



POWER OF SIMPLICITY

Implementation of Excise for Manufacturers in Tally.ERP 9

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Version: Implementation of Excise for Manufacturers in Tally.ERP 9/1.0/September 2009

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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-7Challans 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 (PMT)	Excise	on BED + SED
NCCD	Excise	on BED + SED + AED (GSI)
Special AED	Excise	on Quantity
AED on HSD (High Speed Diesel)	Excise	on Quantity
Educational Cess	Excise	On Total Excise Duty
Secondary Education Cess	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 (PMT) 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 HSD (High Speed Diesel) of CVD	CVD	on Quantity
Educational Cess on CVD	CVD	On Total CVD
Secondary Education Cess on CVD	CVD	On Total CVD

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

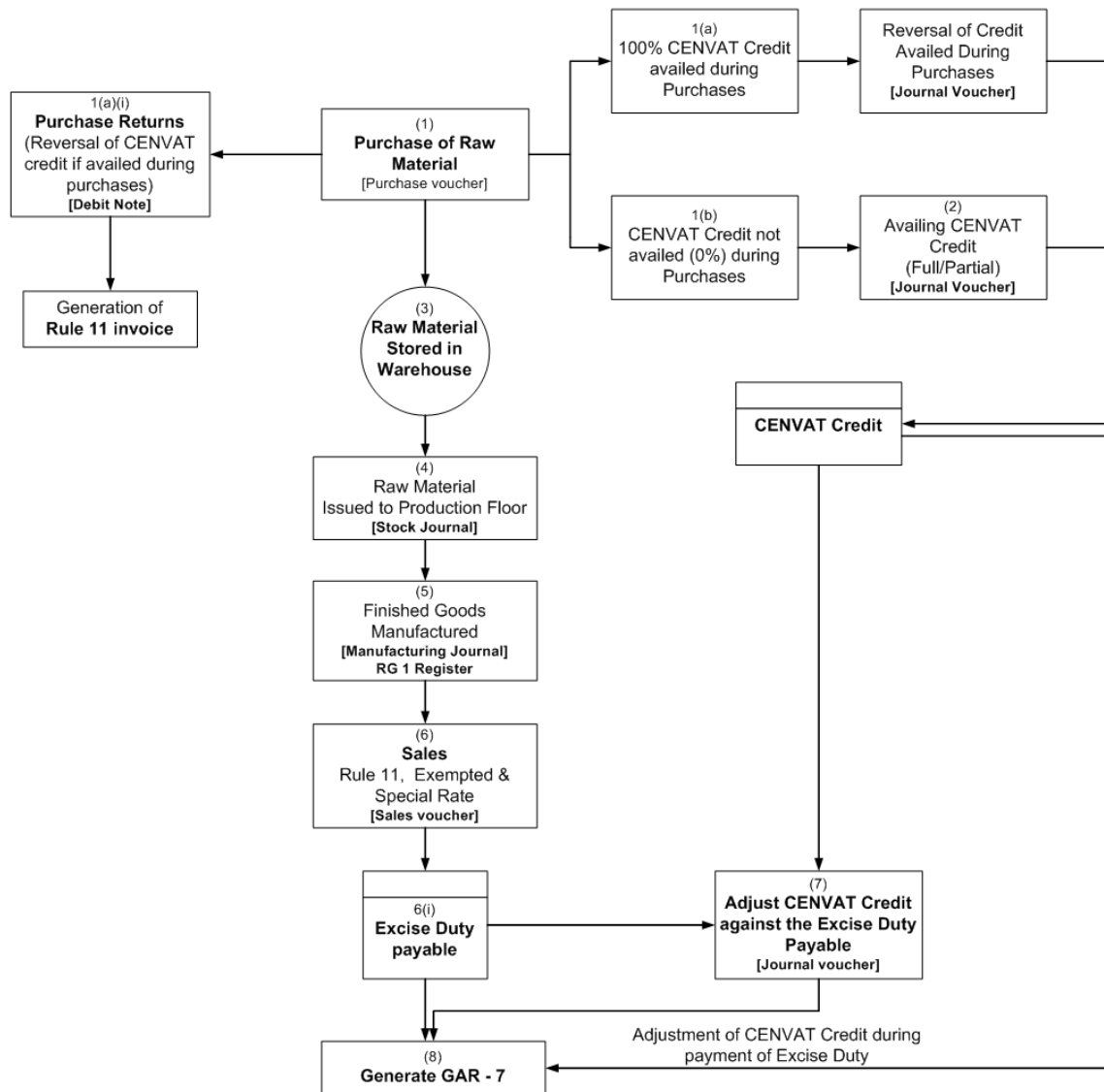
Form No.	Particulars	Periodicity	Due Date
ER-1	Monthly Return by Assesses who are not availing the concession of duty based on turnover (large units) (e>Returns)	Monthly	On or before 10th of the following month
	Monthly Return by Assessee who are neither Large Units nor availing concession of duty based 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
- ❑ Generate RG 23 Part II Reports for Inputs and Capital Goods
- ❑ Generate Annexure -10 and Abstract reports

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

It takes a one-time configuration in Tally.ERP 9 for Excise features to be activated. Follow the steps given below to enable excise in Tally.ERP 9 for a new company, Aqua Ltd.

1. Create Company
2. Enable Excise

Universal Ltd, is a Company – Resident, which is engaged Manufacture of Packed Drinking Water.

Step 1: Create Company

Go to **Gateway of Tally > Alt + F3: Company Info. > Create Company**

In the **Company Creation** screen,

- ❑ Specify **Aqua Ltd.** as the **Company Name** and **Address details**
- ❑ Select **India** in the **Statutory Compliance for** field
- ❑ Specify the **State, Pin code & Accounts with Inventory** details

The Completed **Company Creation** screen appears as shown

Company Creation		Ctrl + M	
Directory	: C:\Manufacturer		
Name	: Aqua Ltd.		
Mailing & Contact Details		Company Details	
Mailing Name	: Aqua Ltd.	Currency Symbol	: Rs.
Address	: # 55 Koramangala Industrial Area Bangalore	Maintain	: Accounts with Inventory
		Financial Year from	: 1-4-2009
		Books beginning from	: 1-4-2009
		Security Control	
Statutory compliance for	: India	TallyVault Password (if any)	:
State	: Karnataka	Repeat Password	:
PIN Code	: 560064	(WARNING: forgetting your TallyVault password will render your data unusable!)	
Telephone No.	: 080-55647825	Use Security Control	: ? No
Mobile No.	:	(Enable Security to avail Tally.NET Features)	
E-Mail	: mfg@aqua.com		
Base Currency Information			
Base Currency Symbol	: Rs.	Show Amounts in Millions	: ? No
Formal Name	: Indian Rupees	Put a SPACE between Amount and Symbol	: ? Yes
Number of Decimal Places	: 2	Decimal Places for Printing Amounts in V	:
Is Symbol SUFFIXED to Amounts ?	: No		
Symbol for Decimal Portion	: paise		
		Accept ?	
		Yes or No	

Figure 1.1 Completed Company Creation Screen



For complete details on **Company Creation** refer **Tally.ERP 9 Help**, topic **Creating Company in Tally.ERP 9**

1.2 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: **Aqua Ltd.**

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
		Set/Alter TCS Details	? No
Follow Excise rules for Invoicing	? No	Enable Fringe Benefit Tax (FBT)	? No
Enable Value Added Tax (VAT)	? No	Set/Alter FBT Details	? No
Set/Alter VAT 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 1.2 Enabling Excise

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

Excise Registration Details Ctrl + M

Company: **Aqua Ltd.**

Registration Types

Registration Type : **Dealer**

Address : # 55

PIN Code : 560064

Telephone No. : 080-55647825

Excise Details
(Dealer Unit)

Unit Mailing Name : **Aqua Ltd.**
(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 1.3 Excise Registration Details Screen

3. **Registration Type:** Select Manufacturer from Registration Types list
4. **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.
5. **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. **AAPCL2149RXM001**
- **Date of Registration:** Enter the date of Excise registration, e.g. **10-4-2001**
- **Type of Manufacturer:** select the appropriate **Manufacturer Type** from the list of Types of Manufacturer, e.g. Regular

Excise Registration Details		Aqua Ltd.		Ctrl + M
Excise Registration Details				
Registration Type	:	Manufacturer		
Address	:	# 55 Koramangala Industrial Area Bangalore		
PIN Code	:	560064		
Telephone No.	:	080-55647825		
Excise Details (Manufacturer Unit)				
Unit Mailing Name (Will be used in all Excise Reports)	:	Aqua Ltd.		
Excise Registration (ECC) No.	:	AAPCL2149RXM001		
Date of Registration	:	10-Apr-2001		
Type of Manufacturer	:	Regular Types of Manufacturer Regular Small Scale Industries (SSI)		
Large Tax payer Unit (LTU) Code	:			
Excise Book Name (as per Rule 11)	:			
Other Details				
Range		Division		Commissionerate
Code	:	Code	:	Code
Name	:	Name	:	Name
Address	:	Address	:	Address

Figure 1.4 Selection of Type of Manufacturer

- **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)				Aqua Ltd.	
Name		[REDACTED]			
(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
1-Apr-2008	1	Yearly	1-Apr-2008		1-Apr-2008

Figure 1.5 Serial Number Alteration Screen

- **Name:** Enter the excise invoice book name allowed by the Commissioner of Central Excise for the company/unit, e.g. **Aqua/Rule11/Book1/09-10**
Aqua - 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
09-10: 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. **101**
- **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 **101** 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 **1-4-2009** 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. **Aqua/**
- **Suffix Details:** Here enter the information to be suffixed with voucher number
Applicable From: Enter **1-4-2009** 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. **/09-10**



*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)				Aqua Ltd.	
Name : Aqua/Rule11/Book1/09-10					
(alias) :					
Method of Numbering		? Automatic (Manual Override)			
Prevent Duplicates		? Yes			
Starting Number		? 101			
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-2009	101	Yearly	1-Apr-2009	Aqua/	1-Apr-2009
					/09-10
					Accept ?
					Yes or No

Figure 1.6 completed Serial Number Alteration Screen

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.*

6. 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 **090208**
 - **Name:** Enter Range Name as **kormangala**
 - **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 **0902**
 - Name: Enter Division Name as **Division II**
 - 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		Aqua Ltd.		Ctrl + M
<u>Excise Registration Details</u>				
Registration Type	: Manufacturer			
Address	: #55 Koramangala Industrial Area Bangalore			
PIN Code	: 560064			
Telephone No.	: 080-55647825			
<u>Excise Details</u> (Manufacturer Unit)				
Unit Mailing Name (Will be used in all Excise Reports)	: Aqua Ltd.			
Excise Registration (ECC) No.	: AAPCL2149RXM001			
Date of Registration	: 10-Apr-2001			
Type of Manufacturer	: Regular			
Large Tax payer Unit (LTU) Code	:			
Excise Book Name (as per Rule 11)	: Aqua/Rule11/Book1/09-10			
<u>Other Details</u>				
<u>Range</u>		<u>Division</u>		<u>Commissionerate</u>
Code : 090208		Code : 0902		Code : 09
Name : Koramangala		Name : Division II		Name : Bangalore I
Address : 6th Floor, A Wing, Kendriya Sadan, Koramangala, Bangalore Urban-560034		Address : 7th Floor, C Wing, Kendriya Sadan, Koramangala, Bangalore Urban-560034		Address : P.B.No.5400, Queens Road, C.R. Building, Bangalore GPO Bangalore Urban -560001

Figure 1.7 Completed Excise Registration Details

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

1.2.1 Enabling VAT

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

8. Set the option **Enable Value Added Tax (VAT)** to **Yes**

9. Enable the option **Set/Alter VAT Details** to **Yes**

10. Specify the **Company VAT Details** as shown below

<u>VAT Details</u>	
State	: Karnataka
Type of Dealer	? Regular
Regular VAT Applicable From	: 1-4-2009
<u>Additional Information</u>	
LVO/VSO Code	: 15
Authorised Person	: Pramod
Status / Designation	: Manager
Place	: Bangalore

Figure 1.8 VAT Details screen

1.2.2 Tax Information

11. Enter VAT TIN e.g. **11004578123**

12. Enter Inter-state Sales Tax Number e.g. **42514878245**

13. Enter Company's PAN / Income - Tax No. e.g. **AAPCL2149R**

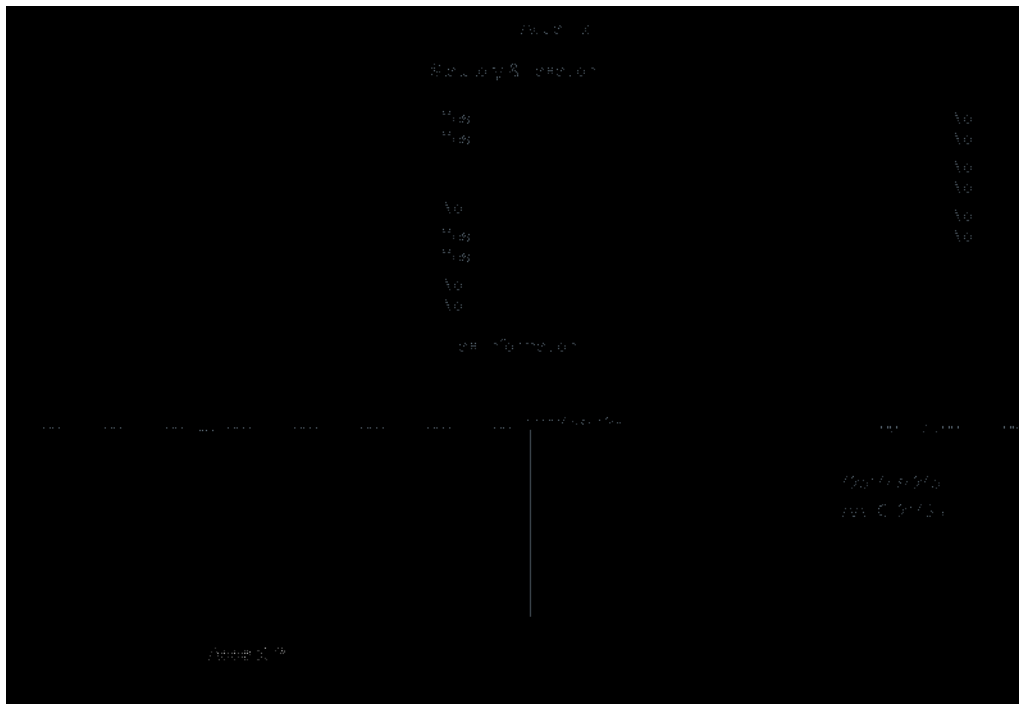


Figure 1.9 Statutory & Taxation features Screen

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		Aqua Ltd.		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 Sales Tax No. : 51102140584 Set/Alter Excise Details ? Yes		
Opening Balance (on 1-Apr-2009) :				

Figure 2.1 Customer 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 Aqua Ltd. Ctrl + M

Name : Universal Distributors
(alias) :

Total Op. Bal. :

Under : Sundry Debtors
(Current Assets)

Mailing Details
Name : Universal Distributors
Address : No.54
Jai Bharat Industrial Area
Yeshwanthpur
Bangalore
Karnataka
560022

Maintain balances bill-by-bill ?
Default Credit Period :
Inventory values are affected ?

Excise Details

Excise Registration (ECC) No. : AACCL0014CXD001
Date of Registration : 20-Jul-2004
Range : Yeshwanthpur II
Division : Yeshwanthpur
Commissionerate : Bangalore III
Default Nature of Purchase : I Not Applicable
Nature of Removal : Domestic

Types of Removal

Domestic
Exempt
Export
Special Rate

Opening Balance (on 1-Apr-2009) :

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		Aqua Ltd.		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	
0014C		PAN / IT No.	: AACCL	
40584		Sales Tax No.	: 511021	
		Set/Alter Excise Details	? Yes	
Accept ? Yes or No		Opening Balance (on 1-Apr-2009) :		

Figure 2.3 Completed Customer Ledger Creation screen

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		Aqua Ltd.	Ctrl.
Name	: Swastik Water Suppliers		Total Op. Bal.

Figure 2.4 Supplier 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		Aqua Ltd.		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 Creditors	Name	:																		
	(Current Liabilities)	Address	:																		
Maintain balances bill-by-bill	?																				
Default Credit Period	:																				
Inventory values are affected	?																				
<table border="1"> <thead> <tr> <th colspan="2">Excise Details</th> </tr> </thead> <tbody> <tr> <td>Excise Registration (ECC) No.</td> <td>: AESDE3210NXM001</td> </tr> <tr> <td>Date of Registration</td> <td>: 15-May-1999</td> </tr> <tr> <td>Range</td> <td>: National Park</td> </tr> <tr> <td>Division</td> <td>: Bangalore II</td> </tr> <tr> <td>Commissionerate</td> <td>: Bangalore I</td> </tr> <tr> <td>Default Nature of Purchase</td> <td>: Manufacturer</td> </tr> <tr> <td>Nature of Removal</td> <td>: Domestic</td> </tr> </tbody> </table>						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
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-2009) :																					

Figure 2.5 Excise Details screen

- 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 Completed Supplier Ledger screen

2.3 Creating a Sales Ledger

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

- 28

Ledger Creation		Aqua Ltd.
Name : Sales @ 12.5%		Total Op. Bal.
(alias) :		
Under : Sales Accounts		
Inventory values are affected	? Yes	
Statutory Information		
Used In VAT Returns	? Yes	
Use for Assessable Value Calculation	? No	
Opening Balance (on 1-Apr-2009) :		

Figure 2.7 Sales Ledger Creation

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

VAT/Tax Class		Aqua Ltd.	Ctrl + M
Name : Sales @ 12.5%		Total Op. Bal.	
(alias) :			
Under : Sales Accounts			
Inventory values are affected	? Yes		
Statutory Information			
Used In VAT Returns	? Yes		
Use for Assessable Value Calculation	? No		
Opening Balance			

VAT/Tax Class		
Particulars	Activated From	Deactivated From
Not Applicable		
Consignment/Branch Transfer Outward		
Consignment/Branch Transfer Outward (Within State)		
Exports		
Inter-State Sales		
Other Exempt Sales		
Sales @ 1%		
Sales @ 12.5%	1-Apr-2009	
Sales @ 2%		
Sales @ 20%		
Sales @ 4%		
Sales - Exempt		

2 more ...

Figure 2.8 VAT/Tax Class Selection

6. Set the option **Use for Assessable Value Calculation** to **No**.

Ledger Creation		Aqua Ltd.
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		
Use for Assessable Value Calculation ? No		
Opening Balance (on 1-Apr-2009) :		Accept ?
		Yes or No

Figure 2.9 Sales Ledger

7. 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		Aqua Ltd.
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	
Use for Assessable Value Calculation	? No	
Opening Balance (on 1-Apr-2009) :		

Figure 2.10 Purchase Ledger Creation

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

VAT/Tax Class Aqua Ltd. Ctrl + M

Name : Purchase of Raw Materials
(alias) :

Under : Purchase Accounts

Inventory values are affected ? Yes

Statutory Information

Used In VAT Returns ? Yes

Use for Assessable Value Calculation ? No

Opening Balance

VAT/Tax Class

Purchases @ 4%

VAT/TAX Class

Particulars	Activated From	Deactivated From
Not Applicable		
Consignment/Branch Transfer Inward		
Imports		
Inter-State Purchases		
Purchases @ 1%		
Purchases @ 12.5%		
Purchases @ 2%		1-Apr-2009
Purchases @ 20%		
Purchases @ 4%		
Purchases - Capital Goods @ 12.5%		
Purchases - Capital Goods @ 4%		
Purchases - Exempt		

3 more ...

Figure 2.11 VAT/Tax Class

6. Set the option **Use for Assessable Value Calculation** to **No**.

Ledger Creation Aqua Ltd.

Name : Purchase of Raw Materials
(alias) :

Under : Purchase Accounts

Inventory values are affected ? Yes

Statutory Information

Used In VAT Returns ? Yes

Use for Assessable Value Calculation ? No

Opening Balance (on 1-Apr-2009) :

Accept ?
Yes or No

Figure 2.12 Purchase Ledger

7. 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		Aqua Ltd.	Ctrl + M
Name : Input VAT @ 4%		Total Op. Bal.	
(alias) :			
Under : Duties & Taxes (Current Liabilities)			
Type of Duty/Tax : VAT			
VAT/Tax Class : Input VAT @ 4%			
Percentage of Calculation	VAT/TAX Class		
Method of Calculation	Particulars	Activated From	Deactivated From
Rounding Method	Not Applicable		
	Input VAT @ 1%		
	Input VAT @ 12.5%		
	Input VAT @ 2%	1-Apr-2009	
	Input VAT @ 20%		
	Input VAT @ 4%		
	Output VAT @ 1%		
	Output VAT @ 12.5%		
	Output VAT @ 2%	1-Apr-2009	
	Output VAT @ 20%		
	Output VAT @ 4%		
	Purchases - Capital Goods @ 12.5%		
	Purchases - Capital Goods @ 4%		
Open			

Gateway of Tally ...

Accounts Info. ...

Ledgers

Single Ledger

Create

Display

Alter

Multiple Ledgers

Create

Display

Alter

Quit

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 **Normal Rounding** in **Rounding Method** field and set **Rounding Limit** to **1**.

Ledger Creation		Aqua Ltd.
Name	: Input VAT @ 4%	Total Op. Bal.
(alias)	:	
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	: Normal Rounding	
Rounding Limit	: 1	
Opening Balance (on 1-Apr-2009) :		Accept ? Yes or No

Figure 2.14 Completed Input VAT Ledger Creation screen

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 Aqua Ltd. Ctrl + M

Name : **Output VAT @ 12.5%**
(alias) :

Under : **Duties & Taxes**
(Current Liabilities)

Type of Duty/Tax : **VAT**
VAT/Tax Class : **Output VAT @ 12.5%**

Percentage of Calculation :
Method of Calculation :
Rounding Method :

VAT/TAX Class

Particulars	Activated From	Deactivated From
Not Applicable		
Input VAT @ 1%		
Input VAT @ 12.5%		
Input VAT @ 2%		
Input VAT @ 20%		
Input VAT @ 4%		
Output VAT @ 1%		
Output VAT @ 12.5%		
Output VAT @ 2%		
Output VAT @ 20%		
Output VAT @ 4%		
Purchases - Capital Goods @ 12.5%		
Purchases - Capital Goods @ 4%		

Open

Gateway of Tally
Accounts Info.
Ledgers

Single Ledger
Create
Display
Alter

Multiple Ledgers
Create
Display
Alter
Quit

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 **Normal Rounding** in **Rounding Method** field and set **Rounding Limit** to **1**

Ledger Creation		Aqua Ltd.
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 : Normal Rounding		
Rounding Limit : 1		
Opening Balance (on 1-Apr-2009) :		Accept ? Yes or No

Figure 2.16 Completed Output VAT Ledger Creation screen

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**

Figure 2.17 Basic Excise Duty Ledger Creation

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Ledger Creation		Aqua Ltd.	Ctrl
Name : Basic Excise Duty @ 16%		Total Op. Bal.	
(alias) :			
Under : Duties & Taxes (Current Liabilities)		Mailing Details	
Type of Duty/Tax : Excise	Name :		
Excise Accounting Code : 00380003	Address :		
Duty Head : Basic Excise Duty	State :		
Inventory values are affected ? No	PIN Code :		
Percentage of Calculation (eg 5) ? 16 %	Tax Information		
Method of Calculation : On Assessable Value	PAN / IT No. :		
Rounding Method : Not Applicable	Sales Tax No. :		
Opening Balance (on 1-Apr-2009) :		Accept ?	
		Yes or No	

Figure 2.18 Completed Basic Excise Duty Ledger Creation screen

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**

Ledger Creation		Aqua Ltd.		Ctrl + M
Name : Education Cess @ 2%		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	: 00380111		:	
Duty Head	: Education Cess	State	:	
Inventory values are affected	? No	PIN Code	:	
Percentage of Calculation (eg 5)	? 0 %		:	
		Tax Inform		
		PAN / IT No.	:	
		Sales Tax No.	:	
Opening Balance (on 1-Apr-2009) :				

Figure 2.19 Education Cess Ledger Creation

6. Set the option **Inventory values are affected** to **No**
7. In **Percentage of Calculation** field enter **2%** as the percentage of calculation
8. In **Method of Calculation** field, Tally.ERP 9 defaults **On Total Excise Duty** as the method of calculation.
9. Select **Not Applicable** in **Rounding Method** field

Ledger Creation		Aqua Ltd.	Ctrl
Name	: Education Cess @ 2%		Total Op. Bal.
(alias)	:		
Under		Mailing Details	
	: Duties & Taxes (Current Liabilities)	Name	:
Type of Duty/Tax	: Excise	Address	:
Excise Accounting Code	: 00380111		
Duty Head	: Education Cess	State	:
Inventory values are affected	? No	PIN Code	:
Percentage of Calculation (eg 5)	? 2 %		
Method of Calculation	: On Total Excise Duty	Tax Information	
Rounding Method	: Not Applicable	PAN / IT No.	:
		Sales Tax No.	:
Opening Balance (on 1-Apr-2009) :		Accept ?	
		Yes or No	

Figure 2.20 Completed Education Cess Ledger Creation screen

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

2.8 Creating Secondary and Higher Education (SHE) Cess Ledger

To create a **Secondary and Higher Education (SHE) Cess** Ledger,

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

1. Enter the **Name** of the Secondary and Higher Education Cess ledger you wish to create, for e.g., **Secondary Education Cess @ 1%**
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 **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		Aqua Ltd.		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			
Under	: Duties & Taxes (Current Liabilities)	Name	:	Secondary Education Cess	
Type of Duty/Tax	: Excise	Address	:	Special AED	
Excise Accounting Code	: 00380115		:	Special Excise Duty	
Duty Head	: Secondary Education Cess	State	:		
Inventory values are affected	? No	PIN Code	:		
Percentage of Calculation (eg 5)	? 0 %		:		
		Tax Inform			
		PAN / IT No.	:		
		Sales Tax No.	:		
Opening Balance (on 1-Apr-2009) :					

Figure 2.21 Secondary Education Cess Ledger Creation

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

9. Select **Not Applicable** in Rounding Method field

Ledger Creation		Aqua Ltd.	Ctrl
Name	: Secondary Education Cess @ 1%		Total Op. Bal.
(alias)	:		
Under		Mailing Details	
	: Duties & Taxes (Current Liabilities)	Name	:
Type of Duty/Tax	: Excise	Address	:
Excise Accounting Code	: 00380115		
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.	:
		Sales Tax No.	:
Opening Balance (on 1-Apr-2009) :		Accept ?	
		Yes or No	

Figure 2.22 Secondary Education Cess Ledger

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

2.9 Creating a Expense Ledger

To create a **Expense Ledger**

1. Enter the **Name** of the expense ledger you wish to create, for e.g., **Packing Charges**
2. Select **Indirect Expenses** as the group name in the **Under** field.
3. Set **Inventory values are affected** to **No**
4. Set the option **Use for Assessable Value Calculation (for Excise /VAT)** to **Yes**



*When the option **Assessable Value Calculation (for Excise /VAT)** is set to **Yes** the Value given against this ledger in the sales/Purchase voucher will be used to calculate the assessable value of the stock item to compute the excise duty or VAT*

5. In **Apportion** for field select **Excise & VAT**
6. In **Method of Apportion** select **Based on Value** from **Method of Apportion List**

Ledger Creation		Aqua Ltd.		Ctrl
Name	: Packing Charges			Total Op. Bal.
(alias)	:			
Under : Indirect Expenses		Mailing Details		
Inventory values are affected	? No	Name	:	
		Address	:	
		State	:	
		PIN Code	:	
Statutory Information		Tax Information		
Use for Assessable Value Calculation	? Yes	Methods of Apportionment		
Apportion for	? Excise & VAT	Based on Quantity		
Method of Apportion	Based on Value	Based on Value		
Opening Balance (on 1-Apr-2009) :				

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		Aqua Ltd.	Ctrl
Name : Packing Charges			Total Op. Bal.
(alias) :			
Under : Indirect Expenses		Mailing Details	
Inventory values are affected ? No		Name :	
		Address :	
		State :	
		PIN Code :	
Statutory Information		Tax Information	
Use for Assessable Value Calculation ? Yes		PAN / IT No. :	
Apportion for ? Excise & VAT		Sales Tax No. :	
Method of Apportion : Based on Value			
Opening Balance (on 1-Apr-2009) :			Accept ?
			Yes or No

Figure 2.24 Completed Expense Ledger Creation Screen

7. 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 break-up**.
8. In **Default Excise Unit** field select **Aqua Ltd.** from the **List of Excise Units**

Voucher Type Creation		Aqua Ltd.	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 : Aqua Ltd.		Printing Print after saving Voucher ? No	Name of Class		
		List of Excise Units <table border="1"> <tr> <td>Aqua Ltd.</td> <td>Manufacturer</td> </tr> </table>	Aqua Ltd.	Manufacturer	
Aqua Ltd.	Manufacturer				

Figure 2.25 Excise Purchase Voucher Type Creation

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

Figure 2.26 Completed Excise Purchase Voucher Type Creation screen



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

To create the **Sales Voucher Type**,

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Figure 2.27 Excise Sales Voucher Type Creation

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

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

2.10.3 Creating a Debit Note Voucher Type

A **Debit note Voucher type** has to be created if a **Debit Note** has to be passed. The **Voucher Type** should be created under **Debit Note** Type of Voucher.

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

Voucher Type Creation		Aqua Ltd.	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 : Aqua Ltd.		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

Manufacturing Journal is used to account the issue of raw materials to production floor and for the receipt of finished goods.

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



In this scenario we are Creating the Manufacturing Journal to account the manufacture of Packed Drinking Water

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

Figure 2.30 Completed Manufacturing Journal Voucher Type Creation screen

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 **Tariff Classification**,

Go to **Gateway of Tally > Inventory Info. > Tariff/VAT Commodity > Create**

1. Enter the name of the **Tariff Classification** e.g. **Plastic Bottles** in the **Name** field.
2. In **Used for** field select **Excise** as the Tax Type.

Tariff/VAT Commodity Creation		Aqua Ltd.				
Name	: Plastic Bottles					
(alias)	:					
Used for	: Excise	<table border="1"> <thead> <tr> <th>Tax Type</th> </tr> </thead> <tbody> <tr> <td>Both</td> </tr> <tr> <td>Excise</td> </tr> <tr> <td>VAT</td> </tr> </tbody> </table>	Tax Type	Both	Excise	VAT
Tax Type						
Both						
Excise						
VAT						
HSN Code	:					
VAT						
Commodity Code	:					
Schedule Number	:					
Schedule Serial Number	:					
Notes	:					



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 **Commodity Code**, **Schedule Number** and **Schedule Serial Number**.

3. 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.

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

Tariff/VAT Commodity Creation		Aqua Ltd.
Name	: Plastic Bottles	
(alias)	:	
Used for	: Excise	
HSN Code	: 39233010	
VAT		
Commodity Code	:	
Schedule Number	:	
Schedule Serial Number	:	
Notes	: This HSN code is entered as per the letter received from consultantat dated, 14.2009	

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		Aqua Ltd.		List of Tariff Classifications Ctrl + M													
Name : Pet Bottles - 1Ltr (alias) :				<table border="1"> <thead> <tr> <th colspan="2">List of Tariff Classifications</th> </tr> </thead> <tbody> <tr><td>Not Applicable</td><td></td></tr> <tr><td>Linear Low Density Polyethylene (LLDPE)</td><td>39011010</td></tr> <tr><td>Pet Bottle Caps</td><td>39235010</td></tr> <tr><td>Plastic Bottles</td><td>39233010</td></tr> <tr><td>Water</td><td>22011010</td></tr> </tbody> </table>		List of Tariff Classifications		Not Applicable		Linear Low Density Polyethylene (LLDPE)	39011010	Pet Bottle Caps	39235010	Plastic Bottles	39233010	Water	22011010
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																	
<table border="1"> <thead> <tr> <th>Quantity</th> <th>Rate per</th> <th>Value</th> </tr> </thead> <tbody> <tr> <td>Opening Balance :</td> <td></td> <td></td> </tr> </tbody> </table>				Quantity	Rate per	Value	Opening Balance :										
Quantity	Rate per	Value															
Opening Balance :																	

Figure 2.32 Stock Item Creation

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

Stock Item Creation		Aqua Ltd.	
Name	: Pet Bottles - 1Ltr		
(alias)	:		
Under	: [Primary	Tax Information	
Units	: U	Tariff Classification	: Plastic Bottles
Alternate Units	: Kg	Set/Alter Excise Details	? Yes
where	: 1 Kg = 100 U	Rate of VAT (%)	:
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 **Aqua Ltd.** 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**, 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
Aqua Ltd.	Kg	1 Kg = 100 U	Yes	Others

Figure 2.34 Excise Details Screen

- In **Duty Details** screen
 - In **Valuation Type** field select **Ad Valorem** from **List of Valuation Type**.
 - Select **Basic Excise Duty** in the **Type of Duty** filed from the **List of Excise Duty Classifications**
 - In **Applicable From** field mention the **Date** from when the specified **Rate of Duty** is applicable
 - 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
 - In **Applicable From** field mention the **Date** from when the specified **Rate of Duty** is applicable

- 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

- In **Applicable From** field mention the **Date** from when the specified **Rate of Duty** is applicable
- Specify the **Rate of Duty** as **1%**

Excise Duty Details				Aqua Ltd.		Ctrl + M	
Name : Pet Bottles - 1Ltr (alias) :		Excise Details for : Pet Bottles - 1Ltr Tariff Classification : Plastic Bottles		List of Excise Duty Classifications			
Under	Excise Unit Name	Reporting UOM	Conversion Factor	Set/Alter Duty Details			
	Duty Details for : Pet Bottles - 1Ltr Tariff Classification : Plastic Bottles Excise Unit : Aqua Ltd.		1 Kg = 100 U	Yes Other			
Valuation Type : Ad Valorem							
Type of Duty	Applicable From	Rate of Duty		per			
Basic Excise Duty	1-Apr-2009	16 %					
Education Cess	1-Apr-2009	2 %					
Secondary Education Cess	1-Apr-2009	1 %					

■ End of List

AED (GSI)

AED on HSD

AED (PMT)

AED (TTA)

AED (TTW)

NCCD

Special AED

Special Excise Duty

Figure 2.35 Duty Details screen

- Accept to save **Duty Details** screen.
- In **Excise Details** screen, under **Stock Item Type** field select as **Principal Input** from the **List of Item Types**

Excise Details for : Pet Bottles - 1Ltr				
Tariff Classification : Plastic Bottles				
Excise Unit Name	Reporting UOM	Conversion Factor	Set/Alter Duty Details	Stock Item Type
Aqua Ltd.	Kg	1 Kg = 100 U	Yes	Principal Input

List of Item Types

Capital Goods

Finished Goods

Others

Principal Input

Figure 2.36 Excise Details Screen

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

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

Figure 2.37 Completed Stock Item Creation Screen

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 (Litres)	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 (Litres)** 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)		Aqua Ltd.		Ctrl + M																
Name : AquaPure - 1 Ltr (alias) :		Components of : AquaPure - 1 Ltr Unit of manufacture : 1 L		List of Stock Items																
Under : E 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)	<table border="1"> <thead> <tr> <th colspan="2">End of List</th> </tr> </thead> <tbody> <tr><td>Bottle Caps</td></tr> <tr><td>Low Density Polyethylene</td></tr> <tr><td>Natural Water</td></tr> <tr><td>Pet Bottles - 1Ltr</td></tr> <tr><td>Water Container - 20 Ltrs</td></tr> </tbody> </table>		End of List		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)																			
End of List																				
Bottle Caps																				
Low Density Polyethylene																				
Natural Water																				
Pet Bottles - 1Ltr																				
Water Container - 20 Ltrs																				
Units : L Alternate Units : Box where : 1 Box = 24 L		Costing Method : B4		Market Valuation Method : Ignore Diff. due to Ph																
Set Components (BoM) ? Yes		Ignore Negative Balance : Treat all Sales as Net		Treat all Purchases as																
Opening Balance		Value		Quit																

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		Aqua Ltd.		Ctrl + M
Name : AquaPure - 1 Ltr (alias) :				
Under : ☐ Primary		Tax Information		Behaviour
Units : L		Tariff Classification : Water	Costing Method : Avg. Cost	
Alternate Units : Box		Set/Alter Excise Details ? Yes	Market Valuation Method : Avg. Price	
where : 1 Box = 24 L		Rate of VAT (%) :	Ignore Diff. due to Physical Counting ? No	
Set Components (BoM) ? Yes			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 **Aqua Ltd.** as **Excise Unit Name**.



*In Tally.ERP 9 excise units (Dealer/manufacture) 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 (litres)** 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 (Litres)**', so it is must to select L (Litres) 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
Aqua Ltd.	L		Yes	Others	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
 - In **Applicable From** field mention the **Date** from when the specified **Rate of Duty** is applicable
 - 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
 - In **Applicable From** field mention the **Date** from when the specified **Rate of Duty** is applicable
 - 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.
 - In **Applicable From** field mention the **Date** from when the specified **Rate of Duty** is applicable
 - Specify the **Rate of Duty** as **1%**

Excise Duty Details

Aqua Ltd.

Ctrl + M

Name : AquaPure - 1 Ltr

(alias) :

Excise Details for : AquaPure - 1 Ltr

Tariff Classification : Water

Under

Excise Unit Name

Reporting UOM

Conversion Factor

Set/Alter Duty Details

Stock Item Type

Duty Details for : AquaPure - 1 Ltr

Tariff Classification : Water

Excise Unit : Aqua Ltd.

Valuation Type : MRP Based

MRP : 20.00/L

Abatement % : 48 %

Type of Duty	Applicable From	Rate of Duty per
Basic Excise Duty	1-Apr-2009	16 %
Education Cess	1-Apr-2009	2 %
Secondary Education Cess	1-Apr-2009	1 %

Yes

Others

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
Aqua Ltd.	L		Yes	Finished Goods	No

List of Item Types

Capital Goods

Finished Goods

Others

Principal Input

Figure 2.42 Selection of Stock Item Type

- 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
Aqua Ltd.	L		Yes	Finished Goods	Yes

Figure 2.43 Enabling Reporting BOM

- **Reporting BOM** Screen appears as shown

Components of : AquaPure - 1 Ltr Unit of manufacture :	
Item	Quantity

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		Aqua Ltd.		Ctrl + M
Name : AquaPure - 1 Ltr (alias) :				
Under : [Primary Units : L Alternate Units : Box where : 1 Box = 24 L Set 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 2.45 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 [Litre (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 **Aqua Ltd.** 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 (litres)** 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 (Litres)**', so it is must to select L (Litres) 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
 - In **Applicable From** field mention the **Date** from when the specified **Rate of Duty** is applicable
 - Specify the **Rate of Duty** as **Rs. 2 (per litre)**



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
- In **Applicable From** field mention the **Date** from when the specified **Rate of Duty** is applicable
- Specify the **Rate of Duty** as **Rs. 0.04 (per litre)**
- Select the **Secondary Education Cess** as the third duty in the **Type of Duty** filed from the List of Excise Duty classifications.
- In **Applicable From** field mention the **Date** from when the specified **Rate of Duty** is applicable
- Specify the **Rate of Duty** as **Rs. 0.02 (per litre)**

Duty Details for : AquaMini - 200 MI Tariff Classification : Water Excise Unit : Aqua Ltd.		
Valuation Type : Ad Quantum		
Type of Duty	Applicable From	Rate of Duty per
Basic Excise Duty	1-Apr-2009	2 /L
Education Cess	1-Apr-2009	0.04 /L
Secondary Education Cess	1-Apr-2009	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		Aqua Ltd.		Ctrl + M
Name : AquaMini - 200 MI (alias) :				
Under : ☐ Primary Units : U Alternate Units : L where : 1 L = 5 U Set 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 be 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 [Litre (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 Ltrs	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 **Aqua Ltd.** as **Excise Unit Name**.



*In Tally.ERP 9 excise units (Dealer/manufacture) 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 (litres)** 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 (Litres)**', so it is must to select L (Litres) 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
 - In **Applicable From** field mention the **Date** from when the specified **Rate of Duty** is applicable
 - 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
 - In **Applicable From** field mention the **Date** from when the specified **Rate of Duty** is applicable
 - 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.
 - In **Applicable From** field mention the **Date** from when the specified **Rate of Duty** is applicable
 - Specify the **Rate of Duty** as **1%**

Duty Details for : AquaKing - 20 Ltr Tariff Classification : Water Excise Unit : Aqua Ltd.		
Valuation Type : Ad Valorem		
Type of Duty	Applicable From	Rate of Duty per
Basic Excise Duty	1-Apr-2009	16 %
Education Cess	1-Apr-2009	2 %
Secondary Education Cess	1-Apr-2009	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		Aqua Ltd.		Ctrl + M
Name : AquaKing - 20 Ltr (aliases) :				
Under : ☒ Primary Units : U Alternate Units : L where : 20 L = 1 U Set Components (BoM) ? Yes		<u>Tax Information</u> Tariff Classification : Water Set/Alter Excise Details ? Yes <u>VAT Details</u> Commodity : ☒ Not Applicable 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 Recording a Excise Purchase Voucher – Not Availing CENVAT Credit

Follow the below mentioned procedure to account the purchases from **Manufacturer** and **Not availing the CENVAE Credit** at the time of recording the Purchase voucher.

Example 1:

On 1-4-2009 Aqua Ltd. purchased 10,00,000 Litres of Water from Swastik Water Suppliers @ of 2 per Litre (vide Invoice No. SI/336)

To record 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 **1-4-2009**
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. In **VAT/Tax Class** field select the VAT class as **Not Applicable**
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		Aqua Ltd.		Ctrl + M
Excise - Purchases No. 1		Date : 1-Apr-2009		1-Apr-2009 Wednesday
Supplier Invoice No. : SI/336		Excise Unit : Aqua Ltd.		
Party's A/c Name : Swastik Water Suppliers Nature of Purchase : Manufacturer Current Balance : Purchase Ledger : Purchase of Raw Materials VAT/Tax Class : Not Applicable				
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		Yes / No No Yes		
Narration:		10,00,000 L 23,29,600.00		

Figure 3.1 Purchase Voucher

Statutory Details		Aqua Ltd.		Ctrl + M		
Excise - Purchase	Statutory Details					1 Apr 2009
Supplier Invoice No						Wednesday
Excise Unit	Particulars		Excise			
Party's A/c Name	Assessable Value		20,00,000.00			
Nature of Purchase	Natural Water		20,00,000.00			
Current Balance :	Item Value		20,00,000.00			
Purchase Ledger :	Excise Duty Value		3,29,600.00			
VAT/Tax Class: L	Basic Excise Duty @ 16%		16 %	3,20,000.00		
Name of Item	Natural Water	@ 16 % On	20,00,000.00	3,20,000.00	Amount	
Natural Water	Education Cess @ 2%	2 %	6,400.00		20,00,000.00	
Rate : 1	Natural Water	@ 2 % On	3,20,000.00	6,400.00		
Basic Excise Duty @ 16%	Secondary Education Cess @ 1%	1 %	3,200.00		3,20,000.00	
Education Cess @ 2%	Natural Water	@ 1 % On	3,20,000.00	3,200.00	6,400.00	
Secondary Education Cess @ 1%						3,200.00
Show Statutory De						
Narration:						23,29,600.00



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: 1-4-2009)	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		Aqua Ltd.		Ctrl + M
Excise - Purchases No. 1		Date : 1-Apr-2009		1-Apr-2009 Wednesday
Supplier Invoice No. : SI/336		Excise Unit : Aqua Ltd.		
Party's A/c Name : Swastik Water Suppliers				
Nature of Purchase : Manufacturer				
Current Balance :				
Purchase Ledger : Purchase of Raw Materials				
VAT/Tax Class : C Not Applicable				
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		Aqua Ltd.		Ctrl + M	
Ledger: Basic Excise Duty @ 16%				For 1-Apr-2009	
Date	Particulars	Vch Type	Vch No.	Debit	Credit
				Opening Balance :	
				Current Total :	
				Closing Balance :	

Figure 3.5 Ledger Vouchers

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

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3.2 Creating a Excise Purchase Voucher – Availing CENVAT Credit

Follow the below mentioned procedure to account the purchases from **Manufacturer** and **availing the CENVAE Credit** at the time of recording the Purchase voucher.

Example 2:

On 3-4-2009 Aqua Ltd. purchased the following Stock items from Lanco Manufacturers (vide Bill No- LM/243)

Stock Item	Quantity	Rate
<i>Pet Bottles - 1 Ltr</i>	<i>3,00,000</i>	<i>Rs. 1.00</i>
<i>Bottle Caps</i>	<i>3,00,000</i>	<i>Rs. 0.25</i>
<i>Water Bottle Container - 20 Ltr</i>	<i>10,000</i>	<i>Rs.5.00</i>
<i>Low Density Polyethylene</i>	<i>25,000</i>	<i>Rs. 0.25</i>

To record 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 **3-4-2009**
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 (based on the Nature of Payment selected in the ledger master)
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**

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

Ledger Creation (Secondary)		Aqua Ltd.	Ctrl
Name	: Basic Excise Duty (CENVAT)		
(alias)	:		
Under	: Current Assets	Mailing Details Name : Address : State : PIN Code :	
Type of Duty/Tax	: CENVAT	Tax Information 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		
		Accept ? Yes or No	

Figure 3.7 CENVAT Type Duty Ledger Creation screen



*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

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

Statutory Details		Aqua Ltd.		Ctrl + M	
Excise - Purchase		Statutory Details		3-Apr-2009	
Supplier Invoice No				Friday	
Excise Unit					
		Particulars	Excise	VAT	
Party's A/c Name		Assessable Value	4,31,250.00	5,02,320.00	
Nature of Purchase		Pet Bottles - 1Ltr	3,00,000.00	3,49,440.00	
Current Balance		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	
1 ... 3 more		Bottle Caps	75,000.00	87,360.00	
Bottle Caps		Item Value	75,000.00	75,000.00	
Rate		Basic Excise Duty (CENVAT)		12,000.00	
Water Container - 20 Ltr		Education Cess (CENVAT)		240.00	
Rate		Secondary Education Cess (CENVAT)		120.00	
Low Density Polyethylene		Water Container - 20 Ltrs	50,000.00	58,240.00	
Rate		Item Value	50,000.00	50,000.00	
		Basic Excise Duty (CENVAT)		8,000.00	
		Education Cess (CENVAT)		160.00	
		Secondary Education Cess (CENVAT)		80.00	
Basic Excise Duty (CENVAT)		Low Density Polyethylene	6,250.00	7,280.00	
Education Cess (CENVAT)		Item Value	6,250.00	6,250.00	
Secondary Education Cess (CENVAT)		Basic Excise Duty (CENVAT)		1,000.00	
Input VAT @ 4%		Education Cess (CENVAT)		20.00	
		Secondary Education Cess (CENVAT)		10.00	
		Excise Duty Value	71,070.00		
		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				5,22,413.00	
Narration:					
				19 more ... ↓	

Figure 3.8 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 3.9 Bill-wise Details

24. Enter the Narration, if required

Accounting Voucher Creation		Aqua Ltd.		Ctrl + M
Excise - Purchases No. 2		Supplier Invoice No. : LM/243		Date : 3-Apr-2009
Excise Unit : Aqua Ltd.				Friday
Party's A/c Name : Lanco Manufacturers Nature of Purchase : Manufacturer Current Balance : 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	
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 %	20,093.00	
Show Statutory Details ? Yes				
Narration:			6,35,000 U	Accept ? Yes or No

Figure 3.10 Purchase Voucher

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



Tally.ERP 9 allows the user to select more than one stock item as well as selection of same item multiple times in purchase or sales invoice.

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		Aqua Ltd.		Ctrl + M	
Ledger: Basic Excise Duty (CENVAT)				1-Apr-2009 to 3-Apr-2009	
Date	Particulars	Vch Type	Vch No.	Debit	Credit
3-4-2009	Lanco Manufacturers	Excise Purchases	2	69,000.00	
				Opening Balance :	
				Current Total :	69,000.00
				Closing Balance :	69,000.00

Figure 3.11 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

Aqua Ltd.

Ctrl + M

Stock Item: Pet Bottles - 1Ltr

1-Apr-2009 to 30-Apr-2009

Date	Particulars	Vch Type	Vch No.	Inwards			Outwards			Closing		
				Quantity	Rate	Value	Quantity	Rate	Value	Quantity	Rate	Value
3-4-2009	Lanco Manufacturers	Enter - Purchases	2	3,00,000 U	1.00	3,00,000.00				3,00,000 U	1.00	3,00,000.00
Totals :				3,00,000 U	1.00	3,00,000.00				3,00,000 U	1.00	3,00,000.00

Figure 3.12 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.

3.3 Purchase Order with Excise Details

In Tally.ERP 9 user can select excise Duty ledger applicable for the stock item in purchase orders and Sales orders.

Purchase Orders/Sales Orders can be tracked in Receipt Note or Delivery Note or Excise purchase or Sales Vouchers with excise details.

Example 3:

On 5-4-2009 Aqua Ltd. placed a Purchase order (P.O- 001) with Lanco Manufacturers for the supply of 50,000 Pet Bottles @ 2 per bottle.

Step1: Create Ex- Purchase Order Voucher Type

Create the Voucher Type, Ex-Purchase Order as shown below

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

Figure 3.13 Ex- Sales Order Voucher Type Creation Screen

Step 2: Record a Purchase Order

To record a **Purchase Order**

In **F11: Features > F2: Inventory Features**

- Set the option **Allow Purchase Order Processing** to **Yes**

Go to **Gateway of Tally > Accounting Vouchers > F4: Purchase Order**

1. In **Voucher Type** sub form select **Ex-Purchase Order** as the voucher type

- [illegible]

9. Select **Basic Excise Duty @ 16%** ledger, the **Rate of Duty** and **Duty amount** will be defaulted automatically



To avail **CENVAT credit**, in the same voucher you can select **CENVAT type of duty ledgers**

10. Similarly select **Education Cess @ 2%** and **Secondary Education Cess @ 1%** ledgers
11. Select **Input VAT @ 4%** ledger. The **VAT amount** will be calculated and displayed automatically
12. Set **Show Statutory Details** to view the Statutory details screen

Statutory Details		Aqua Ltd.		Ctrl + M	
Ex-Purchase Order	Statutory Details				5-Apr-2009 Sunday
Excise Unit	Particulars	Excise	VAT		
Party's A/c Name	Assessable Value	60,000.00	69,888.00		
Current Balance	Pet Bottles - 1Ltr	60,000.00	69,888.00		
Purchase Ledger	Item Value	60,000.00	60,000.00		
VAT/Tax Class: P	Basic Excise Duty @ 16%		9,600.00		
Name of Item	Education Cess @ 2%		192.00		
	Secondary Education Cess @ 1%		96.00		
Pet Bottles - 1Ltr	Excise Duty Value	9,888.00	60,000.00		
Rate : 1	Basic Excise Duty @ 16%	16 %	9,600.00		
	Pet Bottles - 1Ltr @ 16 % On 60,000.00		9,600.00		
Basic Excise Duty @ 16%	Education Cess @ 2%	2 %	192.00	9,600.00	
Education Cess @ 2%	Pet Bottles - 1Ltr @ 2 % On 9,600.00		192.00	192.00	
Secondary Education Cess @ 1%	Secondary Education Cess @ 1%	1 %	96.00	96.00	
Input VAT @ 4%	Pet Bottles - 1Ltr @ 1 % On 9,600.00		96.00	2,796.00	
	VAT Amount		2,796.00		
	Input VAT @ 4%	4 %	2,796.00		
	Pet Bottles - 1Ltr @ 4 % On 69,888.00		2,796.00		
Show Statutory Details				72,684.00	
Narration:					

Figure 3.15 Statutory Details Screen



The completed Excise Purchase Order is displayed as shown.

Inventory Voucher Creation		Aqua Ltd.		Ctrl + M
Ex-Purchase Order No. 1		5-Apr-2009 Sunday		
Excise Unit : Aqua Ltd.				
Party's A/c Name : Lanco Manufacturers		Order No. : P.O-001		
Current Balance : 5,22,413.00 Cr				
Purchase Ledger : Purchase of Raw Materials				
VAT/Tax Class: Purchases @ 4%				
Name of Item	Quantity	Rate per	Amount	
Pet Bottles - 1Ltr	30,000 U (300 Kg)	2.00 U	60,000.00	
Rate : 16%				
Basic Excise Duty @ 16%		16 %	9,600.00	
Education Cess @ 2%		2 %	192.00	
Secondary Education Cess @ 1%		1 %	96.00	
Input VAT @ 4%		4 %	2,796.00	
Show Statutory Details ? Yes Narration:				
		30,000 U	Accept ? Yes or No	

Figure 3.16 Completed Purchase Order

13. Press **Enter** or **Y** to save.

3.4 Availing CENVAT Credit on Purchases from Excise Dealers

In Tally.ERP 9, CENVAT Credit on purchases from Excise Dealers (First Stage/Second Stage) and importers can be availed

1. While recording the purchase transaction (in the same invoice)
2. Later by recording a separate Debit Note: In this case first purchase invoice will be recorded without availing credit and later a separate Debit Note will be recorded to avail the CENVAT credit.

Example 4:

On 24-4-2009 Aqua Ltd. received the bill for Rs. 14,610 from Shubh distributors for the supply of 100 Water Containers – 20 ltrs @ Rs. 140.48 per container. Against this purchase of 100 water containers, Aqua Ltd. can avail CENVAT Credit on Rs. 10,000 (@ Rs. 100 per Container i.e., on Assessable Value as per manufacturer's invoice).

1. Avail CENVAT Credit on purchases (in the same invoice).

i. Create Party Ledger

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

- ❑ In the **Name** field enter the name of the ledger. e.g. **Shubh Distributors**
- ❑ In **Under** field select **Sundry Creditors**
- ❑ Enter the **Default Credit** Period if any
- ❑ Enter the **Mailing Details** and **Tax Information**
- ❑ Enable **Set/Alter Excise Details** to **Yes**
- ❑ Enter the **Excise Details** as shown

Excise Details	
Excise Registration (ECC) No.	: AEFSF4522DXD001
Date of Registration	: 1-Apr-2004
Range	: RT Nagar
Division	: RT Nagar
Commissionerate	: Bangalore I
Default Nature of Purchase	: First Stage Dealer
Nature of Removal	: Domestic

Types of Removal
Domestic
Exempt
Export
Special Rate

Figure 3.17 Excise Details screen

- ❑ Press **Enter** to save

ii. Record a Purchase Voucher

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

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 **24-4-2009**
4. In **Supplier Invoice No.** field enter the Invoice No. as **SD/4578**.
5. In **Party's A/c Name** field select the supplier i.e. **Shubh Distributors** from the **List of Ledger Accounts**.
6. In **Nature of Purchase** field **First Stage Dealer** 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. **Water Container – 20 Ltrs**
10. In the **Item Allocation** screen
 - In **Quantity** field enter the quantity as **100**
 - In **Rate** field enter the rate as Rs. **124** [Actual purchase rate (140) – CENVAT Credit (16.48)].
 - **Amount** will be displayed automatically
11. Select **Basic Excise Duty (CENVAT)** ledger to view the Duty Details screen



To Avail the **CENVAT Credit** user needs to select **CENVAT Type of Duty ledgers**

12. In the **Duty details** screen

- In the fields **Type of Ref** and **Name** field the details will be defaulted automatically
- In the **Name of Item** field select the Item – **Water Container – 20ltrs**
- In the **Assessable Value** field enter **Rs. 10,000** (Assessable Value as per the Manufacturer's invoice)
- In the **Amount** field the **Duty Amount** will be calculated and displayed based on the assessable value entered.

Figure 3.18 Excise Duty Allocation screen

14.The **Duty Details** screen appears as shown

Figure 3.19 Excise Duty Allocation Screen



For the **Education Cess (CENVAT)** the **Basic Excise Duty (CENVAT)** amount is defaulted as the assessable value.

15. Select **Secondary Education Cess (CENVAT)** ledger to view the **Duty Details** screen. In the Duty Details screen accept the default details.
 16. Select **Input VAT @ 4%** ledger. **Amount** will be displayed automatically
 17. Set **Show Statutory Details** to **Yes** to view statutory details
- To view the calculation details press **Alt+F1** or click on **F1: Detailed** button in the buttons bar

Statutory Details		Aqua Ltd.		Ctrl + M	
Excise - Purchase		Statutory Details		24-Apr-2009	
Supplier Invoice No				Friday	
Excise Unit		Particulars	Excise	VAT	
Party's A/c Name		Assessable Value	12,400.00	14,048.00	
Nature of Purchase		Water Container - 20 Ltrs	12,400.00	14,048.00	
Current Balance		Item Value	12,400.00		
Purchase Ledger		Basic Excise Duty (CENVAT)		1,600.00	
VAT/Tax Class: P		Education Cess (CENVAT)		32.00	
Name of Item		Secondary Education Cess (CENVAT)		16.00	
Water Container - 20 Ltrs		Excise Duty Value	1,648.00		
Rate : 1		Basic Excise Duty (CENVAT)	16 %	1,600.00	12,400.00
Basic Excise Duty (CENVAT)		Water Container - 20 Ltrs @ 16 % On	10,000.00	1,600.00	
Education Cess (CENVAT)		Education Cess (CENVAT)	2 %	32.00	
Secondary Education Cess (CENVAT)		Water Container - 20 Ltrs @ 2 % On	1,600.00	32.00	1,600.00
Input VAT @ 4%		Secondary Education Cess (CENVAT)	1 %	16.00	32.00
		Water Container - 20 Ltrs @ 1 % On	1,600.00	16.00	16.00
Show Statutory De		VAT Amount		562.00	562.00
Narration:		Input VAT @ 4%	4 %	562.00	
		Water Container - 20 Ltrs @ 4 % On	14,048.00	562.00	
					14,610.00

Figure 3.20 Statutory Details Screen

18. In the **Bill-wise Details** screen accept the default details. Enter the transaction details in the **Narration** field

Accounting Voucher Creation		Aqua Ltd.		Ctrl + M
Excise - Purchases No. 3				24-Apr-2009
Supplier Invoice No. : SD/4578		Date : 24-Apr-2009		Friday
Excise Unit : Aqua Ltd.				
Party's A/c Name : Shubh Distributors Nature of Purchase : First Stage Dealer Current Balance : Purchase Ledger : Purchase of Raw Materials VAT/Tax Class: Purchases @ 4%				
Name of Item	Quantity	Rate per	Amount	
Water Container - 20 Ltrs	100 U (5 Kg)	124.00 U	12,400.00	
Rate : 16%				
Basic Excise Duty (CENVAT)		16 %	1,600.00	
Education Cess (CENVAT)		2 %	32.00	
Secondary Education Cess (CENVAT)		1 %	16.00	
Input VAT @ 4%		4 %	562.00	
Show Statutory Details ? Yes				
Narration:		100 U		Accept ? Yes or No

Figure 3.21 Excise Purchase Voucher

19. Press **Enter** to save.

2. Avail CENVAT Credit on purchases (later by recording a separate Debit Note)

i. Create Voucher Class for Debit Note

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

- ❑ From the **List of Voucher Types** select **Debit Note**
- ❑ In the Debit Note Voucher Type tab down to **Name of Class** field
- ❑ In the **Name of Class** enter the class name as **CENVAT Availing**

Voucher Type Alteration		Aqua Ltd.		Ctrl + M
Name : Debit Note (abbr) :				
General Type of Voucher : Debit Note Abbr. : D/Note		Printing Print after saving Voucher ? No		Name of Class CENVAT Availing
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 ? No				

Figure 3.22 Debit Note Voucher Type Alteration Screen

- In the **Voucher Type Class** screen set the option **Use Class for Excise/CENVAT Adjustments** to **Yes**

Voucher Type Class		Aqua Ltd.		Ctrl + M
Name : Debit Note (abbr) :		Class : CENVAT Availing		
		Use Class for Excise / CENVAT Adjustments ? Yes Use Class for Interest Accounting ? No		
		<i>If you wish to restrict the groups to which this class can be used, specify them here.</i>		
Type of Voucher Abbr.		Exclude these Groups	Include these Groups	Name of Class CENVAT Availing
Method of Voucher Numbering Use Advance Configuration				
Use EFFECTIVE Dates Make 'Optional' as default Use Common Narration Narrations for each entry				
Use for Excise				
Default Accounting Allocations for each Item in Invoice				
Ledger Name	VAT/Tax Class	Percentage %	Rounding Method	Rounding Limit
				Override using Item Default ?
Additional Accounting Entries (e.g. Taxes / Other charges) to be added in Invoice				
Ledger Name	Type of Calculation	Value Basis	Rounding Method	Rounding Limit
				Remove if Zero ?

Figure 3.23 Voucher Type Class screen

- Press **Enter** to save **Voucher Type Class** screen and **Voucher Type Alteration** screen

ii. Record a Purchase Voucher

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

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 **24-4-2008**
4. In **Supplier Invoice No.** field enter the Invoice No. as **SD/4578**.
5. In **Party's A/c Name** field select the supplier i.e. **Shubh Distributors** from the List of Ledger Accounts.
6. In **Nature of Purchase** field **First Stage Dealer** is displayed automatically.
7. In **Purchase Ledger** field select the ledger **Purchase of Raw Materials** from List of Ledger Accounts. In VAT/Tax Class field automatically gets updated with the VAT/Tax class as selected in the purchase ledger, which can be changed.
8. In **Name of Item** field select the Stock Item i.e. **Water Container – 20 Ltrs.** Enter the **Quantity** as **100** and **Rate** as **Rs. 140.48**
9. Select **Input VAT @ 4%** ledger. Amount will be displayed automatically
10. In the **Bill-wise Details** screen accept the default details and enter the Narration, if any

Accounting Voucher Creation		Aqua Ltd.		Ctrl + M
Excise - Purchases No. 3		Date : 24-Apr-2009		24-Apr-2009 Friday
Supplier Invoice No. : SD/4578		Excise Unit : Aqua Ltd.		
Party's A/c Name : Shubh Distributors				
Nature of Purchase : First Stage Dealer				
Current Balance :				
Purchase Ledger : Purchase of Raw Materials				
VAT/Tax Class: Purchases @ 4%				
Name of Item	Quantity	Rate per	Amount	
Water Container - 20 Ltrs	100 U	140.48 U	14,048.00	
Rate : 16%	(5 Kg)			
Input VAT @ 4%		4 %	562.00	
Show Statutory Details ? Yes Narration:				
			100 U	Accept ? Yes or No

Figure 3.24 Purchase Voucher

- Press **Enter** to save.

iii. Record a Debit Note (to avail CENVAT Credit)

Set Up:

In F11: Features (F1: Accounting Features)

- Ensure the option **Use Debit/Credit Notes** is set to **Yes**
- Set **Use Invoice mode for Debit Notes** is set to **Yes**

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

1. In **Change Voucher Type** screen in **Class** field select **CENVAT Availing** from the Voucher Class List

Voucher Type	
Name	: Debit Note
Class	: CENVAT Availing

Voucher Class List
Not Applicable
CENVAT Availing

Figure 3.25 Change Voucher Type screen



*Ensure the Debit Note is in **Voucher Mode**. If the Debit Note is in Invoice Mode press **Ctrl + V** keys or Click on **V: As Voucher** button in the Buttons bar.*

2. In **Used For** field **CENVAT Availing** will be displayed automatically
 3. In **Excise Unit** field select **Aqua Ltd.**
 4. In **Nature of Purchase** field select **First Stage Dealer**
 5. In **Debit** field select **Basic Excise Duty (CENVAT)** to view **Excise Duty Allocation** screen
 6. In **Excise Duty Allocation** screen
 - In **Type of Ref** field select **New Ref**
 - In **Name** field enter the reference name. Here enter the reference name used in the **purchase voucher** i.e. **SD/4578**
 - In **Party Name** field select **Shubh Distributors** from the **List of Ledger Accounts**
 - In the **Name of Item** field select **Water Container – 20 Ltrs**
 - In **Quantity** field enter **100**
 - In the **Assessable Value** field enter Rs. **10,000** (i.e. the manufacturer's sales value)
 - In the **Rate** field the rate of duty i.e. **16%** defined in the ledger will be defaulted (if the rate of duty is not defined during ledger creation enter the applicable rate of duty)
-

- The **duty amount** will be calculated and displayed in the **Amount** field

Excise Duty Allocation		Aqua Ltd.		Ctrl + M		X	
Debit Note	No. 1	Voucher Class : CENVAT Availing		24-Apr-2009		Friday	
Excise Unit : Aqua Ltd.		Used for: CENVAT Availing					
Duty Details for : Basic Excise Duty (CENVAT)							
Type of Ref	Invoice No. / Bill of Entry No. & Date	Party Name	Name of Item	Quantity	Assessable Amount	Rate	Amount
New Ref	SD/4578	Shubh Distributors	Water Container - 20 Ltrs	100 U	10,000.00	16 %	1,600.00 Dr
							1,600.00

Figure 3.26 Excise Duty Allocation Screen

7. In **Debit** field select **Education Cess (CENVAT)** to view Excise Duty Allocation screen
8. In **Excise Duty Allocation** screen
 - In **Type of Ref** field select **New Ref**
 - In **Name** field enter the reference name used in the purchase voucher i.e. **SD/4578**
 - In **Party Name** field select **Shubh Distributors** from the List of Ledger Accounts
 - In the **Name of Item** field select **Water Container – 20 Ltrs**
 - In **Quantity** field enter **100**
 - In the **Assessable Value** field enter **Rs. 1,600** (Excise Duty value)
 - In the **Rate** field the rate of duty i.e., **2%** defined in the ledger will be defaulted (if the rate of duty is not defined during ledger creation enter the applicable rate of duty)
 - The **duty amount** will be calculated and displayed in the **Amount** field

Duty Details for : Education Cess (CENVAT)							
Type of Ref	Invoice No. / Bill of Entry No. & Date	Party Name	Name of Item	Quantity	Assessable Amount	Rate	Amount
New Ref	SD/4578	Shubh Distributors	Water Container - 20 Ltrs	100 U	1,600.00	2 %	32.00 Dr
							32.00

Figure 3.27 Excise Duty Allocation Screen

9. Similarly, in **Debit** filed select **Secondary Education Cess (CENVAT)** to view Excise Duty Allocation screen
10. In **Excise Duty Allocation** screen
 - In **Type of Ref** select **New Ref**
 - In **Name** field enter the reference name used in the purchase voucher i.e. **SD/4578**
 - In **Party Name** field select **Shubh Distributors** from the List of Ledger Accounts
 - In the **Name of Item** field select **Water Container – 20 Ltrs**
 - In **Quantity** field enter **100**
 - In the **Assessable Value** field enter **Rs. 1600** (Excise Duty value)
 - In the **Rate** field the rate of duty i.e., **1%** defined in the ledger will be defaulted (if the rate of duty is not defined during ledger creation enter the applicable rate of duty)
 - The **duty amount** will be calculated and displayed in the **Amount** field
11. In the **Credit** field select **Purchase of Raw Materials** ledger to view Inventory Allocation screen
12. In the **Inventory Allocation** screen
 - In **Name of Item** field select the stock item **Water Container – 20 Ltrs**
 - In the **Amount** column enter the total amount (of Basic Excise Duty, Education Cess and Secondary Education Cess) **Rs. 1648**

Inventory Allocations for : Purchase of Raw Materials			
Name of Item	Quantity	Rate per	Amount
Water Container - 20 Ltrs			1,648.00
Actuals:	()		
			1,648.00

Figure 3.28 Inventory Allocation Screen

13. Enter **Narration**, if any

Accounting Voucher Creation		Aqua Ltd.	Ctrl + M
Debit Note	No. 1	Voucher Class : CENVAT Availing	24-Apr-2009 Friday
		Used for: CENVAT Availing	
Excise Unit	: Aqua Ltd.		
Nature of Purchase	: First Stage Dealer		
Particulars	Debit	Credit	
Dr Basic Excise Duty (CENVAT) <i>Cur Bal: 70,600.00 Dr</i>	1,600.00		
Dr Education Cess (CENVAT) <i>Cur Bal: 1,412.00 Dr</i>	32.00		
Dr Secondary Education Cess (CENVAT) <i>Cur Bal: 706.00 Dr</i>	16.00		
Cr Purchase of Raw Materials <i>Cur Bal: 27,73,250.00 Dr</i>		1,648.00	
Water Container - 20 Ltrs	1,648.00		
Narration:	1,648.00	1,648.00	

Accept?
 Yes or No

Figure 3.29 Debit Note Voucher

14. Press **Enter** to save.



CENVAT Credit can be availed **partially** based on **Assessable Value** or on the **quantity of stock item purchased**.

3.5 CENVAT Credit on Capital Goods

As per the Act, on the purchase of Capital goods at any point of time in a financial year CENVAT credit shall be availed to the extent of 50% of the Duty paid in the same financial year. The balance of CENVAT credit may be availed in any financial year subsequent to the financial year in which the capital goods were received in the factory of the manufacturer.

The CENVAT credit in respect of the capital goods shall be allowed to a manufacturer even if the capital goods are acquired by him on lease, hire purchase or loan agreement, from a financing company.

The CENVAT credit in respect of capital goods shall not be allowed if the manufacturer claims depreciation on that part of the value of such capital goods that represents the amount of duty on such capital goods.

Example 5:

On 30-4-2009 ABC Company Purchased Machinery for Rs. 1,00,000 from Tricon Industries. Excise Duty applicable on the machinery is 16%.

1. Create Stock Item (Capital Goods)

Set Up:

In F12: Configure (Stock Item Configuration)

- Set the option **Allow ADVANCED entries in Masters** to **Yes**

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

1. Enter the name of the Stock Item e.g. **Machinery** in the **Name** field.
2. Select the **Stock Group** e.g. **Primary** in **Under** field
3. Select the **unit of measurement** e.g. **U (Numbers)** of the stock item in the **Units** field.
4. In **Tariff Classification** field select **Boilers** (use **Alt + C** to create)
5. Enable **Set/Alter Excise Details** to **Yes** to view Excise Details screen
6. In the **Excise Details** screen
 - Select the **Excise Unit Name** field select **Aqua Ltd.**
 - In the **Reporting UOM** field select **U (Numbers)**
 - Enable the **Set/Alter Duty Details** to **Yes** to view Excise Duty Details screen

- In the **Excise Duty Details** screen
 - In the **Valuation Type** field select **Ad Valorem**
 - In the **Type of Duty** field select **Basic Excise Duty**
 - In the **Applicable From** field enter the date as **1-4-2009**
 - In the **Rate of Duty** field enter the rate as **16%**
 - Similarly select **Education Cess** and **Secondary Education Cess**. In the **Rate of Duty** field enter the duty as **2%** and **1%** respectively
- In the **Stock Item Type** field select **Capital Goods**

Excise Details for : Machinery Tariff Classification : Boilers				
Excise Unit Name	Reporting UOM	Conversion Factor	Set/Alter Duty Details	Stock Item Type
Aqua Ltd.	U		Yes	Capital Goods

List of Item Types

Capital Goods

Finished Goods

Others

Principal Input

Figure 3.30 Excise Details screen

7. In the **Rate of VAT** field enter the rate as **4%**
8. In the **Costing Method** field select **At Zero Cost** as the costing method



*Machinery being capital goods the value of the capital goods should not appear in the Stock summary. The **Costing Method - At Zero Cost** does not display the value of the stock item in the Stock summary.*

9. Set the option **Treat all Purchases as Consumed** to **Yes**



*Machinery being capital goods should not appear in the Stock summary, so the option **Treat all Purchases as Consumed** is set to **Yes**.*

The completed stock item creation screen is displayed as shown

Stock Item Creation		Aqua Ltd.		Ctrl + M
Name : Machinery				
(alias) :				
Under : ☒ Primary		Tax Information		Behaviour
Units : U		Tariff Classification : Boilers	Costing Method : At Zero Cost	
Alternate Units : ☒ Not Applicable		Set/Alter Excise Details ? Yes	Market Valuation Method : Avg. Price	
		VAT Details	Ignore Diff. due to Physical Counting ? No	
		Commodity : ☒ Not Applicable	Ignore Negative Balances ? No	
		Rate of VAT (%) : 0	Treat all Sales as New Manufacture ? No	
			Treat all Purchases as Consumed ? Yes	
			Treat all Rejections inward as Scrap ? No	
Opening Balance :		Quantity	Rate per	Value
		Accept ?		
		Yes or No		

Figure 3.31 Completed Stock Item (Capital Goods) Creation screen

10. Press **Enter** to save

2. Create Fixed Asset Ledger

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

1. In the **Name** field enter **Plant & Machinery** as the name of the Ledger
2. Select **Fixed Assets** as the group in the **Under** field
3. Set **Inventory values are affected** to **Yes**
4. Enable **Used in VAT Returns** to **Yes** to view VAT/Tax Class screen
5. In the **VAT/Tax Class** screen select **Purchases – Capital Goods @ 4%**

VAT/Tax Class		Aqua Ltd.		Ctrl + M																												
Name	: Plant & Machinery			Total Op. Bal.																												
(alias)	:																															
Under	: Fixed Assets	Name	Mailing Details																													
Inventory values are affected	? Yes	Address																														
Used In VAT Returns	? Yes	State																														
		PIN Code																														
Statutory Information		Tax Information																														
<table border="1"> <thead> <tr> <th colspan="2">VAT/Tax Class</th> </tr> <tr> <th>Particulars</th> <th>Activated From Deactivated From</th> </tr> </thead> <tbody> <tr> <td colspan="2">Not Applicable</td> </tr> <tr> <td colspan="2">Consignment/Branch Transfer Inward</td> </tr> <tr> <td colspan="2">Imports</td> </tr> <tr> <td colspan="2">Inter-State Purchases</td> </tr> <tr> <td>Purchases @ 1%</td> <td></td> </tr> <tr> <td>Purchases @ 12.5%</td> <td></td> </tr> <tr> <td>Purchases @ 2%</td> <td>1-Apr-2009</td> </tr> <tr> <td>Purchases @ 20%</td> <td></td> </tr> <tr> <td>Purchases @ 4%</td> <td></td> </tr> <tr> <td>Purchases - Capital Goods @ 12.5%</td> <td></td> </tr> <tr> <td>Purchases - Capital Goods @ 4%</td> <td></td> </tr> <tr> <td>Purchases - Exempt</td> <td></td> </tr> </tbody> </table>		VAT/Tax Class		Particulars	Activated From Deactivated From	Not Applicable		Consignment/Branch Transfer Inward		Imports		Inter-State Purchases		Purchases @ 1%		Purchases @ 12.5%		Purchases @ 2%	1-Apr-2009	Purchases @ 20%		Purchases @ 4%		Purchases - Capital Goods @ 12.5%		Purchases - Capital Goods @ 4%		Purchases - Exempt		3 more ...		
VAT/Tax Class																																
Particulars	Activated From Deactivated From																															
Not Applicable																																
Consignment/Branch Transfer Inward																																
Imports																																
Inter-State Purchases																																
Purchases @ 1%																																
Purchases @ 12.5%																																
Purchases @ 2%	1-Apr-2009																															
Purchases @ 20%																																
Purchases @ 4%																																
Purchases - Capital Goods @ 12.5%																																
Purchases - Capital Goods @ 4%																																
Purchases - Exempt																																

Figure 3.32 VAT/Tax Class screen

6. Press **Enter** to save.

3. Create Input VAT Ledger

Create the Input VAT Ledger shown below

Ledger Creation		Aqua Ltd.		Ctrl
Name	: Input VAT @ 4% - Capital Goods			Total Op. Bal.
(alias)	:			
Under	: Duties & Taxes (Current Liabilities)	Name	Mailing Details	
Type of Duty/Tax	: VAT	Address		
Default VAT/Tax Class	: Purchases - Capital Goods @ 4%	State		
Inventory values are affected	? No	PIN Code		
Percentage of Calculation (eg 5)	? 4 %			
Method of Calculation	: On VAT Rate			
Rounding Method	: Normal Rounding			
Rounding Limit	: 1			
		PAN / IT No.		
Opening Balance (on 1-Apr-2009) :		Accept ?		Yes or No

Figure 3.33 Input VAT ledger

4. Record a Purchase Voucher

Set up: In F12: Configuration (Purchase Configuration)

- Set **Allow Expenses/ Fixed Assets in Purchase Vouchers** to **Yes**



*This configuration option will be displayed in the **F12: Configure** only when the purchase voucher is in **voucher mode***

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 **30-4-2009**.
4. In **Supplier Invoice No.** field enter the Invoice No. as **TI/6894**
5. In **Party's A/c Name** field select the supplier i.e. **Tricon Industries** from the List of Ledger Accounts (use **Alt+C** to create the party ledger. Provide Excise details in party ledger)
6. In **Nature of Purchase** field the option **Manufacturer** is displayed automatically
7. In **Name of Item** field select the Stock Item i.e. **Machinery**
8. In **Quantity** field enter the quantity as **1**
9. In **Rate** field enter the rate as **Rs. 1,00,000**. Amount will be displayed automatically.
10. In the **Accounting Details** screen
 - In **Particulars** field select **Plant & Machinery** ledger
 - In **VAT/Tax Class** field **Purchases – Capital Goods @ 4%** will be displayed
 - In the **Amount** column the total amount of the item will be displayed

Accounting Details for : Machinery Upto: Rs. 1,00,000.00 Dr		
Particulars	VAT/Tax Class	Amount
Plant & Machinery <i>Cur Bal: 1,00,000.00 Dr</i>	Purchases - Capital Goods @ 4%	1,00,000.00
		1,00,000.00

Figure 3.34 Accounting Details screen

11. Select **Basic Excise Duty @ 16%** ledger, duty amount will be displayed automatically
12. Similarly select **Education Cess @ 2%** and **Secondary Education Cess @ 1%** ledgers
13. Select **Input VAT @ 4% - Capital Goods** ledger. VAT amount will be calculated and displayed automatically
14. Set **Show Statutory Details** to **Yes** to view the Statutory details
15. In the **Bill-wise Details** screen accept the default bill allocation
16. Enter **Narration** if any

Accounting Voucher Creation		Aqua Ltd.		Ctrl + M
Excise - Purchases No. 4		Date : 30-Apr-2009		30-Apr-2009 Thursday
Supplier Invoice No. : IT/6894		Excise Unit : Aqua Ltd.		
Party's A/c Name : Tricon Industries		Nature of Purchase : Manufacturer		
Current Balance :				
Name of Item	Quantity	Rate per	Amount	
Machinery	1 U	1,00,000.00 U	1,00,000.00	
Rate : 16%				
Basic Excise Duty @ 16%		16 %	16,000.00	
Education Cess @ 2%		2 %	320.00	
Secondary Education Cess @ 1%		1 %	160.00	
Input VAT @ 4% - Capital Goods		4 %	4,659.00	
Show Statutory Details ? Yes Narration: 1 U Accept ? Yes or No				

Figure 3.35 Purchase Voucher

17. Press **Enter** to save

5. Record a Debit Note (to avail CENVAT Credit)

CENVAT Credit Can be availed at the time of accounting the purchase or later. In this scenario CENVAT Credit is availed on **5-5-2009**.

1. In **Change Voucher Type** screen in **Class** field select **CENVAT Availing** from the Voucher Class List
2. Enter the **Date** as **5-5-2009**
3. In **Used For** field **CENVAT Availing** will be displayed automatically
4. In **Excise Unit** field select **Aqua Ltd.**

5. In **Nature of Purchase** field select **Manufacturer**
6. In **Debit** field select **Basic Excise Duty (CENVAT)** to view **Excise Duty Allocation** screen
7. In **Excise Duty Allocation** screen
 - ❑ In **Type of Ref** field select **New Ref**
 - ❑ In **Name** field enter the reference name. Here enter the reference name used in the **purchase voucher** i.e. **TI/6894**
 - ❑ In **Party Name** field select **Tricon Industries** from the **List of Ledger Accounts**
 - ❑ In the **Name of Item** field select **Machinery**
 - ❑ In **Quantity** field enter **1**
 - ❑ In the **Assessable Value** field enter **Rs.50000**



*In Tally.ERP 9 **CENVAT Credit** can be availed partially based on Assessable value or on the number of items purchased.*

*As per law, only **50%** of the **duty paid on capital goods** can be availed as **CENVAT credit** in the **same financial year** in which the capital goods is purchased. To calculate the partial CENVAT Credit here, **50% of the assessable value (50000)** is considered.*

- ❑ In the **Rate** field the rate of duty i.e. **16%** defined in the ledger will be defaulted (if the rate of duty is not defined during ledger creation enter the applicable rate of duty)
- ❑ The **duty amount** will be calculated and displayed in the **Amount** field

Duty Details for : Basic Excise Duty (CENVAT)							
Type of Ref	Invoice No. / Bill of Entry No. & Date	Party Name	Name of Item	Quantity	Assessable Amount	Rate	Amount
New Ref	TI/6894	Tricon Industries	Machinery (Capital Goods)	1 U	50,000.00	16 %	8,000.00 Dr
							8,000.00

Figure 3.36 Excise Duty Allocation Screen

8. In **Debit** field select **Education Cess (CENVAT)** to view Excise Duty Allocation screen
9. In **Excise Duty Allocation** screen
 - ❑ In **Type of Ref** field select **New Ref**
 - ❑ In **Name** field enter the reference name used in the purchase voucher i.e. **TI/6894**
 - ❑ In **Party Name** field select **Tricon Industries** from the List of Ledger Accounts
 - ❑ In the **Name of Item** field select **Machinery**
 - ❑ In **Quantity** field enter **100**
 - ❑ In the **Assessable Value** field enter **Rs. 8,000** (Excise Duty value)
 - ❑ In the **Rate** field the rate of duty i.e., **2%** defined in the ledger will be defaulted (if the rate of duty is not defined during ledger creation enter the applicable rate of duty)
 - ❑ The **duty amount** will be calculated and displayed in the **Amount** field

Duty Details for : Education Cess (CENVAT)							
Type of Ref	Invoice No. / Bill of Entry No. & Date	Party Name	Name of Item	Quantity	Assessable Amount	Rate	Amount
New Ref	TI/689	Tricon Industries	Machinery (Capital Goods)	1 U	8,000.00	2 %	160.00 Dr
							160.00

Figure 3.37 Excise Duty Allocation Screen

10. Similarly, in **Debit** field select **Secondary Education Cess (CENVAT)** to view Excise Duty Allocation screen
11. In **Excise Duty Allocation** screen
 - ❑ In **Type of Ref** select **New Ref**
 - ❑ In **Name** field enter the reference name used in the purchase voucher i.e. **TI/6894**
 - ❑ In **Party Name** field select **Tricon Industries** from the List of Ledger Accounts
 - ❑ In the **Name of Item** field select **Machinery**
 - ❑ In **Quantity** field enter **1**
 - ❑ In the **Assessable Value** field enter **Rs. 8000**(Excise Duty value)

- In the **Rate** field the rate of duty i.e., **1%** defined in the ledger will be defaulted (if the rate of duty is not defined during ledger creation enter the applicable rate of duty)
- The **duty amount** will be calculated and displayed in the **Amount** field

12. In the **Credit** field select **Plant & Machinery** ledger to view Inventory Allocation screen

13. In the **Inventory Allocation** screen

- In **Name of Item** field select the stock item **Machinery**
- In the **Amount** column enter the total amount (of Basic Excise Duty, Education Cess and Secondary Education Cess) **Rs. 8,240**

Inventory Allocations for : Plant & Machinery			
Name of Item	Quantity	Rate per	Amount
Machinery			8,240.00
			8,240.00

Figure 3.38 Inventory Allocation screen

14. Press enter to **Excise Duty allocation** screen

15. In the Excise Duty allocation screen

- Select **Agst Ref** in **Type of Ref** field
- In **Name** field select bill **TI/6894** dated **30-4-2009** (Basic Excise Duty @ 16%) from the List of Pending Tax Bills
- In the **Amount** field enter **Rs.8000** (is the amount which is availed as CENVAT Credit against the Basic Excise Duty)
- Select **Agst Ref** in **Type of Ref** field
- In **Name** field select bill **TI/6894** dated **30-4-2008** (Education Cess @ 2%) from the List of Pending Tax Bills
- In the **Amount** field enter **Rs.160** (is the amount which is availed as CENVAT Credit against the Education Cess)
- Select **Agst Ref** in **Type of Ref** field
- In **Name** field select bill **TI/6894** dated **30-4-2008** (Secondary Education Cess @ 1%) from the List of Pending Tax Bills

- In the **Amount** field enter **Rs.80** (is the amount which is availed as CENVAT Credit against the Secondary Education Cess).

Duty Details for : Plant & Machinery			
Type of Ref	Invoice No. /	Amount	Dr/Cr
Agst Ref	IT/6894	8,000.00	Cr
Agst Ref	IT/6894	160.00	Cr
Agst Ref	IT/6894	80.00	Cr
		8,240.00	Cr

Figure 3.39 Duty Details screen

The completed Debit Note is displayed as shown

Accounting Voucher Creation		Aqua Ltd.		Ctrl + M
Debit Note	No. 2	Voucher Class : CENVAT Availing		5-May-2009 Tuesday
		Used for: CENVAT Availing		
Excise Unit	: Aqua Ltd.			
Nature of Purchase	: Manufacturer			
Particulars	Debit	Credit		
Dr Basic Excise Duty (CENVAT)	8,000.00			
<i>Cur Bal: 78,600.00 Dr</i>				
Dr Education Cess (CENVAT)	160.00			
<i>Cur Bal: 1,572.00 Dr</i>				
Dr Secondary Education Cess (CENVAT)	80.00			
<i>Cur Bal: 786.00 Dr</i>				
Cr Plant & Machinery		8,240.00		
<i>Cur Bal: 1,08,240.00 Dr</i>				
Machinery	8,240.00			
Narration:			8,240.00	8,240.00
			Accept ? Yes or No	

Figure 3.40 Debit Note Voucher

16. Press **Enter** to save.



***Machinery** being a **Fixed Asset**, the purchase cost of the machinery (**Fixed Asset**) along with the availed CENVAT credit will be displayed only in the **Balance Sheet**. It will not affect Stock Summary report.*

3.6 Creating a Manufacturing Voucher

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.

In case of discrete industries, Stock Journal can be used to account the issue of Raw materials to production floor and for the receipt of finished goods

Example 6:

On 8-5-2009 Aqua Ltd. manufactured 2,00,000 Ltrs of AquaPure - Ltr.

Create a Manufacturing Journal

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

1. Enter the **Date** as **8-5-2009**

2. In **Name of Product** field select **AquaPure - 1Ltr** from the **List of Items**

Tally.ERP 9 automatically updates the components required to manufacture **AquaPure - 1Ltr** as defined in BOM of finished goods under **Components (Consumption)** section

3. In **Quantity** field enter **2,00,000** as the quantity manufactured

Tally.ERP 9 automatically updates the **Quantity, Rate** and **Amount** of the components used in the manufacture of **AquaPure - 1Ltr**

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

Inventory Voucher Creation				Aqua Ltd.		Ctrl + M	
Manufacturing Journal No. 1				8-May-2009 Friday			
Manufacture of Materials							
Name of Product : AquaPure - 1 Ltr Qty 2,00,000 L							
Components (Consumption)				Cost of Components :		3.68/L 7,16,000.00	
Name of Item	Quantity	Rate	Amount	Type of Addl. Cost	%age		
Natural Water	2,00,000 L	2.33/L	4,66,000.00	# End of List			
Pet Bottles - 1Ltr	2,00,000 U	1.00/U	2,00,000.00				
Bottle Caps	2,00,000 U	0.25/U	50,000.00				
			7,16,000.00	Total Addl. cost	:		
				Effective Cost	:		
				Effective Rate	:		
Narration:				Accept ? Yes or No			

Figure 3.41 Manufacturing Journal

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

Similarly record the Manufacturing Journal to account the manufacture of

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

3.7 Creating a Excise Sales Voucher – Rule 11 Invoice

Example 7:

On 12-5-2009 Aqua Ltd. sold the 1,00,000 Ltrs of AquaPure - 1Ltr @ of Rs. 20 per Litre to Universal Distributors.

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 **12-5-2009**
4. Enter the **Ref** details as **AQ/689**
5. In **Excise Unit** field Tally.ERP 9 displays **Aqua Ltd.**, as selected during voucher type creation
6. **Excise Book Name** field displays the name of the **excise invoice book (Aqua/Rule11/Book1/09-10)** created for the Excise Unit
7. **No.** field displays the Rule 11 invoice Number e.g. **Aqua/101/09-10**
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 **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. : AQ/689
	Despatched through : Road
	Destination : Bangalore
	Motor Vehicle No. : KA-03 EF-5641
Order Details	
Order No(s) :	Mode/Terms of Payment : 20 days
	Terms of Delivery : Road
VAT/Excise Details	
Sl. No. in PLA/RG-23 :	1
Date & Time of Invoice :	12-May-2009 at 14:06
Date & Time of Removal :	12-May-2009 at 14:06
Buyer's Details	
Buyer :	Universal Distributors
Address :	No-54 Jai Bharat Industrial Area Yeshwanthpur Bangalore
TIN/Sales Tax No. :	
Excise Regn No. :	AACCL0014CXD001
Range :	Yeshwanthpur II
Division :	Yeshwanthpur
Commissionerate :	Bangalore III.

Figure 3.42 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

Special Rate is selected when the sales is made to the customer at special rate of Duty other than the standard rate of Duty.

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		Aqua Ltd.		Ctrl + M
Excise - Sales No. 1				12-May-2009 Tuesday
Ref. : AO/689				
Excise Unit : Aqua Ltd.				
Excise Book Name : Aqua/Rule11/Book1/09-10 Serial No. Aqua/101/09-10				
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 Narration: Yes / No No Yes				
		1,00,000 L	24,42,816.00	

Figure 3.43 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		Aqua Ltd.		Ctrl + M	
Excise - Sales		Statutory Details		12-May-2009	
Ref : AQ/689				Tuesday	
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	21,71,392.00	
Nature of Removal :		Item MRP		20,00,000.00	
Current Balance :		Basic Excise Duty @ 16%		1,66,400.00	
Sales Ledger : Sal		Education Cess @ 2%		3,328.00	
VAT/Tax Class : S		Secondary Education Cess @ 1%		1,664.00	
Name of Item		Excise Duty Value	1,71,392.00		
		Basic Excise Duty @ 16%	16 %	1,66,400.00	
AquaPure - 1 Ltr		AquaPure - 1 Ltr @ 16 % On 10,40,000.00		1,66,400.00	
Rate : 1		Education Cess @ 2%	2 %	3,328.00	
		AquaPure - 1 Ltr @ 2 % On 1,66,400.00		3,328.00	
Basic Excise Duty @ 16%		Secondary Education Cess @ 1%	1 %	1,664.00	
Education Cess @ 2%		AquaPure - 1 Ltr @ 1 % On 1,66,400.00		1,664.00	
Secondary Education Cess @ 1%		VAT Amount		2,71,424.00	
Output VAT @ 12.5%		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 Det					
Narration:				24,42,816.00	

Figure 3.44 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.

Bill-wise Details for : Universal Distributors Upto: Rs. 24,42,816.00 Dr				
Type of Ref	Name	Due Date, or Credit Days (wef: 12-5-2009)	Amount	Dr/ Cr
New Ref	AQ/689	20 Days (1-Jun-2009)	24,42,816.00	Dr
			24,42,816.00	Dr

Figure 3.45 Bill-wise Details

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

Accounting Voucher Creation		Aqua Ltd.		Ctrl + M
Excise - Sales No. 1		Ref : AQ/689		12-May-2009 Tuesday
Excise Unit : Aqua Ltd.		Excise Book Name : Aqua/Rule11/Book1/09:10		Serial No. Aqua/101/09:10
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				
Narration:		1,00,000 L		Accept ? Yes or No

Figure 3.46 Sales Voucher

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

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			
(ISSUE OF INVOICE UNDER RULE 11 OF CENTRAL EXCISE RULES)			
(with Print Preview)			
			Print ? Yes or No

Figure 3.47 Voucher Printing screen

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

Enable the following Options

- ❑ **Print Excise Duty Details of Items**
- ❑ **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			
Generated by : This is a Computer Generated Invoice			

Figure 3.48 Invoice Printing Configuration screen



Press **Alt+I: With Preview** 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)							
Aqua Ltd. # 55, Koramangala Industrial Area, Bangalore Phone : 080-55647825							
VAT TIN : 11004578123		Range : Koramangala / 44/200 / 6th Floor, A Wing, Kendriya Sadan, Koramangala, Bangalore Urban- 560034		CST No. : 42514878245		Division : Division I / 1902 / 7th Floor, C Wing, Kendriya Sadan, Koramangala, Bangalore Urban- 560034	
Excise Regn No. : AAPCL2149RXM001		Commissionerate : Bangalore / 108 / P.R. No. 5000, Queens Road, C.B. Building, Bangalore (PO Bangalore Urban- 560001)					
Buyer Universal Distributors No-54 Jai Bharat Industrial Area Yeshwanthpur Bangalore Excise Regn No. : AACCL0014CXD001 Range : Yeshwanthpur II Division : Yeshwanthpur Commissionerate : Bangalore III		Invoice No.		Dated			
		Aqua/101/09-10		12-May-2009			
		Buyer's Order No.		Dated			
		Delivery Note		Dated			
		Supplier's Ref.		Despatch Document No.			
		AQ/689		AQ/689			
		Despatched through		Destination			
		Road		Bangalore			
		Date & Time of Removal of Goods		Motor Vehicle No.			
		12-May-2009 at 14:06		KA-03 EF-5641			
		Date & Time of issue of invoice		Authenticated By for Aqua Ltd.			
		12-May-2009 at 14:06					
		Mode/Terms of Payment		Authorised Signatory			
		20 days					
Sl No.	Description of Goods	Tariff / HSN Classification	Quantity	Rate	per	Amount	
1	AquaPure - 1 Ltr	22011010	1,00,000 L (4,167 Box)	20.00	L	20,00,000.00	
	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% (21,71,392.00)			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	Sec Ed Cess Amount
AquaPure - 1 Ltr (MRP: 20/L Abatement: 48%)	10,40,000.00	16 %	1,66,400.00	2 %	3,328.00	1 %	1,664.00
Total			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							
Declaration : We declare that this invoice shows the actual price of the goods described and that all particulars are true and correct.							
Excise Declaration				for Aqua Ltd.			
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.				Authorised Signatory			
SUBJECT TO BANGALORE JURISDICTION E & O E This is a Computer Generated Invoice							

Figure 3.49 Print Preview – Excise Invoice

3.8 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.

Example 8:

On 15-5-2008 Aqua Ltd. sold the following Stock Items to Universal Distributors.

Stock items	Quantity	Rate
<i>AquaPure - 1 Ltr</i>	<i>20000</i>	<i>Rs. 20</i>
<i>AquaMini - 200 ml</i>	<i>4000</i>	<i>Rs. 5</i>
<i>AquaKing - 20 Ltr</i>	<i>3000</i>	<i>Rs. 60</i>

Here we are selling **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 **15-5-2008**
4. Enter the **Ref** details as **AQ/726**
5. In **Excise Unit** field Tally.ERP 9 displays **Aqua Ltd.**, as selected during voucher type creation
6. **Excise Book Name** field displays the name of the excise invoice book (Aqua/Rule11/Book1/09-10) created for the Excise Unit
7. **No.** field displays the Rule 11 invoice Number e.g. **Aqua/102/09-10**
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
 - **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. : AQ/726 Despatched through : Road Destination : Bangalore Motor Vehicle No. : KA-14 EM-5689
Order Details	
Order No(s) :	Mode/Terms of Payment : Terms of Delivery :
VAT/Excise Details	
Sl. No. in PLA/RG-23 : 2 Date & Time of Invoice : 15-May-2009 at 17:43 Date & Time of Removal : 15-May-2009 at 17:43	
Buyer's Details	
Buyer : Universal Distributors Address : No-54 Jai Bharat Industrial Area Yeshwanthpur Bangalore TIN/Sales Tax No. : Excise Regn No. : AACCL0014CXD001 Range : Yeshwanthpur II Division : Yeshwanthpur Commissionerate : Bangalore III	

Figure 3.50 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**. **Amount** will be displayed automatically
16. In **Name of Item** field select the Stock Item i.e. **AquaMini - 200 ml** as the second Item
17. Enter **4000** as **Quantity** and **Rs. 5** as **Rate**
18. In **Name of Item** field select the Stock Item i.e. **AquaKing - 20 Ltr** as the third Item
19. Enter **3000** as **Quantity** and **Rs. 60** as **Rate**
20. Select Duty Ledger i.e. **Basic Excise Duty @ 16%**. **Amount** will be calculated and displayed automatically.
21. Select **Education Cess @ 2%** and **Secondary Education Cess @ 1%** ledgers. **Amount** will be calculated and displayed automatically
22. Select **Output VAT @ 12.5%**. **Amount** will be calculated and displayed automatically.
23. Set the option **Show Statutory Details** to **Yes** to view **Statutory Details** screen.

Accounting Voucher Creation				Aqua Ltd.		Ctrl + M	
Excise - Sales				No. 2		15-May-2009	
Ref. : AQ/726						Friday	
Excise Unit : Aqua Ltd.							
Excise Book Name : Aqua/Rule11/Book1/09-10				Serial No. Aqua/102/09-10			
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	
↑ ... 1 more				(833 Box)			
Rate : 16% MRP: 20.00/L Abatement: 48%							
AquaMini - 200 MI				4,000 U	5.00 U	20,000.00	
Rate : 2/L				(800 L)			
AquaKing - 20 Ltr				3,000 U	60.00 U	1,80,000.00	
Rate : 16%				(60,000 L)			
						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 %	83,199.00	
Show Statutory Details ? Yes							
Narration:							
				80,800 L		7,48,789.40	

Figure 3.51 Sales Voucher

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

Statutory Details				Aqua Ltd.		Ctrl + M	
Excise - Sales				Statutory Details		15-May-2009	
Ref. : AQ/726						Friday	
Excise Unit : Aqua Ltd.							
Excise Book Name :							
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				Particulars	Excise	VAT	Amount
↑ ... 1 more							
Rate : 16%							
AquaMini - 200 MI							
Rate : 2							
AquaKing - 20 Ltr							
Rate : 16%							
Basic Excise Duty @ 16%							
Education Cess @ 2%							
Secondary Education Cess @ 1%							
Output VAT @ 12.5%							
Show Statutory De							
Narration:							

Figure 3.52 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 X Rate= Total Amount - Abatement (Total Amount X 48/100)
- **Rs. 2,08,000:** $20,000 \times 20 = 4,00,000 - 1,92,000 (4,00,000 \times 48/100)$

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 - Litre), 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 $(4000 \times 0.200\text{ml})$ 800 litres $(800 \times 2 = 1600)$
- **Education Cess** for AquaMini - 200ml is calculated on 800 litres $(800 \times 0.04 = 32)$
- **Secondary Education Cess** is calculated for AquaMini - 200ml is calculated on 800 litres $(800 \times 0.02 = 16)$

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 $(180000 \times 16/100 = 28,800)$

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

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

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



Accounting Voucher Creation		Aqua Ltd.		Ctrl + M
Excise - Sales No. 2				15-May-2009
Ref. : A0/726				Friday
Excise Unit : Aqua Ltd.				
Excise Book Name : Aqua/Rule11/Book1/09-10		Serial No. Aqua/102/09-10		
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 %	83,199.00	
Show Statutory Details ? Yes Narration:	80,800 L		Accept ? Yes or No	

Figure 3.53 Sales Voucher

27.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)						
Aqua Ltd. # 55, Koramangala Industrial Area, Bangalore Phone : 080-55647825						
VAT TIN : 11004578123		Range : Koramangala / 19K28 / 4th Floor, A Wing, Keshava Sadan, Koramangala, Bangalore Urban- 560034				
CST No. : 42514878245		Division : Division I / 1902 / 7th Floor, C Wing, Keshava Sadan, Koramangala, Bangalore Urban- 560034				
Excise Regn No. : AAPCL2149RXM001		Commissionerate : Bangalore / 09 / P.R. No. 5002, Overseas Road, C-2, Building, Bangalore QPO Bangalore Urban- 560001				
Buyer		Invoice No.		Dated		
Universal Distributors No-54 Jai Bharat Industrial Area Yeshwanthpur Bangalore		Aqua/102/09-10		15-May-2009		
		Buyer's Order No.		Dated		
		Delivery Note		Dated		
Excise Regn No. : AACCL0014CXD001		Supplier's Ref.		Despatch Document No.		
Range : Yeshwanthpur II		AQ/726		AQ/726		
Division : Yeshwanthpur		Despatched through		Destination		
Commissionerate : Bangalore III		Road		Bangalore		
		Date & Time of Removal of Goods		Motor Vehicle No.		
		15-May-2009 at 13:36		KA-14 EM-5689		
		Date & Time of issue of invoice		Authenticated By for Aqua Ltd.		
		15-May-2009 at 13:36				
		Mode/Terms of Payment		Authorised Signatory		
Sl No.	Description of Goods	Tariff / HSN Classification	Quantity	Rate	per	Amount
1	AquaPure - 1 Ltr	22011010	20,000 L (833 Box)	20.00	L	4,00,000.00
2	AquaMini - 200 ML	22011010	4,000 U (800 L)	5.00	U	20,000.00
3	AquaKing - 20 Ltr	22011010	3,000 U (60,000 L)	60.00	U	1,80,000.00
						5,00,000.00
	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% (6,65,590.40)			12.50	%	83,199.00
Total			80,800 L			7,48,789.40
Amount Chargeable (in words) : Rs. Seven Lakh Forty Eight Thousand Seven Hundred Eighty Nine and Forty paise Only						
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 PLAR/G-23 : 2						
Declaration : We declare that this invoice shows the actual price of the goods described and that all particulars are true and correct.						
Excise 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 Aqua Ltd. Authorised Signatory
This is a Computer Generated Invoice						E & O E

Figure 3.54 Print Preview – Excise Invoice

3.9 Rule 11 Invoice for Stock Items with Expenses

Example 9:

On 20-5-2009 Aqua Ltd. sold the below items to Universal Distributors. Universal Distributors requested to deliver the items with additional packing. The packing charges of Rs. 6000 are also included to the Product Cost.

Stock Item	Quantity	Rate
AquaKing - 20Ltr	1000	Rs. 70
AquaEase - 20Ltr	200	Rs. 100

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 **20-5-2009**
4. Enter the **Ref** details as **AQ/830**
5. In **Excise Unit** field Tally.ERP 9 displays **Aqua Ltd.**, as selected during voucher type creation
6. **Excise Book Name** field displays the name of the excise invoice book (**Aqua/Rule11/Book1/09-10**) created for the Excise Unit
7. **No.** field displays the Rule 11 invoice Number e.g. **Aqua/103/09-10**
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

Despatch Details	
Delivery Note No(s) :	Despatch Doc. No. : AQ/830 Despatched through : Road Destination : Bangalore Motor Vehicle No. : KA-05 MH-5891
Order Details	
Order No(s) :	Mode/Terms of Payment : Terms of Delivery :
VAT/Excise Details	
Sl. No. in PLA/RG-23 :	3
Date & Time of Invoice :	20-May-2009 at 13:45
Date & Time of Removal :	20-May-2009 at 13:45
Buyer's Details	
Buyer :	Universal Distributors
Address :	No-54 Jai Bharat Industrial Area Yeshwanthpur Bangalore
TIN/Sales Tax No. :	
Excise Regn No. :	AACCL0014CXD001
Range :	Yeshwanthpur II
Division :	Yeshwanthpur
Commissionerate :	Bangalore III.

Figure 3.55 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		Aqua Ltd.		Ctrl + M
Excise - Sales		No. 3	20-May-2009 Wednesday	
Ref. : AQ/830				
Excise Unit : Aqua Ltd.				
Excise Book Name : Aqua/Rule11/Book1/09-10 Serial No. Aqua/103/09-10				
Party's A/c Name : Universal Distributors				
Nature of Removal : Domestic				
Current Balance : 31,91,605.40 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 %	13,978.00	
Show Statutory Details ? Yes				
Narration:		1,200 U	1,25,798.80	

Figure 3.56 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		Aqua Ltd.		Ctrl + M	
Excise - Sales		Statutory Details		20-May-2009	
Ref : AQ/830				Wednesday	
Excise Unit		Particulars	Excise	VAT	
Excise Book Name					
Assessable Value			96,000.00	1,11,820.80	
Party's A/c Name		AquaKing - 20 Ltr	74,666.67	86,971.74	
Nature of Removal		Item Value	70,000.00	70,000.00	
Current Balance		Packing Charges	4,666.67	4,666.67	
Sales Ledger : Sal		Basic Excise Duty @ 16%		11,946.67	
VAT/Tax Class : S		Education Cess @ 2%		238.93	
Name of Item		Secondary Education Cess @ 1%		119.47	
AquaKing - 20 Ltr		AquaEase - 20 Ltr	21,333.33	24,849.06	
Rate : 1		Item Value	20,000.00	20,000.00	70,000.00
AquaEase - 20 Ltr		Packing Charges	1,333.33	1,333.33	
Rate : 1		Basic Excise Duty @ 16%		3,413.33	
		Education Cess @ 2%		68.27	
		Secondary Education Cess @ 1%		34.13	20,000.00
Excise Duty Value			15,820.80		
Basic Excise Duty @ 16%			15,360.00		
AquaKing - 20 Ltr @ 16 % On		74,666.67	11,946.67		90,000.00
AquaEase - 20 Ltr @ 16 % On		21,333.33	3,413.33		6,000.00
Education Cess @ 2%			307.20		15,360.00
AquaKing - 20 Ltr @ 2 % On		11,946.67	238.93		307.20
AquaEase - 20 Ltr @ 2 % On		3,413.33	68.27		153.60
Secondary Education Cess @ 1%			153.60		13,978.00
AquaKing - 20 Ltr @ 1 % On		11,946.67	119.47		
AquaEase - 20 Ltr @ 1 % On		3,413.33	34.13		
VAT Amount				13,978.00	
Output VAT @ 12.5%			12.50 %	13,978.00	
AquaKing - 20 Ltr @ 12.50 % On		86,971.74		10,871.00	
AquaEase - 20 Ltr @ 12.50 % On		24,849.06		3,106.00	
Show Statutory De					1,25,798.80
Narration:					

Figure 3.57 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.

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

Accounting Voucher Creation		Aqua Ltd.		Ctrl + M
Excise - Sales No. 3				20-May-2009
Ref. : AQ/830				Wednesday
Excise Unit : Aqua Ltd.				
Excise Book Name : Aqua/Rule11/Book1/09-10		Serial No. Aqua/103/09-10		
Party's A/c Name : Universal Distributors Nature of Removal : Domestic Current Balance : 31,91,605.40 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 %	13,978.00	
Show Statutory Details ? Yes				
Narration:		1,200 U	Accept ?	
			Yes or No	

Figure 3.58 Sales Voucher

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

3.10 Sales at Special Rate

Example 10:

On 28-5-2009 ABC Company sold 1000 nos of AquaKing - 20 Ltr @ 100/no to Universal Distributors, at special rate of Duty @ 8% as per the Notification No. EB/20/2009-10.

To Record a Purchase 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 **28-5-2008**.
4. Enter the **Ref** details as **AQ/910**
5. In **Excise Unit** field Tally.ERP 9 displays **Aqua Ltd.** as selected during voucher type creation.

6. **Excise Book Name** field displays the name of the excise invoice book (Aqua/Rule11/Book1/09-10) created for the Excise Unit.
7. **No.** field displays the Rule 11 invoice Number e.g. **Aqua/104/09-010**
8. In **Party A/c Name** field select **Universal Distributors** from the List of Ledger Accounts.
9. In **Party Details** sub form accept the default details
10. In **Nature of Removal** field select the option **Special Rate** from the list of Types of Removals.
11. In the **Notification Number** field enter the notification number **EB/20/2008-09**
12. In **Sales Ledger** field select the ledger **Sales @ 12.5%** from the List of Ledger Accounts.
13. **VAT/Tax Class** field automatically gets updated with the VAT/Tax class as selected in the sales ledger, which can be changed.
14. In **Name** of Item field select the Stock Item i.e. **AquaKing - 20Ltr**
15. In **Quantity** field enter the quantity as **1,000**
16. In **Rate** field enter the rate as **Rs. 100**. Amount will be calculated automatically.
17. Select Duty Ledger i.e. **Basic Excise Duty @ 16%**. to view **Excise Duty Allocation** screen. in the Duty Details screen alter the **Rate** of Duty to **8%**

Duty Details for : Basic Excise Duty @ 16%					
Type of Ref	Name	Name of Item	Assessable Amount	Rate	Duty Amount
New Ref	AquaRule11Book109-1010	AquaKing - 20 Ltr	1,00,000.00	8 %	8,000.00 Cr
					8,000.00 Cr

Figure 3.59 Duty Details Screen

18. **Amount** will be calculated and displayed automatically based on the Rate entered



*In the sales voucher screen, the rate of duty in **Rate** field displays as **16%** (Which is captured from Stock Item), alter the rate to **8%***

19. Select **Education Cess @ 2%** and **Secondary Education Cess @ 1%** ledgers. **Amount** will be calculated and displayed automatically.
20. Select **Output VAT @ 12.5%** as the VAT duty ledger. **Amount** will be displayed automatically.
21. Set **Show Statutory Details** to **Yes** to view statutory details
22. In the **Bill-wise Details** screen accept the default bill allocation
23. Enter **Narration** if any

Accounting Voucher Creation		Aqua Ltd.		Ctrl + M
Excise - Sales		No. 4		28-May-2009
Ref. : AQ/910				Thursday
Excise Unit : Aqua Ltd.				
Excise Book Name : Aqua/Rule11/Book1/09-10		Serial No. Aqua/104/09-10		
Party's A/c Name : Universal Distributors				
Nature of Removal : Special Rate		Notification Number : EB/20/2008-09		
Current Balance : 33,17,404.20 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	100.00 U	1,00,000.00	
Rate : 16%	(20,000 L)			
Basic Excise Duty @ 16%		8 %	8,000.00	
Education Cess @ 2%		2 %	160.00	
Secondary Education Cess @ 1%		1 %	80.00	
Output VAT @ 12.5%		12.50 %	13,530.00	
Show Statutory Details ? Yes				
Narration:		1,000 U		Accept ? Yes or No

Figure 3.60 Excise Sales – at Special Rate

24. Press **Enter** to save.

3.11 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.

Example 11:

On 29-5-2009 Aqua Ltd. returned the following goods purchased on 3-4-2009 against the Bill No-LM/243 as they were not as per the specification.

Stock Item	Quantity	Rate
Pet Bottles - 1 Ltr	2000	Rs. 1.00
Bottle Caps	2000	Rs. 0.25

Record the Purchase Returns (Excise Debit Note)

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 **29-5-2009**
4. Enter the **Ref** details as **AQ/758**
5. In **Excise Unit** field Tally.ERP 9 displays **Aqua Ltd.**, as selected during voucher type creation
6. **Excise Book Name** field displays the name of the excise invoice book (Aqua/Rule11/Book1/09-10) created for the Excise Unit
7. **No.** field displays the Rule 11 invoice Number e.g. **Aqua/106/09-10**
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		Aqua Ltd.		Ctrl + M
Excise - Debit Note No. 1		29-May-2009		
Ref. : A0/758		Friday		
Excise Unit : Aqua Ltd.				
Excise Book Name : Aqua/Rule11/Book1/09-10		Serial No. Aqua/106/09-10		
Party's A/c Name : Lanco Manufacturers Nature of Removal : Domestic Current Balance : 5,22,413.00 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 %	116.00	
			4,000 U	
			3,028.00	

Show Statutory Details ? **Yes**

Yes / No

No

Yes

Narration:

Figure 3.61 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				Aqua Ltd.		Ctrl + M	
Excise - Debit Note Ref : AQ/758 Excise Unit Excise Book Name :				Statutory Details			29-May-2009 Friday
				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	
Item Value				2,000.00		2,000.00	
Basic Excise Duty @ 16%						320.00	
Education Cess @ 2%						6.40	
Secondary Education Cess @ 1%						3.20	
Name of Item						Amount	
Bottle Caps				500.00		582.40	
Item Value				500.00		500.00	
Basic Excise Duty @ 16%						80.00	
Education Cess @ 2%						1.60	
Secondary Education Cess @ 1%						0.80	
Rate : 1 %							
Excise Duty Value				412.00			
Bottle Caps						500.00	
Basic Excise Duty @ 16%				16 %		400.00	
Rate : 1 %							
Pet Bottles - 1Ltr @ 16 % On				2,000.00		320.00	
Bottle Caps @ 16 % On				500.00		80.00	
						2,500.00	
Education Cess @ 2%				2 %		8.00	
Pet Bottles - 1Ltr @ 2 % On				320.00		6.40	
Bottle Caps @ 2 % On				80.00		1.60	
						4.00	
Secondary Education Cess @ 1%				1 %		4.00	
Pet Bottles - 1Ltr @ 1 % On				320.00		3.20	
Bottle Caps @ 1 % On				80.00		0.80	
						116.00	
VAT Amount						116.00	
Input VAT @ 4%				4 %		116.00	
Pet Bottles - 1Ltr @ 4 % On				2,329.60		93.00	
Bottle Caps @ 4 % On				582.40		23.00	
Show Statutory Details							
Narration:						3,028.00	

Figure 3.62 Statutory Details

22. In **Bill-wise Details** screen select **Type of Ref** as **Agst Ref** and select **LM/243** dated **3-4-2009**.

Bill-wise Details for : Lanco Manufacturers				
Upto: Rs. 3,028.00 Dr				
Type of Ref	Name	Due Date, or Credit Days	Amount	Dr/ Cr
Pending Bills				
Agst Ref	LM/243			
		LM/243	3-Apr-2009	5,22,413.00 Cr
			3,028.00 Dr	

Figure 3.63 Bill-wise Details

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

Accounting Voucher Creation		Aqua Ltd.		Ctrl + M
Excise - Debit Note No. 1			29-May-2009	
Ref. : AQ/758			Friday	
Excise Unit : Aqua Ltd.				
Excise Book Name : Aqua/Rule11/Book1/09-10 Serial No. Aqua/106/09-10				
Party's A/c Name : Lanco Manufacturers				
Nature of Removal : Domestic				
Current Balance : 5,19,385.00 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 %	116.00	
Show Statutory Details ? Yes				
Narration:			4,000 U	Accept ?
				Yes or No

Figure 3.64 Debit Note Voucher

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

3.12 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 quarterly. 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.

Example 12:

On 10-6-2009 Aqua Ltd. Adjusted the CENVAT credit against the Excise Duty payable for the month of June.

3.12.1 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		Aqua Ltd.	Ctrl + M
Name : Jour	Class : <u>CENVAT Credit Adjustment</u>		
(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.			AT Credit Adjustment
Method of Voucher			
Use Advance Cont			
Use EFFECTIVE Da			
Make 'Optional' as d			
Use Common Narrat			
Narrations for each s			

Figure 3.65 Journal Voucher Class Creation

Completed Journal Voucher Type Alteration screen appears as shown

Voucher Type Alteration		Aqua Ltd.	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 3.66 Journal Voucher

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

3.12.2 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 3.67 Journal Voucher Class Selection

2. Enter the **Date** as **10-6-2009**
3. In **Excise Unit** field select **Aqua Ltd.** (select the appropriate Excise Unit for which the CENVAT Credit to be adjusted against the Duty payable)
4. In **Debit** field select the excise duty ledger - **Basic Excise Duty @ 16%** and press enter to view **Excise Duty Allocation** sub screen
5. 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 - Aqua/Rule11/Book1/09-10Aqua/101/09-10** dated **12-5-2009** from the List of Pending Tax Bills.

Excise Duty Allocation		Aqua Ltd.		Ctrl + M	
Journal	No. 1	Voucher Class : CENVAT Credit Adjustment		10-Jun-2009 Wednesday	
Excise Unit : Aqua		Used for: CENVAT Adjustment			
Duty Details for : Basic Ex		List of Pending Tax Bills			
Type of Ref	Name	Date	Particulars	Amount	
Agst Ref	Aqua/Rule11/Book1/09-10Aqua/101/09-10	12-May-2009	Aqua Ltd. AquaPure - 1 Ltr	1,66,400.00	Cr
		15-May-2009	Aqua Ltd. AquaKing - 20 Ltr	28,800.00	Cr
		15-May-2009	Aqua Ltd. AquaMini - 200 Mb	1,600.00	Cr
		15-May-2009	Aqua Ltd. AquaPure - 1 Ltr	33,280.00	Cr
		20-May-2009	Aqua Ltd. AquaEase - 20 Ltr	3,413.33	Cr
		20-May-2009	Aqua Ltd. AquaKing - 20 Ltr	11,946.67	Cr
		28-May-2009	Aqua Ltd. AquaKing - 20 Ltr	8,000.00	Cr
		5-Jun-2009	Aqua Ltd. Bottle Caps	80.00	Cr
		5-Jun-2009	Aqua Ltd. Pet Bottles - 1Ltr	320.00	Cr
				1,66,400.00	
				1,66,400.00	Dr

Figure 3.68 Excise Duty Allocation

- In **Amount** field enter the CENVAT Credit Amount **Rs. 80,200**

Duty Details for : Basic Excise Duty @ 16%			
Type of Ref	Name	Amount	Dr/Cr
Agst Ref	Aqua/Rule11/Book1/09-10Aqua/101/09-10	80,200.00	Dr
		80,200.00	Dr

Figure 3.69 Duty Details



Rs. 80,200 is the CENVAT Credit available for adjustment towards excise duty payable

6. In **Debit** field select excise duty ledger - **Education Cess @ 2%**
7. 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 - Aqua/Rule11/Book1/09-10Aqua/101/09-10** dated **12-5-2009** from the List of Pending Tax Bills.
 - Enter the **Amount** as **Rs. 1,604**



*Rs. 1,604 is the Education Cess Credit available for adjustment towards Education Cess payable. Credit of **Education Cess** on Excisable goods and imported goods can be utilised only for payment of education cess on final products.*

8. In **Debit** field select excise duty ledger - **Secondary Education Cess @ 1%**
9. 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 - Aqua/Rule11/Book1/09-10Aqua/101/09-10** dated **12-5-2009** from the List of Pending Tax Bills.
 - Enter the **Amount** as **Rs. 802**



*Rs. 802 is the Secondary Education Cess Credit available for adjustment towards Secondary Education Cess payable. Credit of **SHE Cess** on Excisable goods and imported goods can be utilised only for payment of SHE Cess on final products.*

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

- In **Name** field select all the purchase bills from the List of Pending Tax Bills

Duty Details for : Basic Excise Duty (CENVAT)			
Type of Ref	Name	Amount	Dr/Cr
Agst Ref	LM/243	12,000.00	Cr
Agst Ref	LM/243	1,000.00	Cr
Agst Ref	LM/243	48,000.00	Cr
Agst Ref	LM/243	8,000.00	Cr
Agst Ref	SD/4578	3,200.00	Cr
Agst Ref	TI/6894	8,000.00	Cr
		80,200.00	Cr

Figure 3.70 Excise Duty Allocation



Select all the Items to adjust CENVAT Credit of Rs.80,200

- 12.In **Credit** field select CENVAT Duty Ledger - **Education Cess (CENVAT)** and press enter to view **Excise Duty Allocation** sub screen
- 13.In **Excise Duty Allocation** sub screen
 - In **Type of Ref** field by default Tally.ERP 9 displays **Agst ref**
 - In **Name** field select all the purchase bills from the List of Pending Tax Bills to adjust **Rs. 1604**
- 14.In **Credit** field select CENVAT Duty Ledger - **Secondary Education Cess (CENVAT)** and press enter to view **Excise Duty Allocation** sub screen
- 15.In **Excise Duty Allocation** sub screen
 - In **Type of Ref** field by default Tally.ERP 9 displays **Agst ref**

- In **Name** field select all the purchase bills from the List of Pending Tax Bills to adjust **Rs. 802**



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

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

Accounting Voucher Creation		Aqua Ltd.	Ctrl + M
Journal	No. 1	Voucher Class : CENVAT Credit Adjustment	10-Jun-2009 Wednesday
Excise Unit : Aqua Ltd.		Used for: CENVAT Adjustment	
Particulars	Debit	Credit	
Dr Basic Excise Duty @ 16% Cur Bal: 1,73,640.00 Cr	80,200.00		
Dr Education Cess @ 2% Cur Bal: 3,472.80 Cr	1,604.00		
Dr Secondary Education Cess @ 1% Cur Bal: 1,736.40 Cr	802.00		
Cr Basic Excise Duty (CENVAT) Cur Bal: 0.00 Cr		80,200.00	
Cr Education Cess (CENVAT) Cur Bal: 0.00 Cr		1,604.00	
Cr Secondary Education Cess (CENVAT) Cur Bal: 0.00 Cr		802.00	
Provide Details : Yes			
Narration:	82,606.00	82,606.00	

Figure 3.71 Journal Voucher

17. In **Adjustment Details** screen

- In **Period From and To** field enter the period for which the credit adjustment is done E.g. **From 1-5-2009 to 31-5-2009.**

Adjustment Details		Aqua Ltd.		Ctrl + M
Journal	No. 1	Voucher Class : CENVAT Credit Adjustment		10-Jun-2009 Wednesday
Excise Unit : Aqua Ltd.		Used for: CENVAT Adjustment		
Particulars	Debit	Credit		
Dr Basic Excise Duty @ 16%	80,200.00			
Cur Bal: 1,73,640.00 Cr				
Dr Education Cess @ 2%	1,604.00			
Cur Bal: 3,472.80 Cr				
Dr Secondary Education Cess @ 1%	802.00			
Cur Bal: 1,736.40 Cr				
Cr Basic Excise Duty (CENVAT)		80,200.00		
Cur Bal: 0.00 Cr				
Cr Education Cess (CENVAT)		1,604.00		
Cur Bal: 0.00 Cr				
Cr Secondary Education Cess (CENVAT)		802.00		
Cur Bal: 0.00 Cr				
Provide Details : Yes				
Narration:	82,606.00	82,606.00		

Adjustment Details

for Excise

Period From : 1-May-2009 To 31-May-2009

Figure 3.72 Adjustment Details

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

Accounting Voucher Creation		Aqua Ltd.		Ctrl + M
Journal	No. 1	Voucher Class : CENVAT Credit Adjustment		10-Jun-2009 Wednesday
Excise Unit : Aqua Ltd.		Used for: CENVAT Adjustment		
Particulars	Debit	Credit		
Dr Basic Excise Duty @ 16%	80,200.00			
Cur Bal: 1,73,640.00 Cr				
Dr Education Cess @ 2%	1,604.00			
Cur Bal: 3,472.80 Cr				
Dr Secondary Education Cess @ 1%	802.00			
Cur Bal: 1,736.40 Cr				
Cr Basic Excise Duty (CENVAT)		80,200.00		
Cur Bal: 0.00 Cr				
Cr Education Cess (CENVAT)		1,604.00		
Cur Bal: 0.00 Cr				
Cr Secondary Education Cess (CENVAT)		802.00		
Cur Bal: 0.00 Cr				
Provide Details : Yes				
Narration:	82,606.00	82,606.00		

Accept ?

Yes or No

Figure 3.73 Journal Voucher

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

3.13 Creating a Payment Voucher – GAR 7 Payment

Example 13:

On 13-6-2009 Aqua Ltd. paid Excise duty for the month of May to government.

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 **13-6-2009**
2. In **Account** field select Bank Ledger e.g. **SBI Bank** (use **Alt +C** to create the ledger with opening balance of Rs. 20,00,000)
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	AquaRde110vcd109-MAqua10109-10	86,200.00	Dr
Agst Ref	AquaRde110vcd109-MAqua10209-10	28,800.00	Dr
Agst Ref	AquaRde110vcd109-MAqua10309-10	1,600.00	Dr
Agst Ref	AquaRde110vcd109-MAqua10409-10	33,280.00	Dr
Agst Ref	AquaRde110vcd109-MAqua10509-10	3,413.33	Dr
Agst Ref	AquaRde110vcd109-MAqua10609-10	11,946.67	Dr
Agst Ref	AquaRde110vcd109-MAqua10709-10	8,000.00	Dr
Agst Ref	AquaRde110vcd109-MAqua10809-10	80.00	Dr
Agst Ref	AquaRde110vcd109-MAqua10909-10	320.00	Dr
		1,73,640.00	Dr

Figure 3.74 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 @ 1%**. 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		Aqua Ltd.	Ctrl + M
Payment	No. 1		13-Jun-2009 Saturday
Account : SBI Bank Cur Bal: 18,21,150.80 Dr			
Particulars		Amount	
Basic Excise Duty @ 16%		1,73,640.00	
Cur Bal: 0.00 Dr			
Education Cess @ 2%		3,472.80	
Cur Bal: 0.00 Dr			
Secondary Education Cess @ 1%		1,736.40	
Cur Bal: 0.00 Dr			
Provide Details : Yes			
Narration:		1,78,849.20	

Figure 3.75 Payment Voucher

9. In **Payment Details (for Excise)** screen
 - In **Period From and To** field enter the period as **1-5-2009 to 31-5-2009**
 - In **Excise Unit Name** field select **Aqua Ltd.** 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 13-6-2009** 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 **BSR Code** field enter the BSR code of the bank
 - In **Cheque/Draft/Pay Order No.** field enter the Cheque Number - **552423**
 - In **Cheque Date** field enter the cheque date as **13-6-2009**

Payment Details		Aqua Ltd.	Ctrl + M
Payment	No. 1		13-Jun-2009 Saturday
Account : SBI Bank Cur Bal: 18,21,150.80 Dr			
Particulars			Amount
Basic Excise Duty @ 16%			1,73,640.00
Cur Bal: 0.00 Dr			
Education Cess @ 2%			3,472.80
Cur Bal: 0.00 Dr			
Secondary Education Cess @ 1%			1,736.40
Cur Bal: 0.00 Dr			
Payment Details for Excise Period From : 1-May-2009 To 31-May-2009 Excise Unit Name : Aqua Ltd. Challan No. : 456423 Challan Date : 13-Jun-2009 Bank Name : SBI Bank BSR Code : 0078954 Cheque/Draft/Pay Order No. : 552423 Cheque Date : 13-6-2009			
Provide Details	: Yes		
Narration:			1,78,849.20

Figure 3.76 Payment Details

10. In **Narration** enter the Cheque No. -552423

Accounting Voucher Creation		Aqua Ltd.	Ctrl + M
Payment	No. 1		13-Jun-2009 Saturday
Account : SBI Bank Cur Bal: 18,21,150.80 Dr			
Particulars	Amount		
Basic Excise Duty @ 16%	1,73,640.00		
Cur Bal: 0.00 Dr			
Education Cess @ 2%	3,472.80		
Cur Bal: 0.00 Dr			
Secondary Education Cess @ 1%	1,736.40		
Cur Bal: 0.00 Dr			
Provide Details : Yes			
Narration:			
Ch. No. :552423			
			Accept ? Yes or No

Figure 3.77 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 **13-6-2009**

Press **Alt +P** or click on **P: Print** button to view the **Voucher Printing** 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			
Payment Voucher			
(with Print Preview)			
Print G.A.R.-7 Challan : Yes			Print ? Yes or No

Figure 3.78 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 g u a L t d .													
Complete Address	# 5 5 . K o r a m a n g a l a I n d u s t r i a l A r e a . B a n g a l o r e													
Telephone No.	0 8 0 - 5 5 6 4 7 8		Pincode 5 6 0 0 6 4											
Assessee Code No.	A A P C L 2 1 4 9 R X M 0 0 1													
Commissionerate Name	B a n g a l o r e													
Commissionerate Code	0 9	Division Code	0 9	Range Code										
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 40%;">Accounting Code of the Duty / Cess</th> <th style="width: 60%;">Amount Tendered in Rupees</th> </tr> </thead> <tbody> <tr> <td>0 0 3 8 0 0 0 3</td> <td>1 7 3 6 4 0</td> </tr> <tr> <td>0 0 3 8 0 1 1 1</td> <td>3 4 7 2</td> </tr> <tr> <td>0 0 3 8 0 1 1 5</td> <td>1 7 3 6</td> </tr> <tr> <td style="text-align: right;">Total</td> <td>1 7 8 8 4 9</td> </tr> </tbody> </table>					Accounting Code of the Duty / Cess	Amount Tendered in Rupees	0 0 3 8 0 0 0 3	1 7 3 6 4 0	0 0 3 8 0 1 1 1	3 4 7 2	0 0 3 8 0 1 1 5	1 7 3 6	Total	1 7 8 8 4 9
Accounting Code of the Duty / Cess	Amount Tendered in Rupees													
0 0 3 8 0 0 0 3	1 7 3 6 4 0													
0 0 3 8 0 1 1 1	3 4 7 2													
0 0 3 8 0 1 1 5	1 7 3 6													
Total	1 7 8 8 4 9													
RECEIVING BANK BRANCH STAMP														
(In words) Rupees One Lakh Seventy Eight Thousand Eight Hundred Forty Nine Only. tendered by Cash/Cheque/Draft/Pay Order No. 552423 Dated 13-Jun-2009 Drawn on SBI Bank Signature of the Tenderer with date														
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 40%;">Accounting Code of the Duty / Cess</th> <th style="width: 60%;">Amount Tendered in Rupees</th> </tr> </thead> <tbody> <tr> <td>0 0 3 8 0 0 0 3</td> <td>1 7 3 6 4 0</td> </tr> <tr> <td>0 0 3 8 0 1 1 1</td> <td>3 4 7 2</td> </tr> <tr> <td>0 0 3 8 0 1 1 5</td> <td>1 7 3 6</td> </tr> <tr> <td style="text-align: right;">Total</td> <td>1 7 8 8 4 9</td> </tr> </tbody> </table>					Accounting Code of the Duty / Cess	Amount Tendered in Rupees	0 0 3 8 0 0 0 3	1 7 3 6 4 0	0 0 3 8 0 1 1 1	3 4 7 2	0 0 3 8 0 1 1 5	1 7 3 6	Total	1 7 8 8 4 9
Accounting Code of the Duty / Cess	Amount Tendered in Rupees													
0 0 3 8 0 0 0 3	1 7 3 6 4 0													
0 0 3 8 0 1 1 1	3 4 7 2													
0 0 3 8 0 1 1 5	1 7 3 6													
Total	1 7 8 8 4 9													
TAX PAYER'S COUNTERFOIL														
RECEIVING BANK BRANCH STAMP														
Received from Assessee Code No. A A P C L 2 1 4 9 R X M 0 0 1 (In words) Rupees One Lakh Seventy Eight Thousand Eight Hundred Forty Nine Only. By Cash/Cheque/Draft/Pay Order No. 552423 Dated 13-Jun-2009 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 3.79 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**

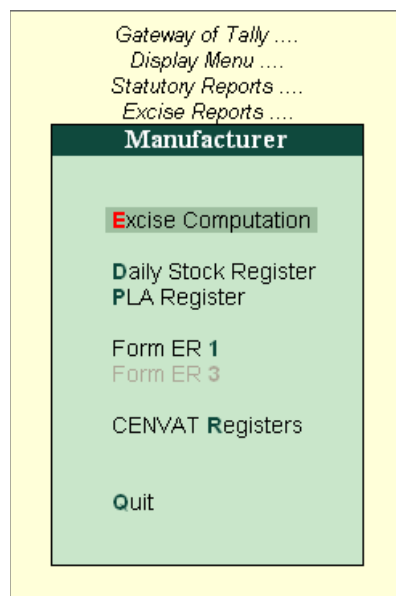


Figure 4.1 Excise Reports

The **Excise Reports** are

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

4.2 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 – **Aqua Ltd.**

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 4.2 Select Item

Excise Computation report appears as shown

Excise Computation		Aqua Ltd.		Ctrl + M	
Particulars		Aqua Ltd. 1-May-2009 to 31-May-2009			
		Assessable Value		Duty Amount	
<u>Excise Duty Payable</u>					
<u>A. Excise Sales</u>					
Regular Rate		15,26,500.00		2,53,215.20	
Special Rate		1,00,000.00		8,240.00	
Total Excise Sales (A)		16,26,500.00		2,61,455.20	
<u>B. Payable from previous period</u>					
Total Excise Duty Payable (A+B)				2,61,455.20	
<u>C. Excise Duty Payments / Credit Adjustments</u>					
G.A.R. 7 Payments				1,78,849.20	
Credit Adjustments				82,606.00	
Total Excise duty paid / Adjusted (C)				2,61,455.20	
Balance Excise Duty Payable ((A+B)-C)					

Figure 4.3 Excise Computation

4.3 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**

You can view Daily Stock Register for **One Item** or **Multi Item**

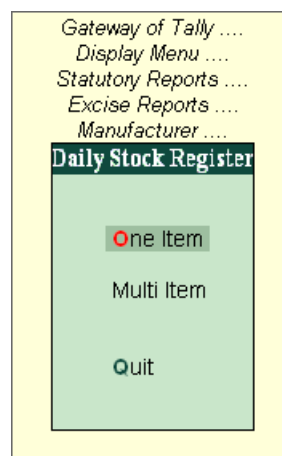


Figure 4.4 Daily Stock Register

1. Daily Stock register for One Item- Select the option One Item

In **Select Excise Unit** screen

- **Name of Excise Unit:** By default Tally.ERP 9 displays Aqua Ltd.

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

- **Name of Tariff:** In this field select the Tariff to view the stock items/item grouped under the selected tariff. Select **Water** as Tariff.
- **Name of Item:** Select **AquaPure - 1Ltr** from the List of Excise Stock Items.

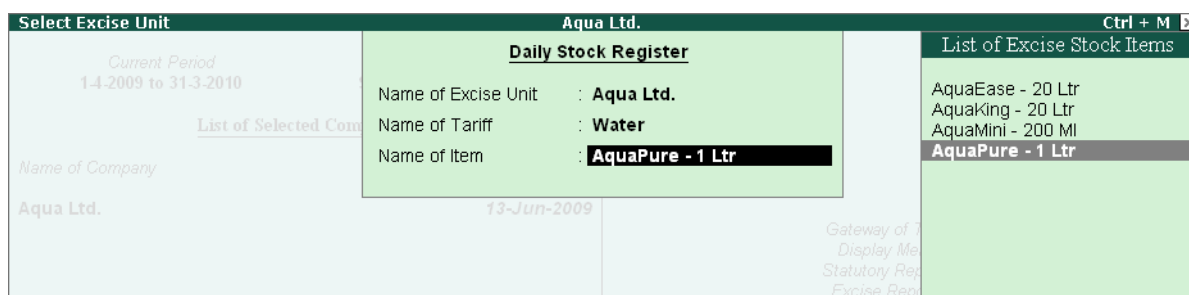


Figure 4.5 Select Excise Unit screen

Printer : (Ne00:) No. of Copies : 1 Print Language : English Method : Neat Mode Page Range : All	Paper Type : Letter Paper Size : (8.50" x 10.98") or (216 mm x 279 mm) Print Area : (8.03" x 10.63") or (204 mm x 270 mm)
Report Titles Daily Stock Register (with Print Preview)	
From (blank for beginning) : 1-4-2009 To (blank for end) : 30-6-2009	
Print ? Yes or No	

Figure 4.7 Report Generation Screen -Daily Stock Register

Ensure **Alt+I: With Preview** is selected to view the print preview of **Multi Item Daily Stock Register**

The **Print Preview** of **Multi Item Daily Stock Register** is displayed as shown.

Depending on the number of stock items grouped under the **Tariff** selected for printing, details of each item will be printed in separate pages.

Page 1: AquaEase - 20Ltr

Aqua Ltd. #55 Koramangala Industrial Area Bangalore Daily Stock Register AquaEase - 20 Ltr 1-Apr-2009 to 30-Jun-2009															
Units : L		Excise Tariff Classification : Water - 22011010										Page 1			
Date	Docu- ment Refer- ence	Op- en- ing Bala- nce	Qua- n- ti- ty Man- u- fac- tured	Total Qua- n- ti- ty	Issu- ed for Furt- her Prod.	Issu- ed for repa- cking	Issu- ed for Exe- mpt / Expo-	Quan- ti- ty Issu- ed for Sales	Asses- sable Value	Excise Duty	Educ- ation Cess	Sec- ond- ary Edu- cati-	Bala- nce Qua- n- ti- ty	Excise Notific- ation	Remarks
1-Apr-2009			20,000	20,000									20,000		
20-May-2009		20,000		20,000				4,000	21,333.33	3,413.33	68.27	34.13	16,000		
	Total		20,000	20,000				4,000	21,333.33	3,413.33	68.27	34.13	16,000		

Figure 4.8 Daily Stock Register - Page 1

Page 2: AquaKing - 20Ltrs

Aqua Ltd.
#55
Koramangala Industrial Area
Bangalore

Daily Stock Register
AquaKing - 20 Ltr
1-Apr-2009 to 30-Jun-2009

Units : L
Excise Tariff Classification : Water - 22011010
Page 2

Date	Document Reference	Opening Balance	Quantity Manufactured	Total Quantity	Issued for Further Prod.	Issued for repacking	Issued for Exempt / Expo.	Quantity Issued for Sales	Asses-sable Value	Excise Duty	Educ-ation Cess	Sec-ond-ary Edu-cati-	Balan-ce Quan-tity	Excise Notifi-cation	Remarks
01-May-2009	Manufacturing Invoice (1)		1,20,000	1,20,000									1,20,000		
15-May-2009	Cenr Sales Voucher (10000)	1,20,000		1,20,000				60,000	1,80,000.00	28,800.00	576.00	288.00	60,000		
20-May-2009	Cenr Sales Voucher (10000)	60,000		60,000				20,000	74,666.67	11,946.67	238.93	119.47	40,000		
28-May-2009	Cenr Sales Voucher (10000)	40,000		40,000				20,000	1,00,000.00	8,000.00	160.00	80.00	20,000	EE0002008-09	
	Total		1,20,000	1,20,000			20,000	80,000	3,54,666.67	48,746.67	974.93	487.47	20,000		

Figure 4.9 Daily Stock Register - Page 2

4.4 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 – **Aqua Ltd.** 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 Aqua Ltd. Ctrl + M						
Excise Unit Name : Aqua Ltd. 1-May-2009 to 31-May-2009						
Particulars of Credit / Debit Document Description of Documents with name of treasury where necessary	Document No. / Date	Central Excise Tariff Sub-heading Number	ECC No. of the Buyer	Basic Excise Duty		
				Credit	Debit	Balance
						2 more ... →
Excise - Sales	Aqua/101/09-10 / 12-May-2009	22011010	AACCL0014CXD001	1,66,400.00		1,66,400.00
Excise - Sales	Aqua/102/09-10 / 15-May-2009	22011010	AACCL0014CXD001	63,680.00		2,30,080.00
Excise - Sales	Aqua/103/09-10 / 20-May-2009	22011010	AACCL0014CXD001	15,360.00		2,45,440.00
Excise - Sales	Aqua/104/09-10 / 28-May-2009	22011010	AACCL0014CXD001	8,000.00		2,53,440.00
Excise - Debit Note	Aqua/106/09-10 / 29-May-2009	39233010	ADFSS4578GXN002	400.00		2,53,840.00
Journal	1 / 10-Jun-2009	39233010			80,200.00	1,73,640.00
Payment	1 / 13-Jun-2009	39233010			1,73,640.00	

Figure 4.10 PLA Register

4.5 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**

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

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

Printer : (Neo0:)	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)	
Excise Unit : Aqua Ltd.	
From (blank for beginning) : 1-5-2009	
To (blank for end) : 31-5-2009	
Include Export/Exempt Quantity ? No	
Show All Items ? Yes	
Place : Bangalore	
Date : 13-6-2009	
Assessee Name : AQUA LTD	
Print ? Yes or No	

Figure 4.11 Print Configuration

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]							
Return of excisable goods and availment of CENVAT credit for the Month							MM YYYY
							05 2009
Large Taxpayer Unit opted for (name of the city)*:-							
1. Registration number :-				AAPCL2149RXM001			
2. Name of the Assessee :-				Aqua Ltd.			
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	1,29,200	2,12,800	16,24,000.00
Duty	Notification available	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					2,53,440.00		
Education Cess					5,068.80		
Secondary Education Cess					2,534.40		
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)	
(1)	(2)	(3)	No. (4A)	Date (4B)	(5)	(6)	
			456423	13-Jun-2009	0078954		
Basic Excise Duty	80,200.00	1,73,640.00				2,53,840.00	
Education Cess	1,604.00	3,472.80				5,076.80	
Secondary Education Cess	802.00	1,736.40				2,538.40	

Figure 4.12 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)										1,78,849.20	
Add*: Adjustment of the excess duty paid during previous period under sub-rule(2) of rule 12BB (in case of LT)											
Total amount available										1,78,849.20	
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]										1,78,849.20	
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)
1	Opening balance	72,200.00					1,444.00	722.00			
2	Credit taken on inputs on invoices issued by manufacturers										
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	8,000.00					160.00	80.00			

Figure 4.13 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	80,200.00					1,604.00	802.00			
11	Credit utilised for payment of duty on goods	80,200.00					1,604.00	802.00			
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										

Figure 4.14 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							
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. 1,78,849.20 was deposited vide TR-6 Challans (copies enclosed).

(c) During the month, invoices bearing S.No. Aqua/101/09-10 to Aqua/104/09-10 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.*

AQUA LTD
(Authorised signatory)

Place : **Bangalore**
Date : **13-Jun-2009**

*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	05 2009

	DD MM YYYY
Date of Receipt	

Figure 4.15 Form ER 1 – Page 4

4.6 CENVAT Registers

4.6.1 Credit Summary

Credit Summary displays **Opening Balance, Credit for the Month, Utilised** and **Closing Balance** of CENVAT Credit.

To view **Credit Summary**

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

In the **Select Excise Unit** screen

- ❑ **Name of Excise Unit:** By default Tally.ERP 9 displays **Aqua Ltd.**

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 Credit Summary report.

- ❑ **Tariff No.:** Select **Plastic Bottles** from the **List of Tariff No.**
- ❑ **Stock item Type:** Select **Principal Input** from the **List of Item Types**
- ❑ **Stock Item Name:** Select **All Items** from the List of Stock Items

You can select **Principal Input** or **Capital Goods** from the Type of Stock items to view the **Credit Summary** report. Press **Alt+F1** or click on **F1: Detailed** button to view the report in detailed mode.

The **Credit Summary** appears as shown

CENVAT Credit Summary Aqua Ltd. Ctrl + M					
Excise Unit Name : Aqua Ltd.					
Stock Item Tariff No. : Plastic Bottles Stock Item Type : Principal Input Stock Item Name : All Items					
Month	Particulars	Basic Excise Duty	Education Cess	Secondary Education Cess	Total
April-2009	Opening Balance				
	Credit for the Month	59,200.00 Dr	1,184.00 Dr	592.00 Dr	60,976.00 Dr
	Utilised				
	Closing Balance	59,200.00 Dr	1,184.00 Dr	592.00 Dr	60,976.00 Dr
May-2009	Opening Balance	59,200.00 Dr	1,184.00 Dr	592.00 Dr	60,976.00 Dr
	Credit for the Month				
	Utilised				
	Closing Balance	59,200.00 Dr	1,184.00 Dr	592.00 Dr	60,976.00 Dr
June-2009	Opening Balance	59,200.00 Dr	1,184.00 Dr	592.00 Dr	60,976.00 Dr
	Credit for the Month				
	Utilised				
	Closing Balance	59,200.00 Dr	1,184.00 Dr	592.00 Dr	60,976.00 Dr
July-2009	Opening Balance	59,200.00 Dr	1,184.00 Dr	592.00 Dr	60,976.00 Dr
	Credit for the Month				
	Utilised				
	Closing Balance	59,200.00 Dr	1,184.00 Dr	592.00 Dr	60,976.00 Dr
August-2009	Opening Balance	59,200.00 Dr	1,184.00 Dr	592.00 Dr	60,976.00 Dr
	Credit for the Month				
	Utilised				
	Closing Balance	59,200.00 Dr	1,184.00 Dr	592.00 Dr	60,976.00 Dr
September-2009	Opening Balance	59,200.00 Dr	1,184.00 Dr	592.00 Dr	60,976.00 Dr
	Credit for the Month				
	Utilised				
					25 more ...

Figure 4.16 Credit Summary Report

4.6.2 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 Registers > Credit Availed**

In Selected **Excise Unit** screen

- **Name of Excise Unit:** By default Tally.ERP 9 displays **Aqua Ltd.**

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.

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

Select Excise Unit		Aqua Ltd.		Ctrl + M	
Current Period 1-4-2009 to 31-3-2010		<u>CENVAT Credit Availed</u> Name of Excise Unit : Aqua Ltd. Tarrieff No. : Pet Bottle Caps Stock Item Type : Principal Input Stock Item Name : All Items		List of Stock Items All Items Bottle Caps	
List of Selected Com Name of Company Aqua Ltd.				Statutory Rep Excise Rep Manufactur CENVAT Re	

Figure 4.17 Select Excise Unit screen

CENVAT Credit Availled report appears as shown

CENVAT Credit Availed			Aqua Ltd.		Ctrl + M	
Excise Unit Name : Aqua Ltd.			1-Apr-2009 to 31-May-2009			
Stock Item Type : Principal Input						
Date of Entry	Invoice / Adj Reference	Type of Document	Supplier Name	Supplier ECC No.	Assessable Value	Basic Excise Duty
						2 more ...
3-Apr-2009	LM/243	Excise - Purchases	Lanco Manufacturers	ADFSS457BGXMD02	75,000.00	12,000.00
10-Jun-2009	1	Journal	Balance			12,000.00
						12,000.00
			Total CENVAT			12,000.00
			Total Adjusted			12,000.00
			Balance			

Figure 4.18 CENVAT Credit Availed

4.6.3 RG 23 Part II

RG 23A Part II report displays the details of **Fresh Credit allowed documents, Fresh Credit Allowed Amount, Total Credit Available, Credit Adjusted** with **Opening** and **Balance Credit** of **Principal Inputs** (RG 23A Part II)/**Capital Goods** (RG 23A Part II) for the **Period** selected.

To view RG 23A Part II

Go to **Gateway of Tally > Display > Statutory Reports > Excise Reports > Manufacturer > CENVAT Registers > RG 23 Part II**

In **Select Excise Unit** screen

- **Name of Excise Unit:** By default Tally.ERP 9 displays **Aqua Ltd.**

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 RG23 Part II 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 RG 23 Part II report.

On selecting **Principal Unit** Tally.ERP 9 displays **RG 23A Part II** and for **Capital Goods** it displays the **RG 23C Part II**

Form R.G. 23A Part II (for Principal Inputs) is displayed as shown below

FORM R.G. 23A PART II Aqua Ltd. Ctrl + M							
Excise Unit Name : Aqua Ltd.				1-Apr-2009 to 31-May-2009			
Stock Item Type : Principal Input							
Sl. No.	Date	Opening Balance of Duty in Credit			Fresh Credit Allowed		
		CENVAT	Education Cess	Secondary Education Cess	Invoice No./Bill of Entry No. & Date	C.E.RegNo./IEC Code No. of this Supplier & Range /Customs house from where received	Folio & Entry No. in Part I
1	3-Apr-2009				LM/243 / 3-Apr-2009	ADFSS4578GXMD-02	4 more ... →
2	24-Apr-2009	69,000.00	1,380.00	690.00	SD/4578 / 24-Apr-2009	AEFSF4522DXD001	
3	10-Jun-2009	72,200.00	1,444.00	722.00		RT Nagar	

Figure 4.19 RG 23A Part II

Form R.G. 23C Part II (for Capital Goods) is displayed as shown below

FORM R.G.23C PART II Aqua Ltd. Ctrl + M							
Excise Unit Name : Aqua Ltd.				1-Apr-2009 to 13-Jun-2009			
Stock Item Type : Capital Goods							
Sl. No.	Date	Opening Balance of Duty in Credit			Fresh Credit Allowed		
		CENVAT	Education Cess	Secondary Education Cess	Invoice No./Bill of Entry No. & Date	C.E.RegNo /IEC Code No. of this Supplier & Range /Customs house from where received	Folio & Entry No. in Part I
1	5-May-2009				TV6894	AGERS5462DXMD-01	4 more ... →
2	5-May-2009	8,000.00		80.00	TV689	Madiwala AGERS5462DXMD-01	
3	10-Jun-2009	8,000.00	160.00	80.00		Madiwala	

Figure 4.20 RG 23C Part II

4.6.4 Annexure 10

It is a **monthly return** under **Rule 7** of the **Cenvat Credit Rules, 2001**. This report displays the details of CENVAT credit availed for the **Main Item in the Document**.



This annexure is omitted (w.e.f 1-10-2003) by M.F. (D.R.) Notification No.70/2003-C.E. (N.T.), dated 15-9-2003. But most of the assesseees still submit their monthly returns in Annexure 10. On Customers requirement Annexure 10 is provided in Tally.ERP 9

To view **Annexure 10**

Go to **Gateway of Tally > Display > Statutory Reports > Excise Reports > Manufacturer > CENVAT Registers > Annexure 10**

In Select 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 Annexure 10.

- **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 Annexure 10.

Annexure 10 is displayed as shown below

Annexure - 10 Aqua Ltd. Ctrl + M							
Excise Unit Name : Aqua Ltd. 1-Apr-2009 to 13-Jun-2009							
Stock Item Type : Principal Input							
Type of Document	No. and Date of Document	Name of the Supplier	C.E.No. of the Supplier	Date on Which Principal Input received	Value	CENVAT	Education Cess
Excise - Purchases	LM/243 3-Apr-2009	Lanco Manufacturers (Manufacturer)	ADFSS4578GXM002	3-Apr-2009	4,31,250.00	69,000.00	1,380.00
Excise - Purchases	SD/4578 24-Apr-2009	Shubh Distributors (First Stage Dealer)	AEFSF4522DXD001	24-Apr-2009	20,000.00	3,200.00	64.00
Total						72,200.00	1,444.00

Figure 4.21 Annexure 10

4.6.5 Abstract

This report displays the details of Credit Availed on Inputs/capital goods/inputs services, Credit Utilised for Payment of Duty on Goods/Services, Credit Utilised When the Goods are removed as such with Opening and Closing Balance of Credit.

To view the Abstract report

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

The **Abstract** report of **Principal Inputs** will be displayed as shown

ABSTRACT		Aqua Ltd.							Ctrl + M
Excise Unit Name : Aqua Ltd.		1-Apr-2009 to 30-Jun-2009							
Stock Item Type : Principal Input									
	Opening Balance	Credit Availed on Principal Input	Other Credit	Credit Availed on Input Services	Total Credit Availed	Credit Utilised for Payment of Duty on goods	Credit Utilised when Inputs goods are removed as such	Credit Utilised Payment of Duty on Services	Closing Balance
CENVAT		72,200.00			72,200.00	72,200.00			
Education Cess		1,444.00			1,444.00	1,444.00			
Secondary Education Cess		722.00			722.00	722.00			
Service Tax									
Cess on Taxable Services									
Total		74,366.00			74,366.00	74,366.00			

Figure 4.22 Abstract – Principal Inputs

The **Abstract** report of **Capital Goods** will be displayed as shown

ABSTRACT		Aqua Ltd.							Ctrl + M
Excise Unit Name		: Aqua Ltd.							1-Apr-2009 to 13-Jun-2009
Stock Item Type		: Capital Goods							
	Opening Balance	Credit Availed on Capital Goods	Other Credit	Credit Availed on Input Services	Total Credit Availed	Credit Utilised for Payment of Duty on goods	Credit Utilised when Inputs goods are removed as such	Credit Utilised Payment of Duty on Services	Closing Balance
CENVAT		8,000.00			8,000.00	8,000.00			
Education Cess		160.00			160.00	160.00			
Secondary Education Cess		80.00			80.00	80.00			
Service Tax									
Cess on Taxable Services									
Total		8,240.00			8,240.00	8,240.00			

Figure 4.23 Abstract – Capital Goods