. Set **Use Advanced Configuration** to **Yes** to specify the advanced settings for the numbering method selected, if required.
7. Set **Use for Excise** to **Yes** to enter Excise Purchase to capture **Assessable Value and Excise Duty breakup**.

8. In **Default Excise Unit** field select **ABC Company** from the **List of Excise Units**

Voucher Type Creation		ABC Company	Ctrl + M
Name : Excise - Sales (alias) :			
General Type of Voucher : Sales Abbr. : Ex- Sales Method of Voucher Numbering ? Automatic Use Advance Configuration ? No Use EFFECTIVE Dates for Vouchers ? No Make 'Optional' as default ? No Use Common Narration ? Yes Narrations for each entry ? No Use for Excise ? Yes Default Excise Unit : ABC Company		Printing Print after saving Voucher ? No Default Print Title : Declaration :	Name of Class
		List of Excise Units ABC Company <i>Manufacturer</i>	

Figure 2.27 Excise Sales Voucher Type Creation

9. Set **Print after saving Voucher** to **Yes**

10. In **Default Print Title** enter the print title as **EXCISE INVOICE**

11. Set **No** to **Is Tax Invoice**.

12. Specify the **declaration**, if any.

Voucher Type Creation		ABC Company	Ctrl + M
Name : Excise - Sales (alias) :			
General Type of Voucher : Sales Abbr. : Ex- Sales Method of Voucher Numbering ? Automatic Use Advance Configuration ? No Use EFFECTIVE Dates for Vouchers ? No Make 'Optional' as default ? No Use Common Narration ? Yes Narrations for each entry ? No Use for Excise ? Yes Default Excise Unit : ABC Company		Printing Print after saving Voucher ? Yes Default Print Title : EXCISE INVOICE Is Tax Invoice ? No Declaration :	Name of Class
			Accept ? Yes or No

Figure 2.28 Excise Sales Voucher Type

2.10.3 Creating a Debit Note Voucher Type

Enable **Use for Excise** and select **ABC Company** as the **Default Excise Unit**.

Voucher Type Creation		ABC Company	Ctrl + M
Name	: Excise - Debit Note		
(alias)	:		
General Type of Voucher : Debit Note Abbr. : Ex- D/Note Method of Voucher Numbering ? Automatic Use Advance Configuration ? No Use EFFECTIVE Dates for Vouchers ? No Make 'Optional' as default ? No Use Common Narration ? Yes Narrations for each entry ? No Use for Excise ? Yes Default Excise Unit : ABC Company		Printing Print after saving Voucher ? No	Name of Class
			Accept ? Yes or No

Figure 2.29 Excise Debit Note Voucher Type

2.10.4 Manufacturing Journal Voucher Type

In Tally.ERP 9 user can create a Manufacturing Journal under Stock Journal or alter the exiting Stock Journal



In this scenario we are altering the existing Stock journal to account the manufacture of Packed Drinking Water

2.11 Creating Tariff Classification

Each and every goods manufactured or produced have to be classified for finding out the rate of duty applicable. Accordingly, Central Excise Tariff Act 1985 classifies all the goods under 91 chapters and specific code is assigned to each item. This code is called Tariff Classification code, which consists of 8 digits. First 4 digits represent Chapter and heading and next 2 digit represents sub-heading and the last 2 digit represents sub-sub heading.

To create a **Stock Item**,

Go to **Gateway of Tally > Inventory Info. > Tariff Classification > Create**

1. Enter the name of the **Tariff Classification** e.g. **Plastic Bottles** in the **Name** field.
2. Enter the **Tariff Classification Code** e.g. **39233010** in **HSN Code** field



*The **Harmonized Commodity Description and Coding System (HS)** of tariff nomenclature popularly known as **Harmonised System of Nomenclature (HSN)**, is an internationally standardized system of names and numbers for classifying traded products developed and maintained by the World Customs Organization.*

3. In **Used For** field select **Excise** from the **list of Tax Type**.

Tariff Classification Creation		ABC Compan
Name	: Plastic Bottles	
(alias)	:	
HSN Code	: 39233010	
Used for	: Excise	
VAT		
Schedule Number	:	
Schedule Serial Number	:	
Notes	:	

Tax Type

Both

Excise

VAT

Figure 2.30 Tariff Classification



The **Tariff Classification** created with the option **Both** will be displayed for selection, during the creation of Stock Items on which Excise or VAT is applicable.

Selection of the option **VAT** will restrict the display of Tariff classification only for the Stock items on which the VAT is applicable.

The option **VAT or Both** will prompt the user to provide details of **Schedule Number and Schedule Serial Number**.

4. In **Notes** field enter the details regarding the **HSN Code** selected

Tariff Classification Creation		ABC Company
Name (alias)	: Plastic Bottles	
HSN Code	: 39233010	
Used for	: Excise	
VAT		
Schedule Number	:	
Schedule Serial Number	:	
Notes	: This HSN Code is entered as per the letter received from the consultant dated, 1-4-2008	

Figure 2.31 Tariff Classification

5. Press **Enter** to accept and save.



It is required to create **separate Tariff classification for different stock items (falling under different chapters/heading/subheading/sub-sub heading)**

Similarly create the below **Tariff classifications** as per the details provide

Name of Tariff Classification	HSN Code	Used For
Pet Bottle Caps	39235010	Excise
Water	22011010	Excise
Linear Low Density Polyethylene (LLDPE)	39011010	Excise

2.12 Creating Stock Item - Raw materials

To create a **Stock Item - Raw Materials**,

In **F12: Configuration (Stock Item Configuration)**

- Set the option **Use ALTERNATE UNITS for Stock Items** to **Yes**

Go to **Gateway of Tally > Inventory Info. > Stock item > Create**

1. Enter the **name** of the Stock Item e.g. **Pet Bottles - 1Ltr** in the Name field.
2. Select the **Stock Group Name** e.g. **Primary** in the **Under** field.
3. Select the **unit of measurement** e.g. **U (Numbers)** of the stock item in the Units field (Use **Alt + C** to create **Unit of Measurement**)
4. Select the **unit of measurement** e.g. **Kg (Kilograms)** of the stock item in the **Alternate Units** field (Use **Alt +C** to create **Unit of Measurement**)
5. Specify **1 Kg = 100 U** in **Where** field.



Unit and Alternate Unit details provided in the Stock item master are only for the purpose of accounting the Stock items.

6. In **Tariff Classification** field select the applicable tariff classification e.g. **Plastic Bottles** from the **List of Tariff Classifications**

Stock Item Creation		ABC Company		Ctrl + M
Name : Pet Bottles – 1Ltr (alias) :		List of Tariff Classifications ☐ Not Applicable Linear Low Density Polyethylene (LLDPE) 39011010 Pet Bottle Caps 39235010 Plastic Bottles 39233010 Water 22011010		
Under : ☐ Primary	Tax Information Tariff Classification : Plastic Bottles Set/Alter Excise Details ? No Rate of VAT (%) :			
Units : U				
Alternate Units : Kg				
where : 1 Kg = 100 U				
Opening Balance :		Quantity	Rate per	Value

Figure 2.32 Stock Item Creation

7. Enable **Set/Alter Excise Details** to **Yes** to display the **Excise Details** sub screen.

Stock Item Creation		ABC Company	
Name : Pet Bottles - 1Ltr (alias) :			
Under : ☐ Primary	Tax Information Tariff Classification : Plastic Bottles Set/Alter Excise Details ? Yes Rate of VAT (%) :		
Units : U			
Alternate Units : Kg			
where : 1 Kg = 100 U			
Opening Balance :		Quantity	Rate per Value

Figure 2.33 Stock Item Creation

8. In the **Excise Details** Screen

- ☐ **Excise Unit Name:** By default Tally.ERP 9 displays **ABC Company** as Excise Unit Name.



*In Tally.ERP 9 excise units (Dealer/manufacturer) created are identified as godowns. When the option **Maintain Multiple Godowns/Excise Units** is not enabled in **F11: Features > Inventory Features (F2)** by default Tally.ERP 9 identifies the excise unit name with the Default Godown named - **Main Location***

*To create more than one Excise Unit user needs to enable **Maintain Multiple Godowns/Excise Units** in **F11: Features > Inventory Features (F2)**.*

- **Reporting UOM:** Select **Kg** as **Reporting UOM**. All the reports will display the Stock item details based on the reporting UOM selected



*As per **Central Excise Act**, in all the reports relating to stock items are required to be indicated with the relevant Unit of Quantity as specified under **Central Excise Tariff Act**. The Applicable Unit of Quantity for Bottles is '**Kg (Kilograms)**', so it is must to select **Kg** (Kilograms) as the Reporting UOM.*

- In **Conversion Factor** field Set as **1 Kg = 100 U**



*Tally.ERP 9 prompts the user to select the **Conversion Factor** only when the alternate units is enabled and defined for stock item*

- **Set/Alter Duty Details:** Set this field to **Yes** to view the **Duty Details** screen.

Excise Details for : Pet Bottles - 1Ltr Tariff Classification : Plastic Bottles				
Excise Unit Name	Reporting UOM	Conversion Factor	Set/Alter Duty Details	Stock Item Type
ABC Company	Kg	1 Kg = 100 U	Yes	Others

Figure 2.34 Excise Details

- In **Duty Details** screen
 - In **Valuation Type** select **Ad Valorem** from **List of Valuation Type**.
 - Select the **Basic Excise Duty** in the **Type of Duty** filed from the **List of Excise Duty Classifications**
 - Specify the **Rate of Duty** as **16%**
 - Select the **Education Cess** as the second duty in the **Type of Duty** filed from the List of Excise Duty classifications
 - Specify the **Rate of Duty** as **2%**
 - Select the **Secondary Education Cess** as the third duty in the **Type of Duty** filed from the List of Excise Duty classifications.



Secondary and Higher Education Cess is applicable from 11-5-2007

- Specify the **Rate of Duty** as **1%**

Figure 2.35 Duty Details

- | | | | | |
|---|----------------------|---|-------------------------------|------------------------|
| Excise Details for
Tariff Classification | | : Pet Bottles – 1Ltr
: Plastic Bottles | | |
| Excise Unit Name | Reporting UOM | Conversion Factor | Set/Alter Duty Details | Stock Item Type |
| ABC Company | Kg | 1 Kg = 100 U | Yes | Principal Input |
| | | | List of Item Types | |
| | | | Capital Goods | |
| | | | Finished Goods | |
| | | | Others | |
| | | | Principal Input | |

Figure 2.36 Excise Details

9. **Rate of VAT (%)**: in this field enter the **Rate of VAT** applicable for the Stock Item e.g. **4%**

Stock Item Creation		ABC Company	
Name : Pet Bottles - 1Ltr (alias) :			
Under : ☐ Primary Units : U Alternate Units : Kg where : 1 Kg = 100 U		Tax Information Tariff Classification : Plastic Bottles Set/Alter Excise Details ? Yes Rate of VAT (%) : 4	
Opening Balance :		Quantity	Rate per
		Value	Accept ?
			Yes or No

Figure 2.37 Stock Item Creation

10. Press **Enter** to accept and save.



Where **Excisable Commodity** attracts Additional duties of Excise and Special duties of Excise and so on, the same can be activated as required from the **List of Excise Duty Classifications**.

Similarly create the below **Stock Item - Raw Materials** as per the details provided

Name of Stock Item	Units	Tariff classification	Reporting UOM	Valuation Type	Excise Duties Applicable with Rate	Stock Item Type	Rate of VAT
Water container - 20 ltrs	U	Plastic Bottles	Kg	Ad Valorem	Basic Excise Duty - 16%	Principal Input	4%
	Alternate Unit (Kg) 1Kg = 20U		Conversion Factor 1 Kg = 20 U		Education Cess - 2%		
					SHE Cess - 1%		
Bottle caps	U	Pet Bottle Caps	Kg	Ad Valorem	Basic Excise Duty - 16%	Principal Input	4%
	Alternate Unit (Kg) 1Kg = 500U		Conversion Factor 1 Kg = 500 U		Education Cess - 2%		
					SHE Cess - 1%		
Low Density Polyethylene	U	Linear Low Density Polyethylene (LLDPE)	Kg	Ad Valorem	Basic Excise Duty - 16%	Principal Input	4%
	Alternate Unit (Kg) 1Kg = 1000 U		Conversion Factor 1 Kg = 1000 U		Education Cess - 2%		
					SHE Cess - 1%		
Natural Water	L (Liters)	Water	L	Ad Valorem	Basic Excise Duty - 16%	Principal Input	0%
					Education Cess - 2%		
					SHE Cess - 1%		

2.13 Creating Stock Item - Finished Goods (MRP)

To create a **Stock Item - Finished Goods**,

In **F12: Configuration (Stock Item Configuration)**

- ❑ Set the option **Allow ADVANCED entries in Masters** to **Yes**
- ❑ Set the option **Allow Component list details (Bill of Materials)** to **Yes**

Go to **Gateway of Tally > Inventory Info. > Stock item > Create**

1. Enter the name of the **Stock Item** e.g. **AquaPure - 1 Ltr** in the **Name** field.
2. Select the **Group Name** e.g. **Primary** in the **Under** field.
3. Select the **unit of measurement** e.g. **L (Liters)** of the stock item in the **Units** field
4. Select the **unit of measurement** e.g. **Box** of the stock item in the **Alternate Units** field (**Use Alt +C** to create Unit of Measurement)
5. Specify **1 Box = 24 L** in **Where** field.



Unit and Alternate Unit details provided in the Stock item master are only for the purpose of accounting the Stock items.

6. Enable **Set Components (BoM)** to **Yes** and press enter to view Stock Item Components (BoM) screen
7. In **Stock Item Components (BoM)** screen
 - In **Unit of manufacture** field enter as **1**
 - Under **Item** and **Quantity** field enter the details as shown

Stock Item Components (BoM)		ABC Company		Ctrl + M								
Name : AquaPure – 1 Ltr (alias) :		Components of : AquaPure – 1 Ltr Unit of manufacture : 1 L		List of Stock Items								
Under : ☐ Primary		<table border="1"> <thead> <tr> <th>Item</th> <th>Quantity</th> </tr> </thead> <tbody> <tr> <td>Natural Water</td> <td>1 L</td> </tr> <tr> <td>Pet Bottles – 1Ltr</td> <td>1 U (0 Kg)</td> </tr> <tr> <td>Bottle Caps</td> <td>1 U (0 Kg)</td> </tr> </tbody> </table>		Item	Quantity	Natural Water	1 L	Pet Bottles – 1Ltr	1 U (0 Kg)	Bottle Caps	1 U (0 Kg)	☐ End of List AquaEase – 20 Ltr AquaEase – 20 Ltr1 Aquaking – 20 Ltr AquaMini – 200 MI AquaPure – 1 Ltr Bottle Caps Low Density Polyethylene Natural Water Pet Bottles – 1Ltr Water Container – 20 Ltrs
Item	Quantity											
Natural Water	1 L											
Pet Bottles – 1Ltr	1 U (0 Kg)											
Bottle Caps	1 U (0 Kg)											
Units : L		Costing Method		Value								
Alternate Units : Box where : 1 Box = 24 L		Market Valuation Method										
Alter Components (BoM) ? Yes		Ignore Diff. due to Ph										
		Ignore Negative Balan										
		Treat all Sales as Ne										
		Treat all Purchases a										
		Treat all Rejections in										
Opening B												

Figure 2.38 Stock item – BOM

8. In **Tariff Classification** field select the applicable tariff classification e.g. **Water** from the **List of Tariff Classifications**
9. Enable **Set/Alter Excise Details** to **Yes** to display the **Excise Details** sub screen.

Stock Item Creation		ABC Company		Ctrl +
Name : AquaPure – 1 Ltr (alias) :				
Under : ☐ Primary Units : L Alternate Units : Box where : 1 Box = 24 L Alter Components (BoM) ? Yes		<u>Tax Information</u> Tariff Classification : Water Set/Alter Excise Details ? Yes Rate of VAT (%) : 12.50		<u>Behaviour</u> Costing Method : Avg. Cost Market Valuation Method : Avg. Price Ignore Diff. due to Physical Counting ? No Ignore Negative Balances ? No Treat all Sales as New Manufacture ? No Treat all Purchases as Consumed ? No Treat all Rejections inward as Scrap ? No
		Quantity	Rate per	Value
Opening Balance :				

Figure 2.39 Stock Item– MRP

10.In the Excise Details Screen

- **Excise Unit Name:** By default Tally.ERP 9 displays **ABC Company** as **Excise Unit Name**.



*In Tally.ERP 9 excise units (Dealer/manufacturer) created are identified as godowns. When the option **Maintain Multiple Godowns/Excise Units** is not enabled in **F11: Features > Inventory Features (F2)** by default Tally.ERP 9 identifies the excise unit name with the Default Godown named - **Main Location***

*To create more than one Excise Unit user needs to enable **Maintain Multiple Godowns/Excise Units** in **F11: Features > Inventory Features (F2)**.*

- **Reporting UOM:** select **L (liters)** as **Reporting UOM**. All the reports will display the Stock item details based on the reporting UOM selected.



*As per **Central Excise Act**, in all the reports relating to stock items are required to be indicated with the relevant Unit of Quantity as specified under **Central Excise Tariff Act**. The Applicable Unit of Quantity for Mineral Water is '**L (Liters)**', so it is must to select L (Liters) as the Reporting UOM.*

- **Set/Alter Duty Details:** Set this field to **Yes** to view the Duty Details screen.

Excise Details for : AquaPure – 1 Ltr Tariff Classification : Water					
Excise Unit Name	Reporting UOM	Conversion Factor	Set/Alter Duty Details	Stock Item Type	Set/Alter Reporting BOM
ABC Company	L		Yes	Finished Goods	No

Figure 2.40 Excise Details

- In **Duty Details** screen
 - In **valuation Type** field Select **MRP** Based from the **List of Valuation Type**
 - In **MRP** field enter the Rate as Rs. **20**
 - In **Abatement** field enter **48%** as the abatement percentage.
 - Select the **Basic Excise Duty** in the **Type of Duty** filed from the List of Excise Duty classifications
 - Specify the **Rate of Duty** as **16%**
 - Select the **Education Cess** as the second duty in the **Type of Duty** filed from the List of Excise Duty classifications
 - Specify the **Rate of Duty** as **2%**
 - Select the **Secondary Education Cess** as the third duty in the **Type of Duty** filed from the List of Excise Duty classifications.



Secondary and Higher Education Cess is applicable from 11-5-2007

- Specify the **Rate of Duty** as **1%**

Excise Duty Details				ABC Company		Ctrl + M	
Name : AquaPure – 1 Ltr (alias) :							
Excise Details for : AquaPure – 1 Ltr Tariff Classification : Water							
Excise Unit		Reporting	Conversion Factor	Set/Alter Duty Details	Stock Item Type		
Duty Details for : AquaPure – 1 Ltr Tariff Classification : Water Excise Unit : ABC Company				Yes	Finished Goods		
Valuation Type : MRP Based MRP : 20.00/L Abatement % : 48 %							
Type of Duty		Rate of Duty		per			
Basic Excise Duty		16 %					
Education Cess		2 %					
Secondary Education Cess		1 %					

List of Excise Duty Classifications

☐ End of List

AED (GSI)

AED on HSD

AED (PMT)

AED (TTA)

AED (TTW)

NCCD

Special AED

Special Excise Duty

Figure 2.41 Duty Details

- In **Excise Details** screen, under **Stock Item Type** field select as **Finished Goods** from the **List of Item Types**

Excise Details for : AquaPure – 1 Ltr Tariff Classification : Water					
Excise Unit Name	Reporting UOM	Conversion Factor	Set/Alter Duty Details	Stock Item Type	Set/Alter Reporting BOM
ABC Company	L		Yes	Finished Goods	No

List of Item Types

Capital Goods

Finished Goods

Others

Principal Input

Figure 2.42 Excise Details

- Set the option **Set/ Alter Reporting BOM** to **Yes**.

Excise Details for : AquaPure – 1 Ltr					
Tariff Classification : Water					
Excise Unit Name	Reporting UOM	Conversion Factor	Set/Alter Duty Details	Stock Item Type	Set/Alter Reporting BOM
ABC Company	L		Yes	Finished Goods	Yes

Figure 2.43 Excise Details

- **Reporting BOM** Screen appears as shown

Components of Unit of Manufacture : AquaPure – 1 Ltr	
: [REDACTED]	
Item	Quantity
Bottle Caps	

Figure 2.44 Stock Item BOM



Define the **Stock Item Components (BOM)** under the option Set/ Alter Reporting BOM only when the Stock item has different Stock Item Components than the components defined under the BOM for Production. BOM Defined under this option is used only for reporting.

11. **Rate of VAT (%)**: in this field enter the **Rate of VAT** applicable for the Stock Item e.g. **12.5%**

Stock Item Creation		ABC Company		Ctrl + M
Name : AquaPure – 1 Ltr (alias) :				
Under : ☐ Primary	Tax Information Tariff Classification : Water Set/Alter Excise Details ? Yes Rate of VAT (%) : 12.50		Behaviour Costing Method : Avg. Cost Market Valuation Method : Avg. Price Ignore Diff. due to Physical Counting ? No Ignore Negative Balances ? No Treat all Sales as New Manufacture ? No Treat all Purchases as Consumed ? No Treat all Rejections inward as Scrap ? No	
Units : L Alternate Units : Box where : 1 Box = 24 L Alter Components (BoM) ? Yes				
Opening Balance :		Quantity	Rate per	Value
		Accept ? Yes or No		

Figure 2.45 Stock Item – MRP

12. Press **Enter** to accept and save.



Where **Excisable Commodity** attracts Additional duties of Excise and Special duties of Excise and so on, the same can be activated as required from the **List of Excise Duty Classifications**.

2.14 Creating Stock Item - Finished Goods (Quantum)

To create a **Stock Item - Finished Goods**,

Go to **Gateway of Tally > Inventory Info. > Stock item > Create**

1. Enter the name of the **Stock Item** e.g. **AquaMini - 200 ml** in the **Name** field.
2. Select the **Group Name** e.g. **Primary** in the **Under** field.
3. Select the **unit of measurement** e.g. **U (Number)** of the stock item in the **Units** field
4. Select the unit of measurement e.g. **L [Liter (s)]** of the stock item in the **Alternate Units** field
5. Specify **1 L = 5 U** in **Where** field.



Unit and Alternate Unit details provided in the Stock item master are only for the purpose of accounting the Stock items.

6. Enable **Set Components (BoM)** to **Yes** and press enter to view Stock Item Components (BoM) screen
7. In **Stock Item Components (BoM)** screen
 - In **Unit of manufacture** field enter as **5**
 - Under **Item and Quantity** field enter the details as shown

Components of	: AquaMini – 200 MI
Unit of manufacture	: 5 U
Item	Quantity
Natural Water	1 L
Low Density Polyethylene	5 U (0 Kg)

Figure 2.46 Stock Item BOM

8. In **Tariff Classification** field select the applicable tariff classification e.g. **Water** from the **List of Tariff Classifications**
9. Enable **Set/Alter Excise Details** to **Yes** to display the **Excise Details** sub screen.
10. In the **Excise Details** Screen
 - **Excise Unit Name:** By default Tally.ERP 9 displays **ABC Company** as **Excise Unit Name**.



*In Tally.ERP 9 excise units (Dealer/manufacturer) created are identified as godowns. When the option Maintain **Multiple Godowns/Excise Units** is not enabled in **F11: Features > Inventory Features (F2)** by default Tally.ERP 9 identifies the excise unit name with the Default Godown named - **Main Location***

*To create more than one Excise Unit user needs to enable Maintain Multiple Godowns/Excise Units in **F11: Features > Inventory Features (F2)**.*

- **Reporting UOM:** select **L (liters)** as **Reporting UOM**. All the reports will display the Stock item details based on the reporting UOM selected.



*As per **Central Excise Act**, in all the reports relating to stock items are required to be indicated with the relevant Unit of Quantity as specified under **Central Excise Tariff Act**. The Applicable Unit of Quantity for Mineral Water is '**L (Liters)**', so it is must to select L (Liters) as the Reporting UOM.*

- In **Conversion Factor** field set as **1 L = 5 U**



Tally.ERP 9 prompts the user to select the Conversion Factor only when the alternate Item is enabled and defined for stock item

- **Set/Alter Duty Details:** Set this field to **Yes** to view the Duty Details screen.
- In **Duty Details** screen
 - In **valuation Type** field Select **Ad Quantum** from the **List of Valuation Type**
 - Select the **Basic Excise Duty** in the **Type of Duty** filed from the List of Excise Duty classifications
 - Specify the **Rate of Duty** as **Rs. 2 (per liter)**



*In case of Ad Quantum, duty is payable at the rate specified per Unit of Quantity. **Example:** Duty on **Sugar** is based on per **Kg** basis (Rs.3/Kg).*

- Select the **Education Cess** as the second duty in the **Type of Duty** filed from the List of Excise Duty classifications
- Specify the **Rate of Duty** as **Rs. 0.04 (per liter)**
- Select the **Secondary Education Cess** as the third duty in the **Type of Duty** filed from the List of Excise Duty classifications.
- Specify the **Rate of Duty** as **Rs. 0.02 (per liter)**

Duty Details for : AquaMini – 200 MI	
Tariff Classification : Water	
Excise Unit : ABC Company	
Valuation Type : Ad Quantum	
Type of Duty	Rate of Duty per
Basic Excise Duty	2 /L
Education Cess	0.04 /L
Secondary Education Cess	0.02 /L

Figure 2.47 Excise Duty Details

- In **Excise Details** screen, under **Stock Item Type** field select as **Finished Goods** from the List of Item Types
- Set the option **Set/ Alter Reporting BOM** to **No.**



Define the **Stock Item Components (BOM)** under the option Set/ Alter Reporting BOM only when the Stock item has different Stock Item Components than the components defined under the BOM for Production. BOM Defined under this option is used only for reporting

11.**Rate of VAT (%)**: in this field enter the **Rate of VAT** applicable for the Stock Item e.g. **12.5%**

Stock Item Creation		ABC Company		Ctrl + M
Name : AquaMini – 200 MI (alias) :				
Under : ☐ Primary Units : U Alternate Units : L where : 1 L = 5 U Alter Components (BoM) ? Yes		Tax Information Tariff Classification : Water Set/Alter Excise Details ? Yes Rate of VAT (%) : 12.50		Behaviour Costing Method : Avg. Cost Market Valuation Method : Avg. Price Ignore Diff. due to Physical Counting ? No Ignore Negative Balances ? No Treat all Sales as New Manufacture ? No Treat all Purchases as Consumed ? No Treat all Rejections inward as Scrap ? No
Opening Balance :		Quantity	Rate per	Value
				Accept ? Yes or No

Figure 2.48 Stock Item – Quantum

12.Press **Enter** to accept and save.



Where **Excisable Commodity** attracts **Additional duties of Excise and Special duties of Excise** and so on, the same can activated as required from the **List of Excise Duty Classifications**.

2.15 Creating Stock Item - Finished Goods (Ad Valorem)

To create a **Stock Item - Finished Goods**,

Go to **Gateway of Tally > Inventory Info. > Stock item > Create**

1. Enter the name of the **Stock Item** e.g. **AquaKing - 20 Ltr** in the **Name** field.
2. Select the **Group Name** e.g. **Primary** in the **under** field.
3. Select the **unit of measurement** e.g. **U (Number)** of the stock item in the **Units** field
4. Select the unit of measurement e.g. **L [Liter (s)]** of the stock item in the **Alternate Units** field
(Use **Alt +C** to create Unit of Measurement)
5. Specify **20 L = 1 U** in **Where** field.



Unit and Alternate Unit details provided in the Stock item master are only for the purpose of accounting the Stock items.

6. Enable **Set Components (BoM)** to **Yes** and press enter to view Stock Item Components (BoM) screen
7. In **Stock Item Components (BoM)** screen
 - In **Unit of manufacture** field enter as **1**
 - Under **Item and Quantity** field enter the details as shown

Components of	: AquaKing - 20 Ltr
Unit of manufacture	: 1 U
Item	Quantity
Natural Water	20 L
Water Container - 20 Ltr	1 U (0 Kg)

Figure 2.49 Stock Item – BOM

8. In **Tariff Classification** field select the applicable tariff classification e.g. **Water** from the **List of Tariff Classifications**
9. Enable **Set/Alter Excise Details** to **Yes** to display the Excise Details sub screen.
10. In the **Excise Details** Screen

- **Excise Unit Name:** By default Tally.ERP 9 displays **ABC Company** as **Excise Unit Name**.



*In Tally.ERP 9 excise units (Dealer/manufacturer) created are identified as godowns. When the option **Maintain Multiple Godowns/Excise Units** is not enabled in **F11: Features > Inventory Features (F2)** by default Tally.ERP 9 identifies the excise unit name with the Default Godown named - Main Location*

*To create more than one Excise Unit user needs to enable **Maintain Multiple Godowns/Excise Units** in **F11: Features > Inventory Features (F2)**.*

- **Reporting UOM:** select **L (liters)** as **Reporting UOM**. All the reports will display the Stock item details based on the reporting UOM selected.



*As Per **Central Excise Act**, in all the reports relating to stock items are required to be indicated with the relevant Unit of Quantity as specified under **Central Excise Tariff Act**. The Applicable Unit of Quantity for Mineral Water is '**L (Liters)**', so it is must to select **L (Liters)** as the Reporting UOM.*

- In **Conversion Factor** field Set as **20 L = 1 U**



Tally.ERP 9 prompts the user to select the Conversion Factor only when the alternate Item is enabled and defined for stock item

- **Set/Alter Duty Details:** Set this field to **Yes** to view the **Duty Details** screen.
- In **Duty Details** screen
 - In **valuation Type** field Select **Ad Valorem** from the **List of Valuation Type**
 - Select the **Basic Excise Duty** in the **Type of Duty** filed from the List of Excise Duty classifications
 - Specify the **Rate of Duty** as **16%**
 - Select the **Education Cess** as the second duty in the **Type of Duty** filed from the List of Excise Duty classifications
 - Specify the **Rate of Duty** as **2%**

- Select the **Secondary Education Cess** as the third duty in the **Type of Duty** filed from the List of Excise Duty classifications.
- Specify the **Rate of Duty** as **1%**

Duty Details for : AquaKing – 20 Ltr	
Tariff Classification : Water	
Excise Unit : ABC Company	
Valuation Type : Ad Valorem	
Type of Duty	Rate of Duty per
Basic Excise Duty	16 %
Education Cess	2 %
Secondary Education Cess	1 %

Figure 2.50 Duty Details

- In **Excise Details** screen, under **Stock Item Type** field select as **Finished Goods** from the List of Item Types
- Set the option **Set/ Alter Reporting BOM** to **No**



*Define the **Stock Item Components (BOM)** under the option **Set/ Alter Reporting BOM** only when the Stock item has different Stock Item Components than the components defined under the BOM for Production. BOM Defined under this option is used only for reporting*

11.**Rate of VAT (%)**: in this field enter the **Rate of VAT** applicable for the Stock Item e.g. **12.5%**

Stock Item Creation		ABC Company		Ctrl + M
Name : AquaKing – 20 Ltr (alias) :				
Under : ☐ Primary Units : U Alternate Units : L where : 20 L = 1 U Alter Components (BoM) ? Yes		<u>Tax Information</u> Tariff Classification : Water Set/Alter Excise Details ? Yes Rate of VAT (%) : 12.50		<u>Behaviour</u> Costing Method : Avg. Cost Market Valuation Method : Avg. Price Ignore Diff. due to Physical Counting ? No Ignore Negative Balances ? No Treat all Sales as New Manufacture ? No Treat all Purchases as Consumed ? No Treat all Rejections inward as Scrap ? No
Opening Balance :		Quantity	Rate per	Value
				Accept ? Yes or No

Figure 2.51 Stock Item – Ad Valorem

12. Press **Enter** to accept and save.



Where **Excisable Commodity** attracts Additional duties of Excise and Special duties of Excise and so on, the same can be activated as required from the **List of Excise Duty Classifications**.

Similarly create the Stock Item **AquaEase - 20 Ltr** with same **Alternate Unit**, conversion factor and **Valuation Method (Ad Valorem)**

Lesson 3: Transactions

3.1 Creating a Excise Purchase Voucher – Not Availing CENVAT Credit

To create a **Purchase Voucher**

In **F12: Configuration (Purchase Invoice Configuration)**

1. Ensure the option **Use Common Ledger A/c for Item Allocation** is set to **Yes**

Go to **Gateway of Tally > Accounting Vouchers > F9: Purchases**

2. In **Voucher Type** sub form select **Excise - Purchases** as the voucher type
3. Ensure that the **Purchase Voucher** is in **Item Invoice Mode**



*In Tally.ERP 9 **Excise Purchase Transactions** needs to recorded in **Invoice Mode Only**.*

4. Enter the **Date** as **1-4-2008**
5. In **Supplier Invoice No.** field enter the Invoice No. as **SI/336**
6. In **Party's A/c Name** field select the supplier i.e. **Swastik Water Suppliers** from the List of Ledger Accounts
7. In **Nature of Purchase** field **Manufacturer** is displayed automatically
8. In **Purchase Ledger** field select the ledger **Purchase of Raw Materials** from List of Ledger Accounts
9. **VAT/Tax Class** field automatically gets updated with the VAT/Tax class as selected in the purchase ledger, which can be changed.
10. In **Name of Item** field select the Stock Item i.e. **Natural Water**
11. In **Quantity** field enter the quantity as **10,00,000**
12. In **Rate** field enter the rate as **Rs. 2**
13. **Amount** will be displayed automatically.

14. Select Duty Ledger i.e. **Basic Excise Duty @ 16%**. Amount will be calculated and displayed automatically.
15. Select **Education Cess @ 2%** and **Secondary Education Cess @ 1%** ledgers. Amount will be calculated and displayed automatically



Input VAT Ledger is not selected as Natural water is exempted under VAT Act in Karnataka

16. Set the option **Show Statutory Details** to **Yes** to view **Statutory Details** screen

Accounting Voucher Creation		ABC Company		Ctrl + M
Excise - Purchases No. 1				1-Apr-2008
Supplier Invoice No. : SI/336		Date : 1-Apr-2008		Tuesday
Excise Unit : ABC Company				
Party's A/c Name : Swastik Water Suppliers				
Current Balance :				
Nature of Purchase : Manufacturer				
Purchase Ledger : Purchase of Raw Materials				
VAT/Tax Class: Purchases @ 4%				
Name of Item	Quantity	Rate per	Amount	
Natural Water	10,00,000 L	2.00 L	20,00,000.00	
Rate : 16%				
Basic Excise Duty @ 16%		16 %	3,20,000.00	
Education Cess @ 2%		2 %	6,400.00	
Secondary Education Cess @ 1%		1 %	3,200.00	
Show Statutory Details ? Yes Narration: Yes / No No Yes 10,00,000 L 23,29,600.00				

Figure 3.1 Purchase Voucher

17. In **Statutory Details** screen press **Alt + F1: Detailed** to view details of duty calculation. **Statutory Details** screen appears as shown.

Statutory Details		ABC Company		Ctrl + M	
Excise - Purchase		Statutory Details		1-Apr-2008	
Supplier Invoice No				Tuesday	
Excise Unit		Particulars	Excise	VAT	
Party's A/c Name		Assessable Value	20,00,000.00	23,29,600.00	
Current Balance		Natural Water	20,00,000.00	23,29,600.00	
Nature of Purchase		Item Value	20,00,000.00	20,00,000.00	
Purchase Ledger		Basic Excise Duty @ 16%		3,20,000.00	
VAT/Tax Class: P		Education Cess @ 2%		6,400.00	
Name of Item		Secondary Education Cess @ 1%		3,200.00	
		Excise Duty Value	3,29,600.00		
Natural Water		Basic Excise Duty @ 16%	16 %	3,20,000.00	20,00,000.00
Rate : 1		Natural Water @ 16 % On 20,00,000.00		3,20,000.00	
		Education Cess @ 2%	2 %	6,400.00	3,20,000.00
Basic Excise Duty @ 16%		Natural Water @ 2 % On 3,20,000.00		6,400.00	
Education Cess @ 2%		Secondary Education Cess @ 1%	1 %	3,200.00	6,400.00
Secondary Education Cess @ 1%		Natural Water @ 1 % On 3,20,000.00		3,200.00	
Show Statutory De					23,29,600.00
Narration:					

Figure 3.2 Statutory Details



In statutory details user can view Item/ ledger wise assessable value and Duty/Tax calculations.

18. In **Bill-wise Details** screen select **Type of Ref** as **New Ref** and in other fields retain the default details.

Bill-wise Details for : Swastik Water Suppliers Upto: Rs. 23,29,600.00 Cr				
Type of Ref	Name	Due Date, or Credit Days (wef: 1-4-2008)	Amount	Dr/ Cr
New Ref	SI/336		23,29,600.00	Cr
			23,29,600.00	Cr

Figure 3.3 Bill-wise Details

19. Enter the **Narration**, if required

Accounting Voucher Creation		ABC Company		Ctrl + M
Excise - Purchases No. 1		Supplier Invoice No. : SI/336		Date : 1-Apr-2008 Tuesday
Excise Unit : ABC Company				
Party's A/c Name : Swastik Water Suppliers Current Balance : Nature of Purchase : Manufacturer Purchase Ledger : Purchase of Raw Materials VAT/Tax Class: Purchases @ 4%				
Name of Item	Quantity	Rate per	Amount	
Natural Water	10,00,000 L	2.00 L	20,00,000.00	
Rate : 16%				
Basic Excise Duty @ 16%		16 %	3,20,000.00	
Education Cess @ 2%		2 %	6,400.00	
Secondary Education Cess @ 1%		1 %	3,200.00	
Show Statutory Details ? Yes Narration:				
			10,00,000 L	Accept ? Yes or No

Figure 3.4 Purchase Voucher

20. Press **Enter** to save and accept.



To avail **Cenvat Credit**, create the ledgers under Current Assets by selecting duty/tax type as CENVAT in the Type of Duty/Tax field.

When the **CENVAT Credit** is not availed the Duty Ledgers selected won't display the ledger balance and **duty amount** will be apportioned to the Stock Item cost.

Go to **Gateway of Tally > Display > Account Books > Ledgers > select Basic Excise Duty @ 16%**

Ledger Vouchers		ABC Company		Ctrl + M	
Ledger: Basic Excise Duty @ 16%				For 1-Apr-2008	
Date	Particulars	Vch Type	Vch No.	Debit	Credit
				Opening Balance :	
				Current Total :	
				Closing Balance :	

Figure 3.5 Ledger Vouchers

To view the **duty apportionment to Stock Item**

Go to **Gateway of Tally > Display > Inventory Books > Stock Item > Natural Water > Stock item Monthly Summary > Stock Vouchers**

In **F12: Configuration**

- Ensure the option **Show Rates** is set to **Yes**

Stock Vouchers				ABC Company				Ctrl + M				
Stock Item: Natural Water				1-Apr-2008 to 30-Apr-2008								
Date	Particulars	Vch Type	Vch No.	Inwards			Outwards			Closing		
				Quantity	Rate	Value	Quantity	Rate	Value	Quantity	Rate	Value
1-4-2008	Swastik Water Suppliers	Excise - Purchases	1	10,00,000 L	2.33	23,29,600.00				10,00,000 L	2.33	23,29,600.00

3.2 Creating a Excise Purchase Voucher – Availing CENVAT Credit

To create a **Purchase Voucher**

Go to **Gateway of Tally > Accounting Vouchers > F9: Purchases**

1. In **Voucher Type** sub form select **Excise - Purchases** as the voucher type
2. Ensure that the **Purchase Voucher** is in **Item Invoice Mode**
3. Enter the **Date** as **3-4-2008**
4. In **Supplier Invoice No.** field enter the Invoice No. as **LM/243**
5. In **Party's A/c Name** field select the supplier i.e. **Lanco Manufacturers** from the **List of Ledger Accounts** (Use **Alt +C** to create the party ledger)
6. In **Nature of Purchase** field the option **Manufacturer** is displayed automatically
7. In **Purchase Ledger** field select the ledger **Purchase of Raw Materials** from List of Ledger Accounts
8. **VAT/Tax Class** field automatically gets updated with the VAT/Tax class as selected in the purchase ledger, which can be changed.
9. In **Name of Item** field select the Stock Item i.e. **Pet Bottles - 1 Ltr**
10. In **Quantity** field enter the quantity as **3,00,000**
11. In **Rate** field enter the rate as **Rs. 1**
12. **Amount** will be displayed automatically
13. Select **Bottle Caps** as second item and specify **Quantity** as **3,00,000** and **Rate** as **Rs. 0.25**
14. Select **Water Bottle Container - 20 Ltr** as third item and specify **Quantity** as **10,000** and **Rate** as **Rs.5**
15. Select **Low Density Polyethylene** as fourth item and specify **Quantity** as **25,000** and **Rate** as **Rs.0.25**



Accounting Voucher Creation		ABC Company		Ctrl + M
Excise - Purchases No. 2				3-Apr-2008
Supplier Invoice No. : LM/243		Date : 3-Apr-2008		Thursday
Excise Unit : ABC Company				
Party's A/c Name : Lanco Manufacturers				
Current Balance :				
Nature of Purchase : Manufacturer				
Purchase Ledger : Purchase of Raw Materials				
VAT/Tax Class: Purchases @ 4%				
Name of Item	Quantity	Rate per	Amount	
Pet Bottles – 1Ltr	3,00,000 U (3,000 Kg)	1.00 U	3,00,000.00	
Rate : 16%				
Bottle Caps	3,00,000 U (600 Kg)	0.25 U	75,000.00	
Rate : 16%				
Water Container – 20 Ltrs	10,000 U (500 Kg)	5.00 U	50,000.00	
Rate : 16%				
Low Density Polyethylene	25,000 U (25 Kg)	0.25 U	6,250.00	
Rate : 16%				
			4,31,250.00	
Show Statutory Details ? Yes				
Narration:		6,35,000 U	5,22,412.80	

Figure 3.7 Purchase Voucher

16. Select **Duty Ledger** i.e. **Basic Excise Duty (CENVAT)**. Use **Alt + C** to create the ledger. Duty ledger creation appears as shown.

Ledger Alteration (Secondary)		ABC Company	Ctrl
Name	: Basic Excsie Duty (CENVAT)		
(alias)	:		
Under	: Current Assets	<u>Mailing Details</u> Name : Address : State : PIN Code :	
Type of Duty/Tax	: CENVAT	<u>Tax Information</u> PAN / IT No. :	
Excise Accounting Code	:		
Duty Head	: Basic Excise Duty		
Inventory values are affected	? No		
Percentage of Calculation (eg 5)	? 16 %		
Method of Calculation	: On Assessable Value		
Rounding Method	: ☐ Not Applicable		
Opening Balance (on 1-Apr-2008) :		Accept ? Yes or No	

Figure 3.8 Excise Duty Ledger Creation



To avail **Cenvat Credit**, create the duty ledgers by selecting duty/tax type as **CENVAT** in the **Type of Duty/Tax** field

17. **Amount** for **Basic Excise duty (CENVAT)** will be displayed automatically
18. Select duty ledger **Education Cess (CENVAT)**. Use **Alt + C** to create the ledger
19. Select duty ledger **Secondary Education Cess (CENVAT)**. Use **Alt + C** to create the ledger



Select **Type of Duty/Tax Class** as **CENVAT** for all the Duty ledgers created to avail **Cenvat Credit**. These duty ledgers are used only during accounting purchases.

20. Select **Input VAT @ 4%** as the VAT duty ledger. **Amount** will be displayed automatically

21. Set the option **Show Statutory Details** to **Yes** to view **Statutory Details** screen

Accounting Voucher Creation		ABC Company		Ctrl + M
Excise - Purchases No. 2				3-Apr-2008
Supplier Invoice No. : LM/243		Date : 3-Apr-2008		Thursday
Excise Unit : ABC Company				
Party's A/c Name : Lanco Manufacturers Current Balance : 5,22,412.80 Cr Nature of Purchase : Manufacturer Purchase Ledger : Purchase of Raw Materials VAT/Tax Class : Purchases @ 4%				
Name of Item	Quantity	Rate per	Amount	
↑ ... 2 more				
Rate : 16%				
Bottle Caps	3,00,000 U (600 Kg)	0.25 U	75,000.00	
Rate : 16%				
Water Container - 20 Ltrs	10,000 U (500 Kg)	5.00 U	50,000.00	
Rate : 16%				
Low Density Polyethylene	25,000 U (25 Kg)	0.25 U	6,250.00	
Rate : 16%				
			4,31,250.00	
Basic Excise Duty (CENVAT)		16 %	69,000.00	
Education Cess (CENVAT)		2 %	1,380.00	
Secondary Education Cess (CENVAT)		1 %	690.00	
Input VAT @ 4%		4 %	20,092.80	
Show Statutory Details ? Yes				
Narration:		6,35,000 U	5,22,412.80	

Figure 3.9 Purchase Voucher

22. In **Statutory Details** screen press **Alt + F1: Detailed** to view details of duty calculation. Statutory Details screen appears as shown

Statutory Details	ABC Company			Ctrl + M
Excise - Purchase	Statutory Details			3-Apr-2008
Supplier Invoice No				Thursday
Excise Unit	Particulars	Excise	VAT	
Party's A/c Name	Assessable Value	4,31,250.00	5,02,320.00	
Current Balance	Pet Bottles - 1Ltr	3,00,000.00	3,49,440.00	
Nature of Purchase	Item Value	3,00,000.00	3,00,000.00	
Purchase Ledger	Basic Excise Duty (CENVAT)		48,000.00	
VAT/Tax Class: P	Education Cess (CENVAT)		960.00	
Name of Item	Secondary Education Cess (CENVAT)		480.00	Amount
1 ... 2 more	Bottle Caps	75,000.00	87,360.00	
Rate : 1	Item Value	75,000.00	75,000.00	75,000.00
Bottle Caps	Basic Excise Duty (CENVAT)		12,000.00	
Rate : 1	Education Cess (CENVAT)		240.00	
	Secondary Education Cess (CENVAT)		120.00	
Water Container - 20 Ltrs	Water Container - 20 Ltrs	50,000.00	58,240.00	50,000.00
Rate : 1	Item Value	50,000.00	50,000.00	
	Basic Excise Duty (CENVAT)		8,000.00	
Low Density Polyethylene	Education Cess (CENVAT)		160.00	6,250.00
Rate : 1	Secondary Education Cess (CENVAT)		80.00	
	Low Density Polyethylene	6,250.00	7,280.00	
	Item Value	6,250.00	6,250.00	4,31,250.00
Basic Excise Duty (CENVAT)	Basic Excise Duty (CENVAT)		1,000.00	69,000.00
Education Cess (CENVAT)	Education Cess (CENVAT)		20.00	1,380.00
Secondary Education Cess (CENVAT)	Secondary Education Cess (CENVAT)		10.00	690.00
Input VAT @ 4%	Excise Duty Value	71,070.00		20,092.80
	Basic Excise Duty (CENVAT)	16 %	69,000.00	
	Pet Bottles - 1Ltr @ 16 % On	3,00,000.00	48,000.00	
	Bottle Caps @ 16 % On	75,000.00	12,000.00	
	Water Container - 20 Ltrs @ 16 % On	50,000.00	8,000.00	
	Low Density Polyethylene @ 16 % On	6,250.00	1,000.00	
Show Statutory De	Education Cess (CENVAT)	2 %	1,380.00	5,22,412.80
Narration:				17 more ... ↓

Figure 3.10 Statutory Details



In statutory details user can view Item/ ledger wise assessable value and Duty/Tax calculation.

23. In **Bill-wise Details** screen select **Type of Ref** as **New Ref** and in other fields retain the default details.

Bill-wise Details for : Lanco Manufacturers Upto: Rs. 5,22,412.80 Cr				
Type of Ref	Name	Due Date, or Credit Days (wef. 3-4-2008)	Amount	Dr/ Cr
New Ref	LM/243		5,22,412.80	Cr
			5,22,412.80	Cr

Figure 3.11 Bill-wise Details

24. Enter the Narration, if required

Accounting Voucher Creation		ABC Company		Ctrl + M
Excise - Purchases No. 2		Date : 3-Apr-2008		3-Apr-2008 Thursday
Supplier Invoice No. : LM/243		Excise Unit : ABC Company		
Party's A/c Name : Lanco Manufacturers Current Balance : Nature of Purchase : Manufacturer Purchase Ledger : Purchase of Raw Materials VAT/Tax Class: Purchases @ 4%				
Name of Item	Quantity	Rate per	Amount	
↑ ... 2 more				
Rate : 16%				
Bottle Caps	3,00,000 U (600 Kg)	0.25 U	75,000.00	
Rate : 16%				
Water Container - 20 Ltrs	10,000 U (500 Kg)	5.00 U	50,000.00	
Rate : 16%				
Low Density Polyethylene	25,000 U (25 Kg)	0.25 U	6,250.00	
Rate : 16%				
			4,31,250.00	
Basic Excise Duty (CENVAT)		16 %	69,000.00	
Education Cess (CENVAT)		2 %	1,380.00	
Secondary Education Cess (CENVAT)		1 %	690.00	
Input VAT @ 4%		4 %	20,092.80	
Show Statutory Details ? Yes				
Narration:			6,35,000 U	Accept ? Yes or No

Figure 3.12 Purchase Voucher

25. Press **Enter** to save and accept.

When the **CENVAT Credit** is availed the **Duty Ledgers** selected will display the ledger balance and duty amount will not be apportioned to the Stock Item Rate.

To check the **duty ledger balance**

Go to **Gateway of Tally > Display > Account Books > Ledgers > select Basic Excise Duty (CENVAT)**

Ledger Vouchers		ABC Company		Ctrl + M	
Ledger: Basic Excise Duty (CENVAT)		1-Apr-2008 to 3-Apr-2008			
Date	Particulars	Vch Type	Vch No.	Debit	Credit
3-4-2008	Lanco Manufacturers	Excise - Purchases	2	69,000.00	

Figure 3.13 Ledger Vouchers

To view the **non- apportionment of duty amount** to stock item Rate

Go to **Gateway of Tally > Display > Inventory Books > Stock Item > Pet Bottles - 1 Ltr > Stock item Monthly Summary > Stock Vouchers**

In **F12: Configuration**

- ☐ Ensure the option **Show Rates** is set to **Yes**

Stock Vouchers				ABC Company						Ctrl + M		
Stock Item: Pet Bottles - 1Ltr				1-Apr-2008 to 3-Apr-2008								
Date	Particulars	Vch Type	Vch No.	Inwards			Outwards			Closing		
				Quantity	Rate	Value	Quantity	Rate	Value	Quantity	Rate	Value
3-4-2008	Lanco Manufacturers	Extrn. Purchase	2	3,00,000	U	1.00 3,00,000.00				3,00,000	U	1.00 3,00,000.00

Figure 3.14 Stock Vouchers

Observe, in Stock Vouchers report stock item rate is displayed as **Rs.1** which is the actual purchase rate. In this case the duty amount is not apportioned to the Stock item.

Manufacturing of Packed Drinking Water being a Process Industry, Manufacturing Journal is used to account the issue of raw materials to production floor and for the receipt of finished goods.



3.3.1 Alter the Stock Journal

- Set the option **Use as a Manufacturing Journal** to **Yes**

Figure 3.15 Stock Journal Voucher Alteration

Go to **Gateway of Tally > Inventory Vouchers > Alt +F7: Stock Journal**

4. .Enter the **Narration**, if required.

Narration:

5. Press **Enter** to accept and save.

- ❑ **AquaMini - 200 ml (10,000 U)**
- ❑ **AquaKing - 20 Ltr (6000 U)**
- ❑ **AquaEase - 20Ltr (1000 U)**

3.4 Creating a Excise Sales Voucher – Rule 11 Invoice

To create a **Sales Voucher**

Go to **Gateway of Tally > Accounting Vouchers > F8: Sales**

1. In **Voucher Type** sub form select **Excise - Sales** as the voucher type
2. Ensure that the **Sales Voucher** is in **Item Invoice Mode**



In Tally.ERP 9 Excise Sales Transactions needs to recorded in Invoice Mode Only.

3. Enter the **Date** as **10-4-2008**
4. Enter the **Ref** details as **ABC/689**
5. In **Excise Unit** field Tally.ERP 9 displays **ABC Company**, as selected during voucher type creation
6. **Excise Book Name** field displays the name of the **excise invoice book (ABC/Rule11/Book1/08-09)** created for the Excise Unit
7. **No.** field displays the Rule 11 invoice Number e.g. **ABC/1001/08-09**
8. In **Party A/c Name** field select **Universal Distributors** from the **List of Ledger Accounts**
9. In **Party Details** sub form
 - **Despatch/Order Details:** Under these two sections enter the **Despatch and Order Details**
 - **Sl.No. in PLA /RG-23:** In this field enter the Sl.No. in PLA /RG-23 register as **1**
 - **Date & Time of Invoice:** In this field enter the time Date of Invoice. Tally.ERP 9 by default displays the system time and date in this field which can be changed
 - **Date & Time of Removal:** In this field enter the Time & Date of Removal of Goods. Tally.ERP 9 by default displays the system time and date in this field which can be changed



As per Central Excise Invoice System, in all the sales invoice time and date of removal has to be printed.

- **Buyer Details:** In this section Tally.ERP 9 by default displays the details provided during buyer ledger creation, which can be changed.

Despatch Details	
Delivery Note No(s) :	Despatch Doc. No. : ABC/689 Despatched through : Road Destination : Bangalore Motor Vehicle No. : KA-01 EH-5784
Order Details	
Order No(s) :	Mode/Terms of Payment : 20days Terms of Delivery : Road
VAT/Excise Details	
Sl. No. in PLA/RG-23 : 1 Date & Time of Invoice : 10-Apr-2008 at 16:16 Date & Time of Removal : 10-Apr-2008 at 16:16	
Buyer's Details	
Buyer : Universal Distributors Address : No-54 Jai Bharat Industrial Area Yeshwanthpur Bangalore TIN/Sales Tax No. : 51102140584 Excise Regn No. : AACCL0014CXD001 Range : Yeshwanthpur II Division : Yeshwanthpur Commissionerate : Bangalore III	

Figure 3.17 Despatch Details



*In Tally.ERP 9 user can track the **Delivery Notes** in **Rule 11 Invoice**, if the goods are delivered through delivery note and Rule 11 Invoice is generated after the delivery of the goods.*

10. In **Nature of Removal** field select the option **Domestic** from the list of **Types of Removals**



It is must to define the nature of removal in Rule 11 Invoice.

***Domestic** will be selected if the removal is for domestic Sales.*

***Export** is selected when the goods are removed for Export*

***Exempt** is selected when the sales is a exempt sales. In case of exempt sales user needs to enter he notification number under which the exemption is provided*

11. In **Sales Ledger** field select the ledger **Sales @ 12.5%** from the **List of Ledger Accounts**

12. **VAT/Tax Class** field automatically gets updated with the VAT/Tax class as selected in the sales ledger, which can be changed.

13. In **Name of Item** field select the Stock Item i.e. **AquaPure - 1Ltr**

14. In **Quantity** field enter the quantity as **1,00,000**

15. In **Rate** field enter the rate as **Rs. 20**

16. **Amount** will be displayed automatically

17. Select **Duty Ledger** i.e. **Basic Excise Duty @ 16%**. **Amount** will be calculated and displayed automatically.
18. Select **Education Cess @ 2%** and **Secondary Education Cess @ 1%** ledgers. **Amount** will be calculated and displayed automatically
19. Select **Output VAT @ 4%** as the Vat duty ledger. **Amount** will be displayed automatically
20. Set the option **Show Statutory Details** to **Yes** to view Statutory Details screen

Accounting Voucher Creation		ABC Company		Ctrl + M
Excise - Sales No. 1		Ref. : ABC/689		10-Apr-2008 Thursday
Excise Unit : ABC Company		Excise Book Name : ABC/Rule11/Book1/08-09 Serial No. ABC/1001/08-09		
Party's A/c Name : Universal Distributors				
Nature of Removal : Domestic				
Current Balance :				
Sales Ledger : Sales @ 12.5%				
VAT/Tax Class: Sales @ 12.5%				
Name of Item	Quantity	Rate per	Amount	
AquaPure – 1 Ltr	1,00,000 L (4,167 Box)	20.00 L	20,00,000.00	
Rate : 16% MRP: 20.00/L Abatement: 48%				
Basic Excise Duty @ 16%		16 %	1,66,400.00	
Education Cess @ 2%		2 %	3,328.00	
Secondary Education Cess @ 1%		1 %	1,664.00	
Output VAT @ 12.5%		12.50 %	2,71,424.00	
Show Statutory Details ? Yes Yes / No No Yes				
Narration:			1,00,000 L	24,42,816.00

Figure 3.18 Sales Voucher

21. In **Statutory Details** screen press **Alt + F1: Detailed** to view details of duty calculation. **Statutory Details** screen appears as shown.

Statutory Details		ABC Company		Ctrl + M	
Excise - Sales		Statutory Details		10-Apr-2008	
Ref : ABC689				Thursday	
Excise Unit					
Excise Book Name					
		Particulars	Excise	VAT	
Assessable Value			10,40,000.00	21,71,392.00	
Party's A/c Name		AquaPure - 1 Ltr	On 1,00,000 L @ 20.00/L Abatement: 48%	10,40,000.00	
Nature of Removal		Item MRP		21,71,392.00	
Current Balance		Basic Excise Duty @ 16%		20,00,000.00	
Sales Ledger : Sal		Education Cess @ 2%		1,66,400.00	
VAT/Tax Class: S		Secondary Education Cess @ 1%		3,328.00	
Name of Item				1,664.00	
Excise Duty Value				1,71,392.00	
Basic Excise Duty @ 16%			16 %	1,66,400.00	
AquaPure - 1 Ltr		@ 16 % On 10,40,000.00		1,66,400.00	
Rate : 1				20,00,000.00	
Education Cess @ 2%			2 %	3,328.00	
AquaPure - 1 Ltr		@ 2 % On 1,66,400.00		3,328.00	
Secondary Education Cess @ 1%			1 %	1,664.00	
AquaPure - 1 Ltr		@ 1 % On 1,66,400.00		1,664.00	
VAT Amount				2,71,424.00	
Output VAT @ 12.5%			12.50 %	2,71,424.00	
AquaPure - 1 Ltr		@ 12.50 % On 21,71,392.00		2,71,424.00	
Show Statutory De					
Narration:				24,42,816.00	

Figure 3.19 Statutory Details

In statutory details user can view Item/ ledger wise assessable value and Duty/Tax calculations.

For the stock item AquaPure - 1Lt, valuation Type selected is MRP Based, MRP is Rs.20/L and the Abatement allowed is 48%.

Assessable Value: Sales Quantity X Rate= Total Amount - Abatement (Total Amount X 48/100)

Rs. 10,40,000: 100000 X 20 = 20,00,000 - 9,60,000 (20,00,000 X 48/100)



22. In **Bill-wise Details** screen select **Type of Ref** as **New Ref** and in other fields retain the default details.

Figure 3.20 Bill-wise Details

Figure 3.21 Sales Voucher

93

Printing Excise Sales Invoice

The **Voucher Printing** screen appears as shown since, Print after saving option is enabled in **Excise - Sales Voucher Type**, if not enabled press **Alt+P** from voucher alteration screen.

Voucher Printing			
Printer	: (Ne00:)	Paper Type	: Letter
No. of Copies	: 1		
Print Language	: English		(Printing Dimensions)
Method	: Neat Mode	Paper Size	: (8.50" x 10.98") or (216 mm x 279 mm)
Page Range	: All	Print Area	: (8.03" x 10.63") or (204 mm x 270 mm)
Report Titles			
EXCISE INVOICE			
(with Print Preview)			
			Print ? Yes or No

Figure 3.22 Voucher Printing

Press **F12: Configure** to view the **Invoice Printing Configuration** screen

Enable the following Options

- ❑ **Print Excise Duty Details**
- ❑ **Print Tax Analysis of Items**
- ❑ **Print VAT Analysis of Items**
- ❑ **Print Date & Time**

Invoice Printing Configuration			
Title of Document	:	EXCISE INVOICE	
(for Optional Voucher)	:	PROFORMA INVOICE	
Sub Title (if any)	:		
Height of Normal Invoice (inches)	:	10	Simple: 10
Width of Normal Invoice (inches)	:	7.50	Simple: 7.50
Space to leave on top (default 0.25)	:	0.25	Simple: 0.25
Space to leave on left (default 0.5)	:	0.50	Simple: 0.50
Print as Commercial Invoice	? No	Print Serial No.	? Yes
Print Voucher Reference	? Yes	Print Quantity Column	? Yes
Print Order Details	? Yes	Print Actual Quantity Column	? No
Print Terms of Payment and Delivery	? Yes	Print Rate Column	? Yes
Print details of Despatch	? Yes	Print VAT % Column	? No
Print Excise Duty Details of Items	? Yes	Print Date & Time	? Yes
Print Tax Analysis of Items	? Yes	Print Batch Details	? Yes
Print VAT Analysis of Items	? Yes	Print Rate of Duty with Items	? No
Print Company's Tax Regn. Numbers	? Yes	Print Sub-Totals after each line	? No
Print Buyer's Tax Regn. Number	? Yes	Print Narration	? No
Print Declaration	? Yes	Print Narration for each entry	? No
Method to use for Stock Item Name : Name Only			
Jurisdiction : Bangalore			

Figure 3.23 Print Configuration

Press **Alt+I** and accept **Yes** to view the print preview of **Sales Excise Invoice**. The preview of **Excise Sales Invoice** appears as shown below:

EXCISE INVOICE							
(ISSUE OF INVOICE UNDER RULE 11 OF CENTRAL EXCISE RULES 2002)							
ABC Company # 25, Electronic City Phase - I, Bangalore							
VAT TIN : 11004578121				Range : Electronic City (0000) / 64 Row, A Wing/Kendriya Sadak, Karamanagala, Bangalore Urban - 560034			
CST No. : 42514878240				Division : Division III / 64 Row, C Wing, Kendriya Sadak, Karamanagala, Bangalore Urban - 560034			
Excise Regn No. : AAPCA2149RXM001				Commissionerate : Bangalore / 64 (P.L.A.) 500, Overseas Road, C.R. Building, Bangalore 40, Bangalore Urban - 560001			
Buyer Universal Distributors No-54 Jai Bharat Industrial Area Yeshwanthpur Bangalore				Invoice No. ABC/1001/08-09		Dated 10-Apr-2008	
				Buyer's Order No.		Dated	
				Delivery Note		Dated	
VAT TIN : 51102140584				Supplier's Ref. ABC/689		Despatch Document No. ABC/689	
Excise Regn No. : AACCL0014CXD001				Despatched through Road		Destination Bangalore	
Range : Yeshwanthpur II				Date & Time of Removal of Goods 10-Apr-2008 at 16:16		Motor Vehicle No. KA-01 EH-5784	
Division : Yeshwanthpur				Date & Time of issue of invoice 10-Apr-2008 at 16:16		Authenticated By for ABC Company Authorised Signatory	
Commissionerate : Bangalore III				Mode/Terms of Payment 20 days			
SI No.	Description of Goods	Tariff / HSN Classification	Quantity	Rate	per	Amount	
1	AquaPure – 1 Ltr Basic Excise Duty @ 16 % Education Cess @ 2 % Secondary Education Cess @ 1 % Output VAT @ 12.5 % (21,71,392.00)	Water	1,00,000 L	20.00	L	20,00,000.00	
				16	%	1,66,400.00	
				2	%	3,328.00	
				1	%	1,664.00	
				12.50	%	2,71,424.00	
Total			1,00,000 L			24,42,816.00	
Amount Chargeable (in words) : Rs. Twenty Four Lakh Forty Two Thousand Eight Hundred Sixteen Only							
VAT Amount (in words) : Rs. Two Lakh Seventy One Thousand Four Hundred Twenty Four Only (Rs. 2,71,424.00)							
Description of Goods		Assessable Value	Rate of BED	BED Amount	Rate of Ed Cess	Ed Cess Amount	Rate of Sec Ed Cess
AquaPure – 1 Ltr (MRP: 20/L Abatement: 48%)		10,40,000.00	16 %	1,66,400.00	2 %	3,328.00	1 %
Total		10,40,000.00		1,66,400.00		3,328.00	1,664.00
Amount of Duty (in words) : Rs. One Lakh Sixty Six Thousand Four Hundred Only							
Amount of Cess (in words) : Rs. Four Thousand Nine Hundred Ninety Two Only							
Serial No. in PLAR/G-23 : 1							
VAT Declaration : We declare that this invoice shows the actual price of the goods described and that all particulars are true and correct.							
Declaration We declare to the best of our knowledge and belief that the particulars stated herein are true and correct and there is no additional consideration accruing to us either directly or indirectly in any manner other than the amounts indicated here.						for ABC Company Authorised Signatory	
SUBJECT TO BANGALORE JURISDICTION This is a Computer Generated Invoice							
E. & O.E							

Figure 3.24 Print Preview – Excise Invoice

The **Excise Sales Invoice** includes the Sales details of the Stock item sold, like the **Quantity, Rate and Amount**.

Invoice Title

The title of **Excise Invoice** printing will be as follows:

- ❑ In Excise Invoice information about the **rule (invoice under Rule 11 of Central Excise rules of 2002)** under which the Excise invoice is generated is mentioned below the **Invoice Title**
- ❑ The Sales Excise Invoice prints the **VAT/CST/Excise registration Number** details of the Company, captured from Statutory & Taxation of F11: Features.
- ❑ **Range/Division /Commissionerate**

The details specified in the Excise Registration Details sub form of the Statutory & Taxation of F11: Features is printed in the corresponding fields.

- ❑ **Buyer details**

The **Buyer details** specified in the **Party Details** sub form is printed in this field. The details will also include the corresponding Excise and Tax registration details.

Sales Section

This section will print the **Excise Stock Items** sold. It displays the **Tariff/ HSN Classification, Quantity, Rate** and the **total Amount** of the Stock Items sold. It also prints the **duty ledgers, rate** and the **Amount of Duty** paid on the sale of goods.

Excise Duty Details Section

The Excise Duty Section displays the **Description of Goods, Assessable Value, Rate of Basic Excise Duty, Basic Excise Duty Amount, Rate of Education Cess, Education Cess Amount, Rate of Secondary Education Cess and Secondary Education Cess Amount**.

Serial No. In PLA/RG 23

A detail specified in the Party Details sub form of the sales invoice is printed.

3.5 Rule 11 Invoice for Stock Items Falling Under Different Valuation Type

In Tally.ERP 9, user can account different stock items falling under different valuation type in single sales voucher.

In the below illustration we are accounting the sale of **AquaPure - 1 Ltr (MRP Based)**, **AquaMini - 200 ml (Ad Quantum)** and **AquaKing - 20 Ltr (Ad Valorem)** in single sales voucher

To create a Sales Voucher

Go to **Gateway of Tally > Accounting Vouchers > F8: Sales**

1. In **Voucher Type** sub form select **Excise - Sales** as the voucher type
2. Ensure that the **Sales Voucher** is in **Item Invoice** Mode
3. Enter the **Date** as **13-4-2008**
4. Enter the **Ref** details as **ABC/726**
5. In **Excise Unit** field Tally.ERP 9 displays **ABC Company**, as selected during voucher type creation
6. **Excise Book Name** field displays the name of the excise invoice book (ABC/Rule11/Book1/08-09) created for the Excise Unit
7. **No.** field displays the Rule 11 invoice Number e.g. **ABC/1002/08-09**
8. In **Party A/c Name** field select **Universal Distributors** from the List of Ledger Accounts
9. In **Party Details** sub form
 - **Despatch/Order Details:** Under these two sections enter the Despatch and Order Details
 - **SI.No. in PLA /RG-23:** In this field enter the SI.No. in PLA /RG-23 register as 2
 - **Date & Time of Invoice:** In this field enter the time Date of Invoice. Tally.ERP 9 by default displays the system time and date in this field which can be changed
 - **Date & Time of Removal:** In this field enter the Time & Date of Removal of Goods. Tally.ERP 9 by default displays the system time and date in this field which can be changed



As per Central Excise Invoice System, in all the sales invoice time and date of removal has to be printed.

- **Buyer Details:** In this section Tally.ERP 9 by default displays the details provided during buyer ledger creation, which can be changed.

<u>Despatch Details</u>	
Delivery Note No(s) :	Despatch Doc. No. : ABC/726 Despatched through : Road Destination : Bangalore Motor Vehicle No. : KA-03 EM-7812
<u>Order Details</u>	
Order No(s) :	Mode/Terms of Payment : 30days Terms of Delivery : Road
<u>VAT/Excise Details</u>	
Sl. No. in PLA/RG-23 : 2 Date & Time of Invoice : 13-Apr-2008 at 16:34 Date & Time of Removal : 13-Apr-2008 at 16:34	
<u>Buyer's Details</u>	
Buyer : Universal Distributors Address : No-54 Jai Bharat Industrial Area Yeshwanthpur Bangalore TIN/Sales Tax No. : 51102140584 Excise Regn No. : AACCL0014CXD001 Range : Yeshwanthpur II Division : Yeshwanthpur Commissionerate : Bangalore III	

Figure 3.25 Despatch Details

10. In **Nature of Removal** field select the option **Domestic** from the list of **Types of Removals**
11. In **Sales Ledger** field select the ledger **Sales @ 12.5%** from the **List of Ledger Accounts**
12. **VAT/Tax Class** field automatically gets updated with the VAT/Tax class as selected in the sales ledger, which can be changed.
13. In **Name of Item** field select the Stock Item i.e. **AquaPure - 1Ltr**
14. In **Quantity** field enter the quantity as **20,000**
15. In **Rate** field enter the rate as **Rs. 20**
16. **Amount** will be displayed automatically
17. In **Name of Item** field select the Stock Item i.e. **AquaMini - 200 ml** as the second Item
18. Enter **4000** as **Quantity** and **Rs. 5** as **Rate**
19. In **Name of Item** field select the Stock Item i.e. **AquaKing - 20 Ltr** as the third Item
20. Enter **3000** as **Quantity** and **Rs. 60** as **Rate**
21. Select Duty Ledger i.e. **Basic Excise Duty @ 16%**. **Amount** will be calculated and displayed automatically.
22. Select **Education Cess @ 2%** and **Secondary Education Cess @ 1%** ledgers. **Amount** will be calculated and displayed automatically
23. Select **Output VAT @ 12.5%**. **Amount** will be calculated and displayed automatically.
24. Set the option **Show Statutory Details** to **Yes** to view **Statutory Details** screen.

Accounting Voucher Creation		ABC Company		Ctrl + M
Excise - Sales No. 2				13-Apr-2008
Ref. : ABC/726				Sunday
Excise Unit : ABC Company				
Excise Book Name : ABC/Rule11/Book1/08-09		Serial No. ABC/1002/08-09		
Party's A/c Name : Universal Distributors Nature of Removal : Domestic Current Balance : 24,42,816.00 Dr Sales Ledger : Sales @ 12.5% VAT/Tax Class: Sales @ 12.5%				
Name of Item	Quantity	Rate per	Amount	
AquaPure – 1 Ltr	20,000 L (833 Box)	20.00 L	4,00,000.00	
Rate : 16% MRP: 20.00/L Abatement: 48%				
AquaMini – 200 MI	4,000 U (800 L)	5.00 U	20,000.00	
Rate : 2/L				
AquaKing – 20 Ltr	3,000 U (60,000 L)	60.00 U	1,80,000.00	
Rate : 16%				
			6,00,000.00	
Basic Excise Duty @ 16%		16 %	63,680.00	
Education Cess @ 2%		2 %	1,273.60	
Secondary Education Cess @ 1%		1 %	636.80	
Output VAT @ 12.5%		12.50 %	83,198.80	
Show Statutory Details ? Yes Narration:			Yes / No No Yes	
			80,800 L 7,48,789.20	

Figure 3.26 Sales Voucher

25. In **Statutory Details** screen press **Alt + F1: Detailed** to view details of duty calculation. **Statutory Details** screen appears as shown.

Statutory Details	ABC Company			Ctrl + M
Excise - Sales	Statutory Details			13-Apr-2008
Ref : ABC726				Sunday
Excise Unit	Particulars	Excise	VAT	
Excise Book Name				
Party's A/c Name	Assessable Value	3,88,000.00	6,65,590.40	
Nature of Removal	AquaPure - 1 Ltr On 20,000 L @ 20.00/L Abatement: 48%	2,08,000.00	4,34,278.40	
Current Balance	Item MRP		4,00,000.00	
Sales Ledger : Sal	Basic Excise Duty @ 16%		33,280.00	
VAT/Tax Class: S	Education Cess @ 2%		665.60	
	Secondary Education Cess @ 1%		332.80	
Name of Item	AquaMini - 200 MI On 800 L		21,648.00	Amount
	Item Quantity		20,000.00	
AquaPure - 1 Ltr	Basic Excise Duty @ 16%		1,600.00	4,00,000.00
Rate : 1	Education Cess @ 2%		32.00	
	Secondary Education Cess @ 1%		16.00	
AquaMini - 200 MI	AquaKing - 20 Ltr 1,80,000.00	1,80,000.00	2,09,664.00	20,000.00
Rate : 2	Item Value	1,80,000.00	1,80,000.00	
AquaKing - 20 Ltr	Basic Excise Duty @ 16%		28,800.00	
Rate : 1	Education Cess @ 2%		576.00	
	Secondary Education Cess @ 1%		288.00	1,80,000.00
	Excise Duty Value	65,590.40		
	Basic Excise Duty @ 16%	16 %	63,680.00	6,00,000.00
Basic Excise Duty @ 16%	AquaPure - 1 Ltr @ 16 % On 2,08,000.00		33,280.00	
Education Cess @ 2%	AquaMini - 200 MI @ 2 / L On 800 L		1,600.00	63,680.00
Secondary Education Cess @ 1%	AquaKing - 20 Ltr @ 16 % On 1,80,000.00		28,800.00	1,273.60
Output VAT @ 12.5%	Education Cess @ 2%	2 %	1,273.60	636.80
	AquaPure - 1 Ltr @ 2 % On 33,280.00		665.60	83,198.80
	AquaMini - 200 MI @ 0.04 / L On 800 L		32.00	
	AquaKing - 20 Ltr @ 2 % On 28,800.00		576.00	
Show Statutory De	Secondary Education Cess @ 1%	1 %	636.80	
Narration:	AquaPure - 1 Ltr @ 1 % On 33,280.00		332.80	
	AquaMini - 200 MI @ 0.02 / L On 800 L		16.00	7,48,789.20
	7 more ...			

Figure 3.27 Statutory Details



In statutory details user can view Item/ ledger wise assessable value and Duty/Tax calculations.

For the stock item **AquaPure - 1Ltr**, valuation Type selected is **MRP Based**, MRP is Rs.20/L and the Abatement allowed is 48%.

- ▣ **Assessable Value:** Sales Quantity*Rate= Total Amount - Abatement (Total Amount*48/100)
- ▣ **Rs. 2,08,000:** 20,000*20 = 4,00,000 - 1,92,000 (4,00,000*48/100)

On the **Assessable Value (2,08,000)** BED is calculated @ 16%. Education Cess @ 2% and Secondary Education Cess @ 1% is calculated on BED

For the Stock Item **AquaMini - 200ml**, Valuation Type selected is **Ad Quantum** (duty is calculated on quantity)

BED is defined @ **2/L** (on the Reporting UOM - Liter), Education Cess @ **0.04/L** (2% of Rs. 2) and SHE Cess @ 0.02/L (1% of Rs.2)

- **BED** for AquaMini - 200ml is calculated on (4000*0.200ml) 800 liters (800*2 = 1600)
- **Education Cess** for AquaMini - 200ml is calculated on 800 liters (800*0.04 = 32)
- **Secondary Education Cess** is calculated for AquaMini - 200ml is calculated on 800 liters (800*0.02 = 16)

For the Stock Item **AquaKing - 20 Ltr**, Valuation Type selected is **Ad Valorem**

BED @ 16% is calculated on the Transaction Amount/Assessable Value of Rs. 1,80,000 (180000*16/100 = 28,800)

Education Cess @ 2% and **Secondary Education Cess @ 1%** is calculated on BED

26.In **Bill-wise Details** screen select **Type of Ref** as **New Ref**, Name as **ABC/726** and in other fields retain the default details.

27.Enter the **Narration**, if required

Accounting Voucher Creation		ABC Company		Ctrl + M
Excise - Sales No. 2				13-Apr-2008
Ref.: ABC/726				Sunday
Excise Unit : ABC Company				
Excise Book Name: ABC/Rule11/Book1/08-09		Serial No. ABC/1002/08-09		
Party's A/c Name: Universal Distributors Nature of Removal: Domestic Current Balance: 24,42,816.00 Dr Sales Ledger: Sales @ 12.5% VAT/Tax Class: Sales @ 12.5%				
Name of Item	Quantity	Rate per	Amount	
AquaPure – 1 Ltr	20,000 L (833 Box)	20.00 L	4,00,000.00	
Rate : 16% MRP: 20.00/L Abatement: 48%				
AquaMini – 200 ml	4,000 U (800 L)	5.00 U	20,000.00	
Rate : 2/L				
AquaKing – 20 Ltr	3,000 U (60,000 L)	60.00 U	1,80,000.00	
Rate : 16%				
			6,00,000.00	
Basic Excise Duty @ 16%			16 %	63,680.00
Education Cess @ 2%			2 %	1,273.60
Secondary Education Cess @ 1%			1 %	636.80
Output VAT @ 12.5%			12.50 %	83,198.80
Show Statutory Details ? Yes				
Narration:			80,800 L	Accept ? Yes or No

Figure 3.28 Sales Voucher

28.Press **Enter** to accept and save.

Printed Excise Invoice appears as shown

EXCISE INVOICE (ISSUE OF INVOICE UNDER RULE 11 OF CENTRAL EXCISE RULES 2002)						
ABC Company # 25, Electronic City Phase - I, Bangalore						
VAT TIN : 11004578121 CST No. : 42514878240 Excise Regn No. : AAPCA2149RXM001			Range : Electronic City (ECCE) / 8th Floor, A Wing/Kendrapada, Bangalore Urban - 560094 Division : Division III / 4th Floor, C Wing, Kendrapada, Bangalore Urban - 560094 Commissionerate : Bangalore I / 1st Floor, 5th, Overseas Road, C.R. Building, Bangalore 60, Bangalore Urban - 560094			
Buyer Universal Distributors No-54 Jai Bharat Industrial Area Yeshwanthpur Bangalore			Invoice No. ABC/1002/08-09		Dated 13-Apr-2008	
			Buyer's Order No.		Dated	
			Delivery Note		Dated	
			Supplier's Ref. ABC/726		Despatch Document No. ABC/726	
VAT TIN : 51102140584 Excise Regn No. : AACCL0014CXD001 Range : Yeshwanthpur II Division : Yeshwanthpur Commissionerate : Bangalore III			Despatched through Road		Destination Bangalore	
			Date & Time of Removal of Goods 13-Apr-2008 at 16:34		Motor Vehicle No. KA-03 EM-7812	
			Date & Time of issue of invoice 13-Apr-2008 at 16:34		Authenticated By for ABC Company Authorised Signatory	
			Mode/Terms of Payment 30 days			
Sl No.	Description of Goods	Tariff / HSN Classification	Quantity	Rate	per	Amount
1	AquaPure – 1 Ltr	Water	20,000 L	20.00	L	4,00,000.00
2	AquaMini – 200 MI	Water	4,000 U	5.00	U	20,000.00
3	AquaKing – 20 Ltr	Water	3,000 U	60.00	U	1,80,000.00
						6,00,000.00
				16	%	63,680.00
				2	%	1,273.60
				1	%	636.80
				12.50	%	83,198.80
Total			80,800 L			7,48,789.20
Amount Chargeable (in words) : Rs. Seven Lakh Forty Eight Thousand Seven Hundred Eighty Nine and Twenty paise Only						
VAT Amount (in words) : Rs. Eighty Three Thousand One Hundred Ninety Eight and Eighty paise Only (Rs. 83,198.80)						
Description of Goods	Assessable Value	Rate of BED	BED Amount	Rate of Ed Cess	Ed Cess Amount	Rate of Sec Ed Cess
AquaPure – 1 Ltr (MRP: 20/L Abatement: 48%)	2,08,000.00	16 %	33,280.00	2 %	665.60	1 %
AquaMini – 200 MI (4,000 U)		2/L	1,600.00	0.04/L	32.00	0.02/L
AquaKing – 20 Ltr	1,80,000.00	16 %	28,800.00	2 %	576.00	1 %
Total			63,680.00		1,273.60	636.80
Amount of Duty (in words) : Rs. Sixty Three Thousand Six Hundred Eighty Only						
Amount of Cess (in words) : Rs. One Thousand Nine Hundred Ten and Forty paise Only						
Serial No. in PLA/RG-23 : 2						
VAT Declaration : We declare that this invoice shows the actual price of the goods described and that all particulars are true and correct.						
Declaration We declare to the best of our knowledge and belief that the particulars stated herein are true and correct and there is no additional consideration accruing to us either directly or indirectly in any manner other than the amounts indicated here.				for ABC Company Authorised Signatory		
SUBJECT TO BANGALORE JURISDICTION This is a Computer Generated Invoice				E. & O.E		

Figure 3.29 Print Preview – Excise Invoice

3.6 Rule 11 Invoice for Stock Items with Expenses

To create a **Sales Voucher**

Go to **Gateway of Tally > Accounting Vouchers > F8: Sales**

1. In **Voucher Type** sub form select **Excise - Sales** as the voucher type
2. Ensure that the **Sales Voucher** is in **Item Invoice Mode**
3. Enter the **Date** as **14-4-2008**
4. Enter the **Ref** details as **ABC/830**
5. In **Excise Unit** field Tally.ERP 9 displays **ABC Company**, as selected during voucher type creation
6. **Excise Book Name** field displays the name of the excise invoice book (ABC/Rule11/Book1/08-09) created for the Excise Unit
7. **No.** field displays the Rule 11 invoice Number e.g. ABC/1003/08-09
8. In **Party A/c Name** field select **Universal Distributors** from the List of Ledger Accounts
9. In **Party Details** sub form enter the details as shown

<u>Despatch Details</u>	
Delivery Note No(s) :	Despatch Doc. No. : ABC/830 Despatched through : Road Destination : Bangalore Motor Vehicle No. : KA-02 D-4210
<u>Order Details</u>	
Order No(s) :	Mode/Terms of Payment : 25 Days Terms of Delivery : Road
<u>VAT/Excise Details</u>	
Sl. No. in PLA/RG-23 : 3 Date & Time of Invoice : 14-Apr-2008 at 16:45 Date & Time of Removal : 14-Apr-2008 at 16:45	
<u>Buyer's Details</u>	
Buyer : Universal Distributors Address : No-54 Jai Bharat Industrial Area Yeshwanthpur Bangalore TIN/Sales Tax No. : 51102140584 Excise Regn No. : AACCL0014CXD001 Range : Yeshwanthpur II Division : Yeshwanthpur Commissionerate : Bangalore III	

Figure 3.30 Despatch Details

10. In **Nature of Removal** field select the option **Domestic** from the list of **Types of Removals**
11. In **Sales Ledger** field select the ledger **Sales @ 12.5%** from the **List of Ledger Accounts**
12. **VAT/Tax Class** field automatically gets updated with the VAT/Tax class as selected in the sales ledger, which can be changed.
13. In **Name of Item** field select the Stock Item i.e. **AquaKing - 20Ltr**
14. In **Quantity** field enter the quantity as **1,000**
15. In **Rate** field enter the rate as **Rs. 70**

16. In **Name of Item** field select the Stock Item i.e. **AquaEase - 20Ltr**
17. In **Quantity** field enter the quantity as **200** and **Rate** as **Rs.100**
18. Select the expense ledger - **Packing Charges** and enter **Rs. 6000** in **Amount** field
19. Select **Duty Ledger** i.e. **Basic Excise Duty @ 16%**. **Amount** will be calculated and displayed automatically.
20. Select **Education Cess @ 2%** and **Secondary Education Cess @ 1%** ledgers. **Amount** will be calculated and displayed automatically
21. Select **Output VAT @ 4%** as the Vat duty ledger. **Amount** will be displayed automatically
22. Set the option **Show Statutory Details** to **Yes** to view Statutory Details screen

Accounting Voucher Creation		ABC Company		Ctrl + M
Excise - Sales No. 3				14-Apr-2008 Monday
Ref.: ABC/830				
Excise Unit : ABC Company				
Excise Book Name : ABC/Rule11/Book1/08-09 Serial No. ABC/1003/08-09				
Party's A/c Name : Universal Distributors				
Nature of Removal : Domestic				
Current Balance : 31,91,605.20 Dr				
Sales Ledger : Sales @ 12.5%				
VAT/Tax Class: Sales @ 12.5%				
Name of Item	Quantity	Rate per	Amount	
AquaKing - 20 Ltr	1,000 U (20,000 L)	70.00 U	70,000.00	
Rate : 16%				
AquaEase - 20 Ltr	200 U (4,000 L)	100.00 U	20,000.00	
Rate : 16%				
			90,000.00	
Packing Charges			6,000.00	
Basic Excise Duty @ 16%		16 %	15,360.00	
Education Cess @ 2%		2 %	307.20	
Secondary Education Cess @ 1%		1 %	153.60	
Output VAT @ 12.5%		12.50 %	13,977.60	
Show Statutory Details ? Yes				
Narration:				
			1,200 U	1,25,798.40

Figure 3.31 Sales Invoice

23. In **Statutory Details** screen press **Alt + F1: Detailed** to view details of duty calculation. **Statutory Details** screen appears as shown.

Statutory Details	ABC Company				Ctrl + M
Excise - Sales	Statutory Details				14-Apr-2008
Ref : ABC/830					Monday
Excise Unit	Particulars	Excise	VAT		
Excise Book Name					
Party's A/c Name	Assessable Value	96,000.00	1,11,820.80		
Nature of Removal	AquaKing - 20 Ltr	74,666.67	86,971.74		
Current Balance	Item Value	70,000.00	70,000.00		
Sales Ledger : Sal	Packing Charges	4,666.67	4,666.67		
VAT/Tax Class : S	Basic Excise Duty @ 16%		11,946.67		
	Education Cess @ 2%		238.93		
	Secondary Education Cess @ 1%		119.47		
Name of Item	AquaEase - 20 Ltr	21,333.33	24,849.06		
	Item Value	20,000.00	20,000.00		
	Packing Charges	1,333.33	1,333.33		
	Basic Excise Duty @ 16%		3,413.33		
	Education Cess @ 2%		68.27		
	Secondary Education Cess @ 1%		34.13		
	Excise Duty Value	15,820.80			
	Basic Excise Duty @ 16%		15,360.00		
	AquaKing - 20 Ltr @ 16 % On	74,666.67	11,946.67		
	AquaEase - 20 Ltr @ 16 % On	21,333.33	3,413.33		
	Education Cess @ 2%		307.20		
	AquaKing - 20 Ltr @ 2 % On	11,946.67	238.93		
	AquaEase - 20 Ltr @ 2 % On	3,413.33	68.27		
	Secondary Education Cess @ 1%		153.60		
	AquaKing - 20 Ltr @ 1 % On	11,946.67	119.47		
	AquaEase - 20 Ltr @ 1 % On	3,413.33	34.13		
	VAT Amount		13,977.60		
	Output VAT @ 12.5%		13,977.60		
	AquaKing - 20 Ltr @ 12.50 % On	86,971.74	10,871.47		
	AquaEase - 20 Ltr @ 12.50 % On	24,849.06	3,106.13		
Show Statutory De					1,25,798.40
Narration:					

Figure 3.32 Statutory Details

In statutory details user can view that the parking charges being apportioned to stock items to arrive at the assessable value to calculate the excise duty/ VAT.



Packing charges is 6,000

Value of AquaKing - 20Ltr is 70,000

Value of AquaPure - 20Ltr is 20,000

Apportionment of Packing Charges to AquaKing-20Ltr: $6,000 \times 70,000 / 90,000 = 4666.67$

Apportionment of Packing Charges to AquaPure-20Ltr: $6,000 \times 20,000 / 90,000 = 1,333.33$

Assessable Value of AquaKing - 20Ltr (74,666.67) = Value of AquaKing-20Ltr (70,000) +Packing Charges (4666.67)

Assessable Value of AquaPure - 20Ltr (21,333.33) = Value of AquaPure-20Ltr (20,000) +Packing Charges (1,333.33)

24. In **Bill-wise Details** screen select **Type of Ref** as **New Ref** and in other fields retain the default details.

Bill-wise Details for : Universal Distributors Upto: Rs. 1,25,798.40 Dr				
Type of Ref	Name	Due Date, or Credit Days (wef: 14-4-2008)	Amount	Dr/ Cr
New Ref	ABC/830	25 Days (9-May-2008)	1,25,798.40	Dr
			1,25,798.40	Dr

Figure 3.33 Bill-wise Details

25.Enter the **Narration**, if required

Accounting Voucher Creation		ABC Company	Ctrl + M
Excise - Sales No. 3			14-Apr-2008
Ref : ABC/830			Monday
Excise Unit : ABC Company			
Excise Book Name : ABC/Rule11/Book1/08-09		Serial No. ABC/1003/08-09	
Party's A/c Name : Universal Distributors Nature of Removal : Domestic Current Balance : 31,91,605.20 Dr Sales Ledger : Sales @ 12.5% VAT/Tax Class: Sales @ 12.5%			
Name of Item	Quantity	Rate per	Amount
AquaKing – 20 Ltr	1,000 U (20,000 L)	70.00 U	70,000.00
Rate : 16%			
AquaEase – 20 Ltr	200 U (4,000 L)	100.00 U	20,000.00
Rate : 16%			
			90,000.00
Packing Charges			6,000.00
Basic Excise Duty @ 16%		16 %	15,360.00
Education Cess @ 2%		2 %	307.20
Secondary Education Cess @ 1%		1 %	153.60
Output VAT @ 12.5%		12.50 %	13,977.60
Show Statutory Details ? Yes			
Narration:		1,200 U	
			Accept ?
			Yes or No

Figure 3.34 Sales Voucher

26.Press **Enter** to save and accept.

3.7 Creating a Debit Note (Purchase Returns) – Rule 11 invoice

As per Rule 11 of the Central Excise (No.2) Rules, 2001 provides that no excisable goods shall be removed from a factory or a warehouse except under an invoice signed by the owner of the factory or his authorised agent. The invoice shall be serially numbered and shall contain the registration number, description, classification, time and date of removal, rate of duty, quantity and value, of goods and the duty payable thereon.

Invoicing under Rule 11 of the Central Excise (No.2) Rules, 2001 is applicable even for Purchase Returns. In case of purchase returns goods are removed from factory or warehouse to return the goods to the supplier.

To record a **Debit Note**

In **F11: Features (Accounting Features)**

- Set **Use Debit/Credit Notes** to **Yes**
- Set **Use Invoice mode for Debit Notes** to **Yes**

Go to **Gateway of Tally > Accounting Vouchers > Ctrl + F9: Debit Note**

1. In **Voucher Type** sub form select **Excise - Debit Note** as the voucher type
2. Ensure that the **Debit Note Voucher** is in **Item Invoice Mode**
3. Enter the **Date** as **15-4-2008**
4. Enter the **Ref** details as **ABC/758**
5. In **Excise Unit** field Tally.ERP 9 displays **ABC Company**, as selected during voucher type creation
6. **Excise Book Name** field displays the name of the excise invoice book (ABC/Rule11/Book1/08-09) created for the Excise Unit
7. **No.** field displays the Rule 11 invoice Number e.g. **ABC/1004/08-09**
8. In **Party A/c Name** field select **Lanco Manufacturers** from the **List of Ledger Accounts**
9. In **Nature of Removal** field select the option **Domestic** from the list of Types of Removals
10. In **Purchase Ledger** field select the ledger **Purchase of Raw Materials** from the List of Ledger Accounts
11. **VAT/Tax Class** field automatically gets updated with the VAT/Tax class as selected in the sales ledger, which can be changed.
12. In **Name of Item** field select the Stock Item i.e. **Pet Bottles - 1Ltr**
13. In **Quantity** field enter the quantity as **2,000**
14. In **Rate** field enter the rate as **Rs. 1**
15. In **Name of Item** field select the Stock Item i.e. **Bottle Caps**
16. Enter the **Quantity** as **2,000** and **Rate** as **Rs.0.25**
17. Select Duty Ledger i.e. **Basic Excise Duty @ 16%**. **Amount** will be calculated and displayed automatically.
18. Select **Education Cess @ 2%** and **Secondary Education Cess @ 1%** ledgers. **Amount** will be calculated and displayed automatically
19. Select **Input VAT @ 4%** as the Vat duty ledger. **Amount** will be displayed automatically

20. Set the option **Show Statutory Details** to **Yes** to view Statutory Details screen

Accounting Voucher Creation		ABC Company		Ctrl + M
Excise - Debit Note No. 1				15-Apr-2008 Tuesday
Ref. : ABC/758				
Excise Unit : ABC Company				
Excise Book Name : ABC/Rule11/Book1/08-09 Serial No. ABC/1004/08-09				
Party's A/c Name : Lanco Manufacturers				
Nature of Removal : Domestic				
Current Balance : 5,22,412.80 Cr				
Purchase Ledger : Purchase of Raw Materials				
VAT/Tax Class: Purchases @ 4%				
Name of Item	Quantity	Rate per	Amount	
Pet Bottles – 1Ltr	2,000 U (20 Kg)	1.00 U	2,000.00	
Rate : 16%				
Bottle Caps	2,000 U (4 Kg)	0.25 U	500.00	
Rate : 16%				
			2,500.00	
Basic Excise Duty @ 16%		16 %	400.00	
Education Cess @ 2%		2 %	8.00	
Secondary Education Cess @ 1%		1 %	4.00	
Input VAT @ 4%		4 %	116.48	
Show Statutory Details ? Yes		Yes / No No Yes		
Narration:		4,000 U	3,028.48	

Figure 3.35 Debit Note Voucher

21. In **Statutory Details** screen press **Alt + F1: Detailed** to view details of duty calculation. Statutory Details screen appears as shown.



Statutory Details	ABC Company				Ctrl + M
Excise - Debit Note	Statutory Details				15-Apr-2008
Ref.: ABC/758					Tuesday
Excise Unit					
Excise Book Name					
	Particulars	Excise	VAT		
	Assessable Value	2,500.00	2,912.00		
Party's A/c Name	Pet Bottles - 1Ltr	2,000.00	2,329.60		
Nature of Removal	Item Value	2,000.00	2,000.00		
Current Balance	Basic Excise Duty @ 16%		320.00		
Purchase Ledger	Education Cess @ 2%		6.40		
VAT/Tax Class: P	Secondary Education Cess @ 1%		3.20		
Name of Item	Bottle Caps	500.00	582.40		Amount
	Item Value	500.00	500.00		
Pet Bottles - 1Ltr	Basic Excise Duty @ 16%		80.00		2,000.00
Rate : 1	Education Cess @ 2%		1.60		
	Secondary Education Cess @ 1%		0.80		
Bottle Caps	Excise Duty Value	412.00			500.00
Rate : 1	Basic Excise Duty @ 16%	16 %	400.00		
	Pet Bottles - 1Ltr @ 16 % On	2,000.00	320.00		
	Bottle Caps @ 16 % On	500.00	80.00		2,500.00
Basic Excise Duty @ 16%	Education Cess @ 2%	2 %	8.00		400.00
Education Cess @ 2%	Pet Bottles - 1Ltr @ 2 % On	320.00	6.40		8.00
Secondary Education Cess @ 1%	Bottle Caps @ 2 % On	80.00	1.60		4.00
Input VAT @ 4%	Secondary Education Cess @ 1%	1 %	4.00		116.48
	Pet Bottles - 1Ltr @ 1 % On	320.00	3.20		
	Bottle Caps @ 1 % On	80.00	0.80		
Show Statutory De	VAT Amount		116.48		
Narration:	Input VAT @ 4%	4 %	116.48		
	Pet Bottles - 1Ltr @ 4 % On	2,329.60	93.18		
	Bottle Caps @ 4 % On	582.40	23.30		
					3,028.48

Figure 3.36 Statutory Details

22. In **Bill-wise Details** screen select **Type of Ref** as **Agst Ref** and select **LM/243** dated **3-4-2008**.

Bill-wise Details for : Lanco Manufacturers				
Upto: Rs. 3,028.48 Dr				
Type of Ref	Name	Due Date, or Credit Days	Amount	Dr/ Cr
Pending Bills				
Agst Ref	LM/243			
	LM/243	3-Apr-2008	5,22,412.80	Cr
			3,028.48	Dr

Figure 3.37 Bill-wise Details

23. Enter the **Narration**, if required

Accounting Voucher - Creation		ABC Company	Ctrl + M
Excise - Debit Note No. 1		15-Apr-2008 Tuesday	
Ref. : ABC/758			
Excise Unit : ABC Company			
Excise Book Name : ABC/Rule11/Book1/08-09		Serial No. ABC/1004/08-09	
Party's A/c Name : Lanco Manufacturers Nature of Removal : Domestic Current Balance : 5,22,412.80 Cr Purchase Ledger : Purchase of Raw Materials VAT/Tax Class : Purchases @ 4%			
Name of Item	Quantity	Rate per	Amount
Pet Bottles - 1Ltr	2,000 U (20 Kg)	1.00 U	2,000.00
Rate : 16%			
Bottle Caps	2,000 U (4 Kg)	0.25 U	500.00
Rate : 16%			
			2,500.00
Basic Excise Duty @ 16%		16 %	400.00
Education Cess @ 2%		2 %	8.00
Secondary Education Cess @ 1%		1 %	4.00
Input VAT @ 4%		4 %	116.48
Show Statutory Details ? Yes			
Narration:		4,000 U	Accept ? Yes or No

Figure 3.38 Debit Note Voucher

24. Press **Enter** to accept and save

3.8 Creating a Journal Voucher – CENVAT Credit Adjustment

Under Central Excise Act Excise duty is payable monthly or quarterly depending on the Type of manufacturer.

If you're a Regular Manufacturer, Excise Duty is payable Monthly and if you are SSI Excise Duty is payable Monthly. Hence the CENVAT Credit Adjustment entry is recorded at the end of Every month or Quarter depending on the type of Manufacturer.

For the payment of Excise Duty, CENVAT Credit available to a Unit will be adjusted towards the Duty Payable to arrive at the Net Duty Payable to the Government.

In Tally.ERP 9 to record the adjustment, CENVAT Duty and Excise Duty accounts are Credited and Debited, respectively to nullify their balances and the net balance in the Excise Duty ledgers will be paid to the Government.

3.8.1 Create Voucher Class in Journal Voucher

Go to **Gateway of Tally > Accounts info. > Voucher Types > Alter > Journal**

- ❑ Tab down to **Name of Class** field
- ❑ Enter the **Name of Class** as **CENVAT Credit Adjustment** and press Enter
- ❑ In **Voucher Type Class** Screen
 - **Set Use Class for Excise CENVAT Adjustment to Yes**

Voucher Type Class		ABC Company	Ctrl + M
Name : Journal	Class : CENVAT Credit Adjustment		
(alias)	Use Class for VAT Adjustments ?	No	
	Use Class for Excise / CENVAT Adjustments ?	Yes	
	Ledger account to use		
	Ledger Name		
Type of Voucher			Name of Class
Abbr.			CENVAT Credit Adjustment
Method of Voucher			
Use Advance Conf			
Use EFFECTIVE Date			
Make 'Optional' as default			
Use Common Narrations			
Narrations for each entry			

Figure 3.39 Journal Voucher Class Creation

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

Figure 3.40 Journal Voucher

- Press **Enter** to accept and save.

3.8.2 Record the transaction in Journal Voucher

To record the Journal voucher

Go to **Gateway of Tally > Accounting Vouchers > F7: Journal**

1. In **Voucher Type** sub form select **CENVAT Credit Adjustment** in **Class** field

Voucher Type	
Name : Journal	Voucher Class List
Class : CENVAT Credit Adjustment	☐ Not Applicable ☒ CENVAT Credit Adjustment

Figure 3.41 Journal Voucher Class Selection

2. Enter the **Date** as **30-4-2008**
3. In **Debit** field select the excise duty ledger - **Basic Excise Duty @ 16%** and press enter to view **Excise Duty Allocation** sub screen
4. In **Excise Duty Allocation** sub screen
 - In **Type of Ref** field by default Tally.ERP 9 displays **Agst ref**
 - In **Name** field select the **Bill - ABC/Rule11/Book1/08-09ABC/1001/08-09** dated **10-4-2008** from the List of Pending Tax Bills.

Excise Duty Allocation		ABC Company		Ctrl + M	
Journal	No. 1	Voucher Class : CENVAT Credit Adjustment		Thursday 10-Apr-2008	
				30-4-2008	
		Used for : CENVAT Adjustment			
Particulars		List of Pending Tax Bills		Debit	Credit
Duty Details for : Basic Ex					
Type of Ref	Name	10-Apr-2008	ABC Company AquaPure – 1 Ltr	1,66,400.00 Cr	66,400.00
Agst Ref	ABC.Rule11.Book1.No.49ABC.No1.No.49	13-Apr-2008	ABC Company AquaKing – 20 Ltr	28,800.00 Cr	
		13-Apr-2008	ABC Company AquaMini – 200 Ml	1,600.00 Cr	
		13-Apr-2008	ABC Company AquaPure – 1 Ltr	33,280.00 Cr	
		14-Apr-2008	ABC Company AquaEase – 20 Ltr	3,413.33 Cr	
		14-Apr-2008	ABC Company AquaKing – 20 Ltr	11,946.67 Cr	
		15-Apr-2008	ABC Company Bottle Caps	80.00 Cr	
		15-Apr-2008	ABC Company Pet Bottles – 1Ltr	320.00 Cr	
				1,66,400.00	
				1,66,400.00 Dr	

Figure 3.42 Excise Duty Allocation

- In **Amount** field enter the CENVAT Credit Amount **Rs. 69000**

Duty Details for : Basic Excise Duty @ 16%			
Type of Ref	Name	Amount	Dr/Cr
Agst Ref	ABC.Rule11.Book1.No.49ABC.No1.No.49	69000	Dr
		1,66,400.00	Dr

Figure 3.43 Duty Details



Rs. 69000 is the CENVAT Credit available for adjustment towards excise duty payable

5. In **Debit** field select excise duty ledger - **Education Cess @ 2%**
6. In **Excise Duty Allocation** sub screen
 - ❑ In **Type of Ref** field by default Tally.ERP 9 displays Agst ref
 - ❑ In **Name** field select the **Bill - ABC/Rule11/Book1/08-09ABC/1001/08-09** dated **10-4-2008** from the List of Pending Tax Bills.
 - ❑ Enter the **Amount** as **Rs. 1,380**



*Rs. 1,380 is the CENVAT Credit available for adjustment towards excise duty payable. Credit of **Education Cess** on Excisable goods and imported goods can be utilised only for payment of education cess on final products.*

7. In **Debit** field select excise duty ledger - **Secondary Education Cess @ 2%**
8. In **Excise Duty Allocation** sub screen
 - ❑ In **Type of Ref** field by default Tally.ERP 9 displays **Agst ref**
 - ❑ In **Name** field select the **Bill - ABC/Rule11/Book1/08-09ABC/1001/08-09** dated **10-4-2008** from the List of Pending Tax Bills.
 - ❑ Enter the **Amount** as **Rs. 690**



*Rs. 690 is the CENVAT Credit available for adjustment towards excise duty payable. Credit of **SHE Cess** on Excisable goods and imported goods can be utilised only for payment of education cess on final products.*

9. In **Credit** field select **CENVAT Duty Ledger - Basic Excise Duty (CENVAT)** and press enter to view **Excise Duty Allocation** sub screen
10. In **Excise Duty Allocation** sub screen
 - ❑ In **Type of Ref** field by default Tally.ERP 9 displays **Agst ref**

- Excise Duty Allocation

ABC Company

Ctrl + M

Journal

No. 1

Voucher Class : CENVAT Credit Adjustment

Thursday 3-Apr-2008
30-4-2008

Used for : CENVAT Adjustment

Particulars

Debit

Credit

Duty Details for : Basic Excise Duty (CENVAT)

Type of Ref

Name

Agst Ref

2

2

3-Apr-2008

ABC Company

Bottle Caps

12,000.00 Dr

2

3-Apr-2008

ABC Company

Low Density Polyethylene

1,000.00 Dr

2

3-Apr-2008

ABC Company

Pet Bottles – 1Ltr

48,000.00 Dr

2

3-Apr-2008

ABC Company

Water Container – 20 Ltrs

8,000.00 Dr

69,000.00

1,380.00

690.00

12,000.00

71,070.00

12,000.00

12,000.00 Cr



11. In **Credit** field select CENVAT Duty Ledger - **Education Cess (CENVAT)** and press enter to view **Excise Duty Allocation** sub screen
12. In **Excise Duty Allocation** sub screen
 - In **Type of Ref** field by default Tally.ERP 9 displays **Agst ref**
 - In **Name** field select the purchase **Bill - 2 dated 3-4-2008** from the List of Pending Tax Bills
 - Select all the Items to adjust CENVAT Credit of **Rs. 1,380**
13. In **Credit** field select CENVAT Duty Ledger - **Secondary Education Cess (CENVAT)** and press enter to view **Excise Duty Allocation** sub screen
14. In **Excise Duty Allocation** sub screen
 - In **Type of Ref** field by default Tally.ERP 9 displays **Agst ref**
 - In **Name** field select the purchase **Bill - 2 dated 3-4-2008** from the List of Pending Tax Bills

- Select all the Items to adjust CENVAT Credit of **Rs. 690**



Observe All the CENVAT Duty Ledger balances are nullified and the ledger balances are displayed as Zero

15. Set the option **Provide Details** to **Yes** to view **Adjustment Details** screen

Accounting Voucher Creation		ABC Company	Ctrl + M
Journal	No. 1	Voucher Class : CENVAT Credit Adjustment	30-Apr-2008 Wednesday
Used for : CENVAT Adjustment			
Particulars	Debit	Credit	
Dr Basic Excise Duty @ 16% Cur Bal: 1,76,840.00 Cr	69,000.00		
Dr Education Cess @ 2% Cur Bal: 3,536.80 Cr	1,380.00		
Dr Secondary Education Cess @ 1% Cur Bal: 1,768.40 Cr	690.00		
Cr Basic Excise Duty (CENVAT) Cur Bal: 0.00 Cr		69,000.00	
Cr Education Cess (CENVAT) Cur Bal: 0.00 Cr		1,380.00	
Cr Secondary Education Cess (CENVAT) Cur Bal: 0.00 Cr		690.00	
Provide Details : Yes			
Narration:	71,070.00	71,070.00	

Figure 3.45 Journal Voucher

16. In **Adjustment Details** screen

- In **Period From and To** field enter the period for which the credit adjustment is done E.g. **From 1-4-2008 to 30-4-2008**.
- In **Excise Unit Name** field select the **Unit** as **ABC Company** from the **List of Excise Units** for which the credit adjustment is done.

Adjustment Details		ABC Company		Ctrl + M
Journal	No. 1	Voucher Class : CENVAT Credit Adjustment		30-Apr-2008 Wednesday
Used for : CENVAT Adjustment				
Particulars	Debit	Credit		
Dr Basic Excise Duty @ 16%	69,000.00			
Cur Bal: 1,76,840.00 Cr				
Dr Education Cess @ 2%	1,380.00			
Cur Bal: 3,536.80 Cr				
Dr Secondary Education Cess @ 1%	690.00			
Cur Bal: 1,768.40 Cr				
Cr Basic Excise Duty (CENVAT)		69,000.00		
Cur Bal: 0.00 Cr				
Cr Education Cess (CENVAT)		1,380.00		
Cur Bal: 0.00 Cr				
Cr Secondary Education Cess (CENVAT)		690.00		
Cur Bal: 0.00 Cr				
Provide Details : Yes				
Narration:		71,070.00	71,070.00	

Adjustment Details
for Excise

Period From : 1-Apr-2008 To 30-Apr-2008

Excise Unit Name : ABC Company

List of Excise Units

ABC Company	Manufacturer
-------------	--------------

Figure 3.46 Adjustment Details

17. Enter the **Narration**, if required

Accounting Voucher Creation		ABC Company		Ctrl + M
Journal	No. 1	Voucher Class : CENVAT Credit Adjustment		30-Apr-2008 Wednesday
Used for : CENVAT Adjustment				
Particulars	Debit	Credit		
Dr Basic Excise Duty @ 16%	69,000.00			
Cur Bal: 1,76,840.00 Cr				
Dr Education Cess @ 2%	1,380.00			
Cur Bal: 3,536.80 Cr				
Dr Secondary Education Cess @ 1%	690.00			
Cur Bal: 1,768.40 Cr				
Cr Basic Excise Duty (CENVAT)		69,000.00		
Cur Bal: 0.00 Cr				
Cr Education Cess (CENVAT)		1,380.00		
Cur Bal: 0.00 Cr				
Cr Secondary Education Cess (CENVAT)		690.00		
Cur Bal: 0.00 Cr				
Provide Details : Yes				
Narration:		71,070.00	71,070.00	

Accept ?

Yes or No

Figure 3.47 Journal Voucher

18. Press **Enter** to accept and save

3.9 Creating a Payment Voucher – GAR 7 Payment

To create a **Payment Voucher**

Go to **Gateway of Tally > Accounting Vouchers > F5: Payment**

In **F12: Configure (Payment Configuration)**

- ▢ Ensure **Use Single Entry mode for Pymt/Rcpt/Contra** is set to **Yes**

1. Enter the **Date** as **3-5-2008**
2. In **Account** field select Bank Ledger e.g. **SBI Bank** (use **Alt +C** to create the ledger with opening balance of Rs. 5,00,000)
3. Under **Particulars** select Excise Duty ledger - **Basic Excise Duty @ 16%** and press enter to view **Excise Duty Allocation** screen.
4. In **Excise Duty Allocation** screen select all the pending bills for the Payment of tax

Duty Details for : Basic Excise Duty @ 16%			
Type of Ref	Name	Amount	Dr/Cr
Agst Ref	ABCRule11Book1No49ABCNO1NO49	97,400.00	Dr
Agst Ref	ABCRule11Book1No49ABCNO2NO49	28,800.00	Dr
Agst Ref	ABCRule11Book1No49ABCNO2NO49	1,600.00	Dr
Agst Ref	ABCRule11Book1No49ABCNO2NO49	33,280.00	Dr
Agst Ref	ABCRule11Book1No49ABCNO3NO49	3,413.33	Dr
Agst Ref	ABCRule11Book1No49ABCNO3NO49	11,946.67	Dr
Agst Ref	ABCRule11Book1No49ABCNO4NO49	80.00	Dr
Agst Ref	ABCRule11Book1No49ABCNO4NO49	320.00	Dr
		1,76,840.00	Dr

Figure 3.48 Duty Details

5. **Amount** will be updated based on the **pending bills** selected in the **Excise Duty Allocation** screen.
6. Under **Particulars** select Excise Duty ledger - **Education Cess @ 2%**. In **Excise Duty Allocation** screen select all the pending bills for the Payment of tax
7. Under **Particulars** select Excise Duty ledger - **Secondary Education Cess @ 2%**. In **Excise Duty Allocation** screen select all the pending bills for the Payment of tax
8. Set the option **Provide Details** to **Yes** to view Payment Details screen.

Accounting Voucher Creation		ABC Company	Ctrl + M
Payment	No. 1		3-May-2008 Saturday
Account : SBI Bank Cur Bal: 3,17,854.80 Dr			
Particulars	Amount		
Basic Excise Duty @ 16% Cur Bal: 0.00 Dr	1,76,840.00		
Education Cess @ 2% Cur Bal: 0.00 Dr	3,536.80		
Secondary Education Cess @ 1% Cur Bal: 0.00 Dr	1,768.40		
Provide Details : Yes			
Narration:			1,82,145.20

Figure 3.49 Payment Voucher

9. In **Payment Details (for Excise)** screen

- ❑ In **Period From and To** field enter the period as **1-4-2008 to 30-4-2008**
- ❑ In **Excise Unit Name** field select **ABC Company** from the List of Excise Units
- ❑ In **Challan No.** field enter the **Bank Challan no. - 456423** used to pay the duty amount
- ❑ In **Challan Date** field enter the **date 3-5-2008** on which the duty is paid
- ❑ In **Bank Name** field enter the **Name of the Bank - SBI Bank** through which the payment is made.
- ❑ In **Cheque/Draft/Pay Order No.** field enter the Cheque Number - **552423**
- ❑ In **Cheque Date** field enter the cheque date as **3-5-2008**

Payment Details		ABC Company	Ctrl + M
Payment	No. 1		3-May-2008 Saturday
Account : SBI Bank Cur Bal: 3,17,854.80 Dr			
Particulars			Amount
Basic Excise Duty @ 16%			1,76,840.00
Cur Bal: 0.00 Dr			
Education Cess @ 2%			3,536.80
Cur Bal: 0.00 Dr			
Secondary Education Cess @ 1%			1,768.40
Cur Bal: 0.00 Dr			
Payment Details for Excise Period From : 1-Apr-2008 To 30-Apr-2008 Excise Unit Name : ABC Company Challan No. : 456423 Challan Date : 3-May-2008 Bank Name : SBI Bank Cheque/Draft/Pay Order No. : 552423 Cheque Date : 3-May-2008			
Provide Details	: Yes		
Narration:			1,82,145.20

Figure 3.50 Payment Details

10. In **Narration** filed the Cheque No. -**552423** entered in payment details will be displayed automatically

Accounting Voucher Creation		ABC Company	Ctrl + M
Payment	No. 1		3-May-2008 Saturday
Account : SBI Bank Cur Bal: 3,17,854.80 Dr			
Particulars	Amount		
Basic Excise Duty @ 16% Cur Bal: 0.00 Dr	1,76,840.00		
Education Cess @ 2% Cur Bal: 0.00 Dr	3,536.80		
Secondary Education Cess @ 1% Cur Bal: 0.00 Dr	1,768.40		
Provide Details : Yes			
Narration: Ch. No. :552423			
			Accept ? Yes or No

Figure 3.51 Payment Voucher

11.Press **Enter** to accept and save.

Printing G.A.R.–7 Challan

Press **Page Up** from the payment voucher to view the payment voucher entered on **3-5-2008**

Press **Alt +P** or click on **P: Print** button to view the **Voucher Printing** Screen

Voucher Printing			
Printer	: Adobe PDF (Ne02:)	Paper Type	: Letter
No. of Copies	: 1		
Print Language	: English		(Printing Dimensions)
Method	: Neat Mode	Paper Size	: (8.50" x 10.98") or (216 mm x 279 mm)
Page Range	: All	Print Area	: (8.50" x 10.98") or (216 mm x 279 mm)
Report Titles			
Payment Voucher			
(with Print Preview)			
Print G.A.R.-7 Challan : Yes			Print ? Yes or No

Figure 3.52 Voucher Printing

The option **Print G.A.R.–7 Challan** is by default set to **Yes**

Ensure that **Alt+I with Print Preview** is selected and press enter to view print preview of **G.A.R.–7 Challan**

For payments from April 2007 onwards		G.A.R.-7 Proforma for Central Excise Tax Payments		(Receipts & Payment Rules 26)												
Full Name	A B C C o m p a n y															
Complete Address	# 2 5 . E l e c t r o n i c C i t y P h a s e - l . B a n g a l o r e															
Telephone No.	0 8 0 - 5 5 6 4 7 2		Pincode 5 6 0 0 8 7													
Assessee Code No.	A A P C A 2 1 4 9 R X M 0 0 1															
Commissionerate Name	B a n g a l o r e l															
Commissionerate Code	0 9	Division Code	0 9	Range Code	0 9											
<table style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 40%; text-align: left;">Accounting Code of the Duty / Cess</th> <th style="width: 40%; text-align: left;">Amount Tendered in Rupees</th> <th style="width: 20%;"></th> </tr> <tr> <td>0 0 3 8 0 0 0 3</td> <td>1 7 6 8 4 0</td> <td rowspan="4" style="border: 1px solid black; vertical-align: middle; text-align: center; padding: 10px;">RECEIVING BANK BRANCH STAMP</td> </tr> <tr> <td>0 0 3 8 0 1 1 1</td> <td>3 5 3 6</td> </tr> <tr> <td>0 0 3 8 0 1 1 5</td> <td>1 7 6 8</td> </tr> <tr> <td style="text-align: right;">Total</td> <td>1 8 2 1 4 5</td> </tr> </table>					Accounting Code of the Duty / Cess	Amount Tendered in Rupees		0 0 3 8 0 0 0 3	1 7 6 8 4 0	RECEIVING BANK BRANCH STAMP	0 0 3 8 0 1 1 1	3 5 3 6	0 0 3 8 0 1 1 5	1 7 6 8	Total	1 8 2 1 4 5
Accounting Code of the Duty / Cess	Amount Tendered in Rupees															
0 0 3 8 0 0 0 3	1 7 6 8 4 0	RECEIVING BANK BRANCH STAMP														
0 0 3 8 0 1 1 1	3 5 3 6															
0 0 3 8 0 1 1 5	1 7 6 8															
Total	1 8 2 1 4 5															
(In words) Rupees One Lakh Eighty Two Thousand One Hundred Forty Five Only. tendered by Cash/Cheque/Draft/Pay Order No. 552423 Dated 3-May-2008 Drawn on SBI Bank Signature of the Tenderer with date																
<table style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 40%; text-align: left;">Accounting Code of the Duty / Cess</th> <th style="width: 40%; text-align: left;">Amount Tendered in Rupees</th> <th style="width: 20%;"></th> </tr> <tr> <td>0 0 3 8 0 0 0 3</td> <td>1 7 6 8 4 0</td> <td rowspan="4" style="border: 1px solid black; vertical-align: middle; text-align: center; padding: 10px;">RECEIVING BANK BRANCH STAMP</td> </tr> <tr> <td>0 0 3 8 0 1 1 1</td> <td>3 5 3 6</td> </tr> <tr> <td>0 0 3 8 0 1 1 5</td> <td>1 7 6 8</td> </tr> <tr> <td style="text-align: right;">Total</td> <td>1 8 2 1 4 5</td> </tr> </table>					Accounting Code of the Duty / Cess	Amount Tendered in Rupees		0 0 3 8 0 0 0 3	1 7 6 8 4 0	RECEIVING BANK BRANCH STAMP	0 0 3 8 0 1 1 1	3 5 3 6	0 0 3 8 0 1 1 5	1 7 6 8	Total	1 8 2 1 4 5
Accounting Code of the Duty / Cess	Amount Tendered in Rupees															
0 0 3 8 0 0 0 3	1 7 6 8 4 0	RECEIVING BANK BRANCH STAMP														
0 0 3 8 0 1 1 1	3 5 3 6															
0 0 3 8 0 1 1 5	1 7 6 8															
Total	1 8 2 1 4 5															
Received from Assessee Code No. A A P C A 2 1 4 9 R X M 0 0 1 (In words) Rupees One Lakh Eighty Two Thousand One Hundred Forty Five Only. By Cash/Cheque/Draft/Pay Order No. 552423 Dated 3-May-2008 Drawn on SBI Bank on account of Union Central Excise Duties as detailed in this taxpayer's counterfoil and on stamp affixed and signed therein.																

Figure 3.53 Print Preview – G.A.R.– 7

Lesson 4: Reports

4.1 Excise Reports

To view the Excise for manufacturer Reports

Go to **Gateway of Tally > Display > Statutory Reports > Excise Reports > Manufacturer**

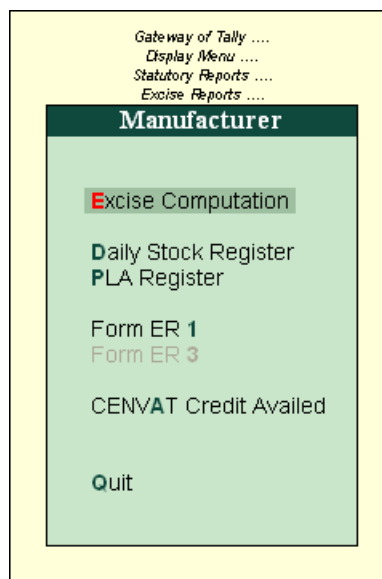


Figure 1.1 Excise Reports

The **Excise Reports** are

- ❑ Excise Computation
- ❑ Daily Stock Register
- ❑ PLA Register
- ❑ Form ER 1
- ❑ CENVAT Credit Register

4.1.1 Excise Computation

Excise Computation report displays complete information about excise transactions for a period.

Tally.ERP 9 provides a clear-cut presentation on how Excise is computed for a given period. It also provides a bird's eye view of all transaction related to Excise.

To view Excise Computation report

Go to **Gateway of Tally > Display > Statutory Reports > Excise Reports > Manufacturer > Excise Computation**

- Select the Excise Unit – **ABC Company**

If you have more than one manufacturing unit select the appropriate Excise Unit from the List of Excise Units for which you want to view the Excise Computation report

Figure 1.2 Select Item

Excise Computation report appears as shown

Excise Computation		ABC Company		Ctrl + M	
Particulars		ABC Company		1-Apr-2008 to 30-Apr-2008	
		Assessable Value	Duty Amount		
Excise Duty Payable					
A. Excise Sales					
Regular Rate		15,26,500.00	2,53,215.20		
Exempt					
Total Excise Sales (A)		15,26,500.00	2,53,215.20		
B. Payable from previous period					
Total Excise Duty Payable (A+B)			2,53,215.20		
C. Excise Duty Payments / Credit Adjustments					
G.A.R. 7 Payments			7,28,580.80		
Credit Adjustments			71,070.00		
Total Excise duty paid / Adjusted (C)			7,99,650.80		
Balance Excise Duty Payable ((A+B)-C)			5,46,435.60		
Other Charges					
Interest					
Penalty					
Total Other charges					
Balance Input Credit					
CENVAT Credit on Inputs					
CENVAT Credit on Capital Goods					
Service Tax Input Credit					

Figure 1.3 Excise Computation

Excise Computation report is divided into 3 sections

1. **Excise Duty Payable:** This section displays the details of Excise Sales, Payable from previous period and Excise Duty Payments/ Credit Adjustment.
 - **Excise Sales:** This section displays the details of
 - Excise sales at **regular rate**
 - **Exempt** excise Sales.
 - **Payable from previous period:** This field displays the duty amount payable from previous period.
 - **Excise Duty Payments/ Credit Adjustments:** This section displays the details of
 - **G.A.R. 7 Payments:** Displays the duty amount paid for the period using G.A.R. 7 Challan.
 - **Credit Adjustment:** Displays the output duty amount adjusted with CENVAT Credit for the period
2. **Other Charges:** This section displays the details of other charges such as Interest and Penalty amount paid during the period.
3. **Balance Input Credit:** This section displays the details of balance input credit.
 - **CENVAT Credit on Inputs:** This field displays the CENVAT Credit on Inputs
 - **CENVAT Credit on Capital Goods:** This field displays the CENVAT Credit on Capital Goods
 - **Service Tax Input Credit:** This field displays the Service Tax Input Credit.

4.1.2 Daily Stock Register

Daily Stock Register is a record of stock maintained on daily basis. A daily stock has to be maintained by every assessee. This report contains details about Description of goods manufactured/ produced, opening balance, Quantity manufactured or produced, Total quantity, Quantity removed, Assessable value, Amount of duty payable and details regarding amount of Duty actually paid.

To view **Daily Stock Register**

Go to **Gateway of Tally > Display > Statutory Reports> Excise Reports > Manufacturer > Daily Stock Register**

In Selected **Excise Unit** screen

- **Name of Excise Unit:** By default Tally.ERP 9 displays ABC Company

If you have more than one manufacturing unit select the appropriate Excise Unit from the List of Excise Units for which you want to view the Daily Stock Register

- | | | | | | |
|--|--|---------------------------------|--|---|--|
| Selected Excise Unit | | ABC Company | | Ctrl + M | |
| Current Period
14-2008 to 31-3-2009 | | Daily Stock Register | | List of Excise Stock Items | |
| Name of Excise Unit : ABC Company | | Name of Item : AquaPure – 1 Ltr | | AquaEase – 20 Ltr
AquaKing – 20 Ltr
AquaMini – 200 MI
AquaPure – 1 Ltr | |
| List of Selected Companies | | Date of Last Entry | | Gateway of Tax
Display Memo
Statutory Reports
Excise Report | |
| Name of Company | | 3-May-2008 | | Manufacturers | |
| ABC Company | | 3-May-2008 | | Excise Compu | |
| ABC Company | | No Vouchers Entered | | Daily Stock Register & Register | |
| ABC Companydu | | | | | |

You can select appropriate Stock item from the List of Excise Stock items to view the Daily Stock Register

Daily Stock Register									ABC Company	Ctrl + M [x]
Unit Name : ABC Company								1-Apr-2008 to 3-May-2008		
Stock Item : AquaPure – 1 Ltr										
Units : L Excise Tariff Classification : Water										
Date	Document Reference	Opening Balance	Quantity Manufactured	Total Quantity	Issued for Further Production u/n 67 / 95	Issued for repacking	Issued for Exempt / Export under Bond	Quantity Issued for Sales	Assessable Value	
5-Apr-2008	Stock Journal		2,00,000	2,00,000					5 more ... →	
10-Apr-2008	Excise - Sales / ABC/1001A08-09	2,00,000		2,00,000				1,00,000	10,40,000.00	
13-Apr-2008	Excise - Sales / ABC/1002A08-09	1,00,000		1,00,000				20,000	2,08,000.00	
Total			2,00,000	2,00,000				1,20,000	12,48,000.00	

From this report you can select any document reference to drill down to view the Inventory voucher alteration (secondary) screen.

Description of the fields in Daily Stock Register

1. **Unit Name:** Displays the Unit Name for Which the Daily Stock Register is displayed.
2. **Stock Item:** Displays the Stock Item - AquaPure - 1Ltr selected to view the Daily Stock Register
3. **Units:** Displays the Reporting UOM of the stock item
4. **Excise Tariff Classification:** Displays the Excise Tariff Classification of the Stock Item
5. **Date:** Displays the date of production, sales, sent for further production etc.
6. **Document Reference:** Displays the reference to production slip, sales invoice etc.
7. **Opening Balance:** Opening stock of the Item selected.
8. **Quantity Manufactured:** Displays the quantity manufactured
9. **Total Quantity:** Displays the total quantity (opening balance + quantity manufactured) of stock item.
10. **Issued for Further production u/n 67/95:** Displays the quantity of stock item issued for further production under notification number 67/95
11. **Issued for Repacking:** Displays the Quantity of Item which are issued for repacking
12. **Issued for Exempt/Export under Bond:** This field displays the quantity of Item which is issued for exempt or export sales.
13. **Quantity issued for sales:** This field displays the quantity issued for domestic sales
14. **Assessable value:** This field displays the assessable value on which the duty is calculated
15. **Excise Duty:** This field displays the Excise duty amount
16. **Education Cess:** Displays the Education Cess amount
17. **Secondary Education Cess:** Displays the Secondary Education Cess amount
18. **Balance Quantity:** This field displays the Balance Quantity of stock Item.
19. **Excise Notification:** Displays the Excise Notification Number entered in case of Exempt, Export or any notification issued by the excise department.

4.1.3 PLA Register

Personal Ledger Account (PLA) is an account current through which Assessee pays the Duty to the Government. The PLA register is credited when the duty is liable to pay and when the Duty is discharged (by CENVAT Credit /Payment) the PLA register will be debited. The Duty Payable if any will be displayed as Balance. PLA and CENVAT Credit should be used only for payment of excise duty and not for any other payments like rent, fines, penalties etc.

To view the **PLA Register**

Go to **Gateway of Tally > Display > Statutory Reports > Excise Reports > Manufacturer > PLA Register**

In **Select Item** screen

- ▣ Select the Excise Unit – **ABC Company** from the List of Excise Units

If you have more than one manufacturing unit select the appropriate Excise Unit from the List of Excise Units for which you want to view the PLA Register.

The **PLA Register** appears as shown

PLA Register						
ABC Company						
Excise Unit Name : ABC Company						
1-Apr-2008 to 30-Apr-2008						
Particulars of Credit/debit Document Description of Documents With name of treasury Where necessary	Document No and Date	Central Excise Tariff Sub-heading Number	ECC No. of the Buyer	Basic Excise Duty		
				Credit	Debit	Balance
Excise - Sales	ABC/1001/08-09 / 10-Apr-2008	Water	AACCL001430001	1,66,400.00		1,66,400.00
Excise - Sales	ABC/1002/08-09 / 13-Apr-2008	Water	AACCL001430001	63,660.00		2,30,060.00
Excise - Sales	ABC/1003/08-09 / 14-Apr-2008	Water	AACCL001430001	15,360.00		2,45,420.00
Excise - Debit Note	ABC/1004/08-09 / 15-Apr-2008	Plastic Bottles	AGDRE147A9002	400.00		2,45,820.00
Journal	1 / 30-Apr-2008	Pet Bottle Caps			69,000.00	1,76,820.00

Figure 1.6 PLA Register

Description of the fields in PLA Register

- Particulars of Credit/Debit Document / Description of Documents With name of treasury Where necessary:** This field displays the description of the documents (invoices)
- No. and Date:** This field displays the invoice (document) number and date of the invoice.
- Central Excise Tariff Sub-heading Number:** Displays the tariff classification number of the Stock item.
- ECC no. of the Buyer:** Displays the Excise Control Code of the buyer.
- Basic Excise Duty:** Displays the Credit, Debit and Balance duty amount.
- Education Cess:** Displays the Credit, Debit and Balance Education Cess amount.
- Secondary Education Cess:** Displays the Credit, Debit and Balance secondary Education Cess amount.

4.1.4 Form ER 1

Form ER 1 is a monthly return for production, removal of Goods, other relevant particulars and CENVAT Credit.

All the Excise Manufacturing (Regular/Large Tax payer) Units should file returns in **Form ER 1**.

You can generate **Form ER 1** in Tally.ERP 9. To view Form ER 1

Go to **Gateway of Tally > Display > Statutory Reports > Excise Reports > Manufacturer > Form ER 1**

- From the List of Excise Units select the Excise Unit – **ABC Company** (for which you want to print ER 1)

The **Excise ER1 Print Configuration** screen appears as shown

Printer	: (Ne00:)	Paper Type	: Letter
No. of Copies	: 1		
Print Language	: English		(Printing Dimensions)
Method	: Neat Mode	Paper Size	: (8.50" x 10.98") or (216 mm x 279 mm)
Page Range	: All	Print Area	: (8.03" x 10.63") or (204 mm x 270 mm)
Report Titles			
Form ER 1			
(with Print Preview)			
From (blank for beginning)		: 1-4-2008	
To (blank for end)		: 30-4-2008	
Place		: Bangalore	
Date		: 30-4-2008	
Assessee Name		: ABC COMPANY	

Figure 1.7 Print Configuration

- Press **Backspace** to set the **From Date** and **To Date** to take the print of **Form ER 1** for appropriate period
- Ensure **Alt +I: Print Preview** is selected.

The **Print Preview of Form ER 1** appears as shown

ANNEXURE-12							
Monthly return for production and removal of goods and other relevant particulars and CENVAT credit							
Form E.R.-1							
							Original/Duplicate
[See rule 12 of the Central Excise Rules, 2002 and rule 9(7) of CENVAT Credit Rules, 2004]							MM YYYY
Return of excisable goods and availment of CENVAT credit for the Month							04 2008
Large Taxpayer Unit opted for (name of the city)*:-							
1. Registration number :-				AAPCA2149RXM001			
2. Name of the Assessee :-				ABC Company			
3. Details of the manufacture, clearance and duty payable:-							
CETSH NO.	Description of goods	Unit of quantity	Opening balance	Quantity manufactured	Quantity cleared	Closing balance	Assessable Value (Rs.)
(1)	(2)	(3)	(3A)	(4)	(5)	(5A)	(6)
22011010	Water	L		3,42,000	2,04,800	1,37,200	15,24,800.00
Duty	Notification availed	Serial number in Notification	Rate of duty (adv)	Rate of duty (specific)	Duty Payable	Provisional assessment number (if any)	
(7)	(8)	(9)	(10)	(11)	(12)	(13)	
Basic Excise Duty					2,45,440.00		
Education Cess					4,908.80		
Secondary Education Cess					2,454.40		
4. Clearance details of inter unit transfer of intermediate goods without payment of duty under sub-rule (1) of rule 12BB*:-							
Registration number of the recipient unit	Name and address of the recipient premises	CETSH NO	Description of goods sent	Unit of Quantity	Quantity cleared		
(1)	(2)	(3)	(4)	(5)	(6)		
5. Receipt details of intermediate goods received from other premises under sub-rule (1) of rule 12BB*:-							
Registration number of sender premises	Name and address of the sender premises	CETSH NO	Description of goods received	Unit of Quantity	Quantity received		
(1)	(2)	(3)	(4)	(5)	(6)		
6. Details of duty paid on excisable goods:-							
Duty Code	Credit Account (Rs.)	Account Current (Rs.)	Challan		BSR code	Total duty paid (2+3)	
			No.	Date			
(1)	(2)	(3)	(4A)	(4B)	(5)	(6)	
			456423	3-May-2008			

Figure 1.8 Form ER 1 – Page 1

7. Abstract of ACCOUNT-CURRENT (Cash payment):-

Summary particulars	Amount in Rs.
(1)	(2)
Opening Balance	
Add: TR-6/GAR-7 Challan payments made in the month (in aggregate)	7,28,580.80
Add*: Adjustment of the excess duty paid during previous period under sub-rule(2) of rule 12BB (in case of LT)	
Total amount available	7,28,580.80
Less: Utilization towards Payment of duties on excisable goods during the month [vide Details furnished under col.no. 3 in Sl.No. (6) of the Return]	7,28,580.80
Less: Utilization towards Other Payments made during the month [vide Details furnished under Sl.No. (9) of the Return]	
Closing balance	

8. Details of CENVAT credit taken and utilised:-

Sl. No.	Details of credit	CENVAT (Rs.)	AED (TTA) (Rs.)	NCCD (Rs.)	ADE levied under clause 85 of Finance Act, 2005 (Rs.)	Additional duty of customs levied under section 3 (5) of the Customs Tariff Act, 1975	Education Cess on excisable goods (Rs.)	Secondary and Higher Education Cess on Excisable goods (Rs.)	Service Tax (Rs.)	Education Cess on taxable services (Rs.)	Secondary and Higher Education Cess on taxable services (Rs.)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
1	Opening balance										
2	Credit taken on inputs on invoices issued by manufacturers	69,000.00					1,380.00	690.00			
3	Credit taken on inputs on invoices issued by Ist or IInd stage dealers										
4	Credit taken on imported inputs										
5	Credit taken on capital goods on invoices issued by manufacturers or by Ist or IInd stage dealers										

Figure 1.9 Form ER 1 – Page 2

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
6	Credit taken on imported capital goods										
7	Credit taken on input services										
8	Credit taken from inter-unit transfer of credit by a large taxpayer										
9	Credit taken under sub-rule (2) of rule 12BB of Central Excise Rules, 2002*										
10	Total credit available							690.00			
11	Credit utilised for payment of duty on goods										
12	Credit utilised when inputs or capital goods are removed as such										
13	Credit utilised for payment of amount in terms of Rule 6 of CENVAT Credit Rules, 2004.										
14	Credit utilised for other payment										
15	Credit utilised for payment of tax on services										
16	Credit utilised towards inter unit transfer of credit by a large taxpayer*										
17	Closing balance							690.00			

Figure 1.10 Form ER 1 – Page 3

9. Details of other payments made:-

Payments	Amount paid (Rs.)		Challan		BSR code	Source document	
	Account current	Credit Account	No.	Date		No.	date
(1)	(2A)	(2B)	(3A)	(3B)	(4)	(5A)	(5B)
Arrears of duty under rule 8			456423	3-May-2008			
Other arrears of duty							
Interest payment under rule 8							
Other interest payments							
Misc. payments							
[Total]							

10. Self-Assessment Memorandum:-

(a) I hereby declare that the information given in this return is true, correct and complete in every respect and that I am authorised to sign on behalf of the assessee.

(b) During the month, total Rs. _____ was deposited vide TR-6 Challans (copies enclosed).

(c) During the month, invoices bearing S.No. _____ to _____ were issued.

(d) During the month, transfer challans under rule 12BB of the Central Excise Rules, 2002 bearing S.No. _____ to _____, and transfer challan under rule 12A of the CENVAT Credit Rules, 2004 bearing S.No. _____ to _____ were issued.*

ABC COMPANY
(Authorised signatory)

Place : **Bangalore**
Date : **30-Apr-2008**

*Applicable only for large taxpayers defined under Rule 2(ea) of the Central Excise Rule, 2002 and who has opted to operate as Large Taxpayer.

ACKNOWLEDGMENT

	MM YYYY
Return of excisable goods and availment of CENVAT credit for the month of	04 2008

	DD MM YYYY
Date of Receipt	30 04 2008

Figure 1.11 Form ER 1 – Page 4

Field Description of Form ER 1:

Return of excisable goods and availment of CENVAT credit for the month: Displays the Month and Year of the return.

Large Taxpayer Unit opted for (name of the city): This field displays the name of the city which is opted by the manufacturing unit as Large Tax payer unit.

1. **Registration Number:** This field displays the Registration Number of the Manufacturing Unit
2. **Name of the Assessee:** In this filed Name of the Excise Unit will be captured.
3. **Details of the manufacture, clearance and Duty payable:** This section displays details of manufacture, clearance of stock and duty payable on clearance of goods.
 - **CETSH No. –** Display the Central Excise Tariff Sub Heading Number of the Stock item.

- **Description of the goods:** Displays the Tariff Classification of the stock Item as selected in the stock Item.
 - **Unit of Quantity:** Displays the Unit of Measure (Reporting UOM) of the Stock Item.
 - **Opening Balance:** Displays the opening stock balance for the period selected.
 - **Quantity Manufactured:** Displays the Quantity of Stock Item manufactured during the period.
 - **Quantity Cleared:** Displays the Quantity of Stock Item cleared during the period.
 - **Closing Balance:** Displays the closing balance of the stock item for the period.
 - **Assessable Value:** Displays the Assessable Value of the stock Item on which the duty is calculated.
 - **Duty:** Displays the Duty Type applicable for the Tariff Classification.
 - **Notification Availed:** Displays the Notification Number, if the assessee has any notification received towards tariff classification regarding duty exemption, special rates etc.
 - **Serial Number in Notification:** Displays the line number of the tariff classification in the notification.
4. **Duty Payable:** Displays the total Duty payable for the period
 5. **Clearance details of inter unit transfer of intermediate goods without payment of Duty under sub-rule (1) of rule 12BB:** This section captures the details of inter unit transfer of intermediate goods without payment of goods.
 6. **Receipt details of intermediate goods received from other premises under sub-rule (1) of rule 12BB:** This section captures receipt details of intermediate goods received from other premises.
 - **Details of duty paid on excisable goods:** Displays the details of duty paid during the period.
 - **Duty Code:** Displays the Duty code towards which the duty is paid.
 - **Credit Account:** Displays the CENVAT credit amount adjusted for the period
 - **Account Current:** Displays the duty amount paid for the period using G.A.R. 7 Challan.
 - **Challan No and Date:** Displays the Challan Number and Date of Payment of duty.
 - **BSR Code:** Displays the BSR code of the bank through which the duty is paid.
 - **Total Duty paid:** Displays the total of CENVAT Credit availed and the net Duty paid for the period.
 7. **Abstract of ACCOUNT-CURRENT (Cash Payment):** This section Captures the details of all the payments made during the period using G.A.R.7 Challan
 8. **Details of CENVAT credit taken and utilised:** This section captures the details of CENVAT credit taken and utilised during the period.
 9. **Details of other payment made:** This section captures the details of other payments such as arrears, penalty, interest and miscellaneous payments paid during the period.
 10. **Self-Assessment memorandum:** In this section assessee will declare the required details, Name of Assessee or Authorised signatory, place and Date.
 11. **ACKNOWLEDGMENT:** This will be returned to the assessee, which will be sealed and signed by the by the Range officer.

4.1.5 CENVAT Credit Availed

CENVAT Credit Availed report displays the details of CENVAT credit availed of Principal Input or Capital Goods.

To view **CENVAT Credit Availed** report

Go to **Gateway of Tally > Display > Statutory Reports > Excise Reports > Manufacturer > CENVAT Credit Availed**

In Selected **Excise Unit** screen

- **Name of Excise Unit:** By default Tally.ERP 9 displays **ABC Company**

If you have more than one manufacturing unit select the appropriate Excise Unit from the List of Excise Units for which you want to view the CENVAT Credit Availed report.

- **Name of Item:** Select **Principal Input** from the **Type of Stock Items**.

You can select **Principal Input** or **Capital Goods** from the Type of Stock items to view the CENVAT Credit Availed report.

Selected Excise Unit		ABC Company		Ctrl + M	
Current Period 1-4-2008 to 31-3-2009		CENVAT Credit Availed		List of Item Types	
Name of Excise Unit : ABC Company		Name of Excise Unit : ABC Company		Capital Goods	
Stock Item Type : Principal Input		Stock Item Type : Principal Input		Principal Input	
List of Selected Companies		Date of Last Entry			
Name of Company		3-May-2008			
ABC Company		3-May-2008			
ABC Company		3-May-2008			
ABC Companydu		No Vouchers Entered			

Figure 1.12 Selected Excise Unit

CENVAT Credit Availed report appears as shown

CENVAT Credit Availed						
ABC Company						
Excise Unit Name : ABC Company						
Stock Item Type : Principal Input						
1-Apr-2008 to 3-May-2008						
Date of Entry	Invoice / Adj Reference	Type of Document	Supplier Name	Supplier ECC No.	Assessable Value	Basic Excise Duty
						2 more ...
3-Apr-2008	LM/243	Excise - Purchases	Lanco Manufacturers	AGDRE1457AXM002	4,31,250.00 Dr	69,000.00 Dr
30-Apr-2008	1	Journal				2,76,000.00 Cr
			Balance			2,76,000.00 Cr
						2,07,000.00 Cr
			Total Cenvat			69,000.00 Dr
			Total Adjusted			2,76,000.00 Cr
			Balance			2,07,000.00 Cr

Figure 1.13 CENVAT Credit Availed

Description of the Columns in CENVAT Credit Availed report

- Excise Unit Name:** Displays the Unit Name for Which the CENVAT Credit Availed report is displayed.
- Stock Item Type:** Displays the Type of Stock Item selected to view the CENVAT Credit Availed report.
- Date of Entry:** Date of Entry of Transaction
- Inv/Adj Reference:** Invoice Number is displayed
- Type of Document:** This field displays the Type of Document
- Supplier Name:** This field displays the Name of the Supplier
- Supplier ECC No.:** Displays the Suppliers ECC No
- Assessable Value:** The Total value of the product on which the Duty is calculated
- Basic Excise Duty:** Basic Excise duty amount is displayed in this field
- Education Cess:** Education Cess amount is displayed in this field
- Sec Ed Cess:** Secondary education Cess amount is displayed in this field