

Lesson 9: Central Sales Tax (CST)

Lesson Objectives

On completion of this lesson, you will be able to understand

- ❑ How to activate CST in Tally.ERP 9.
- ❑ Create ledgers and vouchers using different classifications relating to CST.
- ❑ Record transactions relating to inter-state trade
- ❑ Generate and print reports on the Forms Receivable and Forms Issuable for CST transactions.

Sales Tax is a tax levied on the sale of goods. In India, the law for levying sales tax is provided in the Central Sales Tax Act of 1956 which applies to the entire country.

Generally, the CST Act does not deal with intra-state or import or export sales. However, with respect to certain declared goods such as oil seeds, sugar, pulses, crude oil etc., the CST Act imposes restrictions on the powers of state governments to levy sales tax even in the case of intra-state sales.

Accordingly, sales can broadly be classified into three categories.

- ❑ Intra-State sales, i.e, sales within the state.
- ❑ Sales during import and export.
- ❑ Inter-State sales.

The Act also provides for the levy, collection and distribution of taxes on sale of goods in the course of inter-state trade or commerce.

9.1 Basics of Central Sales Tax (CST)

It is important to understand the meaning of certain terms used in the CST Act.

Inter-State Sale

Inter-state sale is deemed to take place if there is:

- (i) Movement of goods from one state to another or
- (ii) Transfer of documents of title to the goods during their movement from one State to another.

The above two modes are mutually exclusive.

Declared Goods

Declared Goods means goods declared under Section 14 to be of special importance in inter-state trade or commerce. Some of the important items are cereals, iron and steel, jute, oil seeds, pulses, man-made fabrics etc.

Registration under CST Act

Every dealer who carries out the inter-state sales is liable to pay Central Sales Tax. As per the CST Act, every dealer who carries out inter-state sales has to be registered with the Sales Tax Authority. Intermediaries like agents and transporters are not required to be registered, since they do not affect sales. Registered dealers can purchase goods at concessional rates by issuing the **C Form**.

Rate of Central Sales Tax

Different rates are prescribed depending upon the nature of inter-state sale such as:

- a. Sale to registered dealers.
- b. Sale to unregistered dealers.
 - (i) Sale of declared goods to unregistered dealers.
 - (ii) Sale of goods other than declared goods to unregistered dealers.

CST rates to various categories are discussed below:

a. Sale to Registered Dealers

Sale to registered dealer is @ 4% or sales tax rate for sale within the State, whichever is lower, if the goods are **eligible** and are specified in the Registration Certificate issued to the purchasing dealer. The Purchasing dealer has to submit the declaration in the prescribed **C Form** to the selling dealer.

b. Sale to Unregistered Dealers

The rate is twice the rate applicable to sale or purchase of such goods within the State with regard to declared goods. In case of goods other than declared goods, the rate applicable for sale within the state or 10%, whichever is higher. The purchaser is not required to give any declaration as he is not a registered dealer.

Forms for Declarations under CST Scheme

A registered dealer has to issue certain declarations in prescribed forms to buyers/ sellers. The Dealer has to issue declarations in the forms such as C, E-I, E-II, F and H which are printed and supplied by the Sales Tax Authorities. These forms are generally in triplicate.

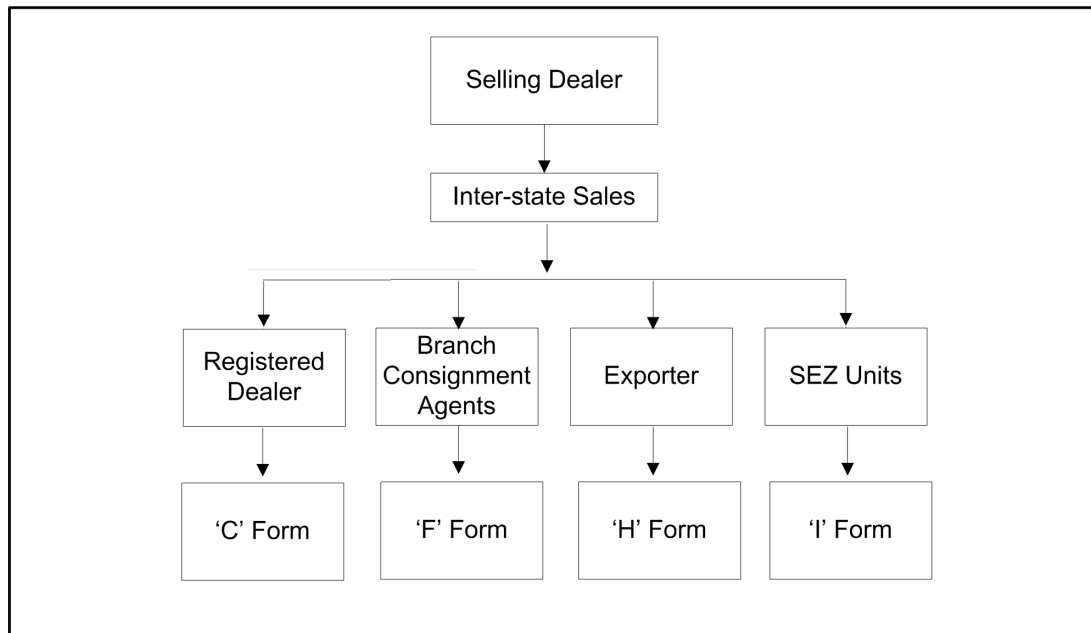


Figure 9.1 Chart Showing Incidence of Various Forms in the Course of Inter-state Trade

Form C

As per CST Act, sales tax on inter-state sales is 4% or sales tax rate for sale within the state, whichever is lower, is applicable, when the sale is made to a registered dealer and the goods are covered in the registration certificate of the purchasing dealer. Otherwise, the tax is higher, i.e 10% or tax leviable on sale of goods inside the state, whichever is higher. This concessional rate is applicable only if the purchasing dealer submits a declaration in prescribed **C Form**.

One **C Form** covers all the transactions in a whole financial year, irrespective of the total amount or value of transactions during the year. However, for transactions exceeding one financial year separate **C Form** is required for each financial year.

Forms E1 and E2

According to Section 6(2) of the CST Act, only the first inter-state sale is taxable and the subsequent sale during movement of goods by transfer of documents is exempt from tax, if the purchasing dealer is a registered dealer.

Usually, the transfer of a document refers to the document of title to goods which is endorsed and transferred in favour of the purchaser and is duly signed by the endorser. The document can be further transferred by subsequent endorsements.

The subsequent sellers have to obtain a declaration in **C Form** from the dealers who sold them the goods. The selling dealer has to make a declaration in **E1 Form** in case of the first sale and **E2 Form** in case of subsequent sales.

Form F

Under CST Act, **F Form** is used for Branch transfers and Consignment transfers. Goods when transferred from one place to another under the same principal, is known as Branch Transfer and when it is transferred to agents, it is termed as Consignment Sale. Here the dealer has to furnish a declaration in **F Form** received from the consignment agent or branch office in another state to prove that the interstate movement of goods is not a sale.

One **F Form** covers all transactions in one month, irrespective of the number of transactions and the total amount.

Form H

A sale during the course of export is exempt from CST and also the penultimate sale is deemed to be in course of exempt from CST under the CST Act. The dealer exporting the goods must have documents in proof of export such as an airway bill, bill of lading, shipping bill, customs documents, bank certificate etc. However, if the penultimate seller is not having any proof evidencing that the sale is exempt, the actual exporter is required to issue a certificate in **H Form** to the penultimate seller.

Form I

Special Economic Zone (SEZ) is a specifically delineated duty free enclave and shall be deemed to be foreign territory for the purposes of trade operations, duties and tariffs.

Under the CST Act, supplies made by a registered dealer to a unit in the Special Economic Zone (SEZ) will not be subject to CST, provided such unit furnishes a declaration in **I Form**.

9.2 Enabling CST in Tally.ERP 9

Central Sales Tax integrated in Tally.ERP 9 takes care of your inter-state transactions. It eliminates error-prone information and comments on appropriate forms to be issued/ received at the end of the month or a financial year or at any point of time. It takes a one-time configuration in Tally.ERP 9 for Central Sales Tax features to be activated.

9.2.1 Company Setup

Create a new company - **Oriental Traders** to understand the CST Feature of Tally.ERP 9.

***Oriental Traders** is a registered dealer under the CST Act and is one of the leading all India distributors of industrial powder paints. It purchases various shades of powder paints from Unique Paints (P) Ltd. Margao, Goa and supplies to registered dealers outside the State on submission of the prescribed formats.*

- Enter the details in the **Company Creation** screen as shown below:

Company Creation Ctrl + M

Directory : C:\Tally.ERP9\Data
 Name : Oriental Traders

Mailing & Contact Details

Mailing Name : Oriental Traders
 Address : 15, Airport Road
 Bangalore

Company Details

Currency Symbol : Rs.
 Maintain : Accounts with Inventory
 Financial Year from : 1-4-2009
 Books beginning from : 1-4-2009

Security Control

TallyVault Password (if any) :
 Repeat Password :
 (WARNING: forgetting your TallyVault password will render your data unusable!!)
 Use Security Control ? No
 (Enable Security to avail Tally.NET Features)

Statutory compliance for : **India**
 State : **Karnataka**
 PIN Code : 560029
 Telephone No. : 080-25467241
 Mobile No. : 9874562589
 E-Mail : sales@oriental.com

Base Currency Information

Base Currency Symbol : Rs.
 Formal Name : Indian Rupees
 Number of Decimal Places : 2
 Is Symbol SUFFIXED to Amounts ? No
 Symbol for Decimal Portion : paise

Show Amounts in Millions ? No
 Put a SPACE between Amount and Symbol ? Yes
 Decimal Places for Printing Amounts in W

Accept ?
 Yes or No

Figure 9.2 Company Creation — Oriental Traders

- ❑ Press **Y** or **Enter** to accept the company creation screen.
- ❑ Enable **VAT**, by activating **Enable Value Added Tax (VAT)** and **Set/Alter VAT details** in the **F11: Features (Statutory and Taxation Features)**. Once VAT is enabled, Statutory Masters related to VAT and CST are also automatically loaded in Tally.ERP 9.



The CST feature will be available only when VAT is activated.

9.2.2 Creating Masters

i. Purchases and Sales Ledgers

Ledger	Under	Inventory values are affected	Used in VAT returns	VAT/Tax Class
CST Sales	Sales Accounts	Yes	Yes	Inter-State Sales
CST Purchases	Purchase Accounts	Yes	Yes	Inter-State Purchase

ii. Party Ledgers

Ledger	Under	Maintain balances bill-by-bill	Inventory values are affected
Sunrise Industries	Sundry Debtors	Yes	No
Unique Paints (P) Ltd.	Sundry Creditors	Yes	No

iii. Output CST Ledger

Ledger	Under	Type of Duty/Tax	VAT/Tax Class	Inventory values are affected	Percentage of calculation	Method of calculation
CST @ 4%	Duties and taxes	CST	Inter-State Sales	No	4	On Total Sales

iv. Input CST ledger

Ledger	Under	Inventory values are affected	Used in VAT Returns	VAT/Tax Class
Input CST	Purchase accounts	Yes	Yes	Not applicable

v. Stock Items

Name of Item	Under	Units of measure
Black Matt	Primary	Kgs
Golden Yellow	Primary	Kgs
Metallic Blue	Primary	Kgs

9.3 Recording Interstate Transactions in Tally.ERP 9

As discussed earlier, in the course of inter-state trade or commerce the dealers have to issue/ submit certain declarations in prescribed forms to buyers/ sellers in order to avail concessional rates when:

- Sale or Purchase takes place outside a State.
- Sale or Purchase takes place in the course of imports into India or exports from India.

9.3.1 Inter-State Purchases

On 5-4-2009, M/s. Oriental Traders purchased the following items from M/s. Unique Paints (P) Ltd. Goa, vide Invoice No. 2458/08-09, amounting to Rs. 148500.

Product Description	Quantity	Rate
Black Matt	500 Kgs	190
Golden Yellow	100 Kgs	285
Metallic Blue	100 Kgs	250

Enter the details of the transaction in a Purchase Invoice.

Setup :

- In the **F12: Configuration**, set **Use common ledger A/c for item allocation** to **Yes**.

The completed **Purchase Invoice** appears as shown below:

Accounting Voucher Creation		Oriental Traders		Ctrl + M
Purchase No. 1		Date :		5-Apr-2009 Sunday
Supplier Invoice No. :		Date :		
Party's A/c Name : Unique Paints (P) Ltd.				
Current Balance :				
Purchase Ledger : CST Purchases				
VAT/Tax Class : Inter-State Purchases				
Name of Item	Quantity	Rate per	Amount	
Black Matt	500 Kgs	190.00 Kgs	95,000.00	
Golden Yellow	100 Kgs	285.00 Kgs	28,500.00	
Metallic Blue	100 Kgs	250.00 Kgs	25,000.00	
			<hr/>	
			1,48,500.00	
↓ End of List				
Form to Issue : C Form Form No. : Date :				
Show Statutory Details ? No				
Narration:			<hr/>	
			700 Kgs 1,48,500.00	
<hr/>				

Figure 9.3 Purchase Invoice

- Press **Y** or **Enter** to accept the screen.



- In the **bill-wise details** screen select **New Ref** and type **2458/08-09**.
- The above **Purchase Invoice** can also be recorded in **Double Entry mode**.

You can also fill the **Form No.** during the Voucher Entry, if the forms are issued at the time of purchase. But usually, they are submitted at the end of the year covering all the transactions from that dealer during the year.

9.3.2 Inter-State Sales against C Form

On 7-4-2009, M/s. Oriental Traders sold the following items to M/s. Sunrise Industries, Delhi against C Form. The freight charges of Rs. 750 were included in the Invoice.

Product Description	Quantity	Rate
Black Matt	100 Kgs	240
Golden Yellow	20 Kgs	365
Metallic Blue	10 Kgs	290

Enter the details of the transaction in a sales invoice

Setup :

- Create a ledger **Freight charges** under **indirect expenses**.

The completed **Sales Invoice** appears as shown below:

Accounting Voucher Creation		Oriental Traders		Ctrl + M
Sales No. 1				7-Apr-2009
Ref. :				Tuesday
Party's A/c Name : Sunrise Industries				
Current Balance :				
Sales Ledger : CST Sales				
VAT/Tax Class: Inter-State Sales				
Name of Item	Quantity	Rate per	Amount	
Black Matt	100 Kgs	240.00 Kgs	24,000.00	
Golden Yellow	20 Kgs	365.00 Kgs	7,300.00	
Metallic Blue	10 Kgs	290.00 Kgs	2,900.00	
			<hr/>	
			34,200.00	
CST @ 4%		4 %	1,368.00	
Freight Charges			750.00	
			<hr/>	
			130 Kgs	
			<hr/>	
			36,318.00	
			<hr/>	
Form to Receive : C Form Form No. : Date :				
Show Statutory Details ? No				
Narration:				

Figure 9.4 Sales Invoice

- Press **Y** or **Enter** to accept the sales invoice.



- Accept the default bill allocations in the **Bill-wise Details** screen
- You can fill the **Form Number** during a Voucher Entry, if the forms are received at the time of sales. But usually, they are submitted at the end of the year covering all the transactions from that dealer during the year.

9.3.3 Transit Sales against E1 and E2 Forms

According to Section 6(2) of the CST Act, the first inter-state sale is taxable and the subsequent sale during movement of goods by transfer of documents is exempt from tax, if the sale is made to a registered dealer.

Let us consider the following example :

On 13-4-2009, M/s. Oriental Traders despatched the following goods to M/s. Star Power Controls, Orissa and raised an Invoice on M/s. Swastik Associates in Madhya Pradesh and charged 4% CST against C Form.

Product Description	Quantity	Rate
Black Matt	300 Kgs	240
Chocolate Brown	50 Kgs	270
P.O. Red	50 Kgs	245

During the movement of goods, **Swastik Associates** subsequently sold the goods to **M/s. Rainbow Colours** in West Bengal and Rainbow Colours ultimately sold the goods to **M/s. Star Power Controls** in Orissa.

On the same day, Oriental Traders received **C Form** vide No. **TC-2K-15023 dt. 13-4-09** from Swastik Associates and issued E1 Form vide no. **TE-1Q-0130 dt. 13-4-09**.

In this case, sale from Swastik Associates to Rainbow Colours and Rainbow Colours to Star Power Controls is by way of transfer of documents. Oriental Traders has to receive C Form from Swastik Associates and will issue an **E1 Form** to Swastik Associates. Later, Swastik Associates will issue **E2 Form** to Rainbow Colours and receive C Form. Finally, Rainbow Colours will issue E2 Form to Star Power Controls and receive the C Form.

Chart showing movement of goods under **E1** and **E2** :

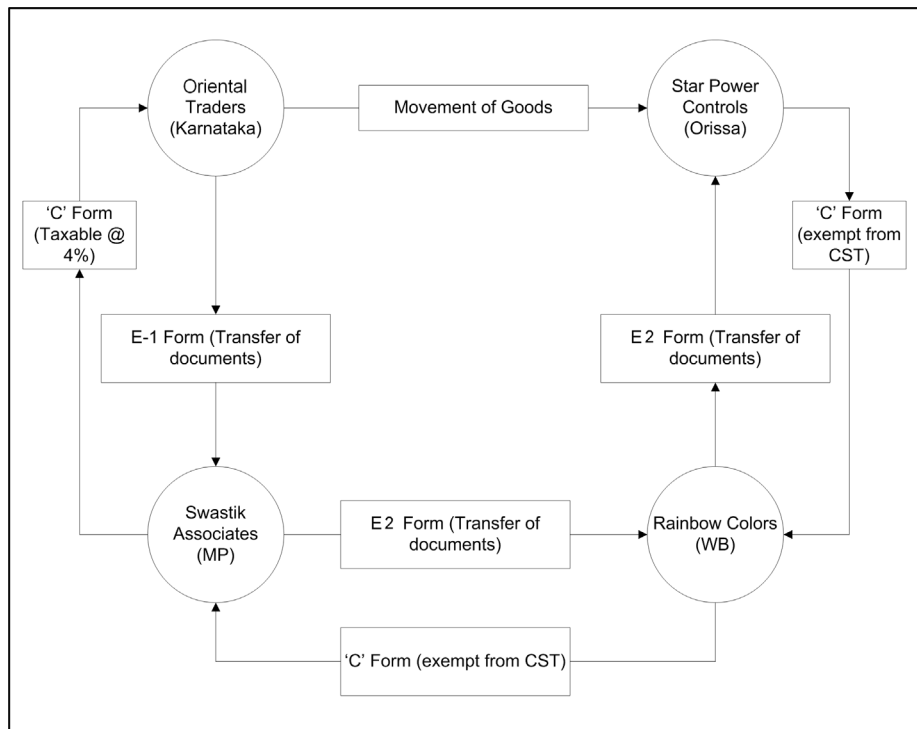


Figure 9.5 Chart Representing Movement of Goods

Create the following Party Ledger

Ledger	Under	Maintain balances bill-by-bill	Inventory values are affected
Swastik Associates	Sundry Debtors	Yes	No

The entries to be made in the books of **M/s. Oriental Traders** with regard to the above transaction are given in the following pages.

Enter the details of the transaction in a Sales Invoice

Setup :

- Press **F12: Configure** and set **Yes** to
 - Allow **separate Buyer Consignee names**
 - Activate **'E1'** or **'E2'** Transaction



The option 'Activate 'E1' or 'E2' Transaction' is activated as this transaction amounts to the movement of goods by the transfer of documents.

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

- Change the date to **13-4-09**.
- Select **Swastik Associates** in the **Party's A/c Name** and press **Enter** to view the supplementary details screen.
- In the Buyer details section enter the following details and accept the screen
 - **Consignee: Star Power Controls**
 - **Address: B-3/114, Bhusan Vihar, Bhubaneswar, Orissa**
 - **Buyer: Swastik Associates**
 - **Address: 603, Marvel Complex, Madhya Pradesh**
- Enter the details of the transaction in a **Sales invoice** and accept the default bill allocations in the Bill-wise Details screen.

The completed **Sales Invoice** appears as shown below:

Accounting Voucher Creation		Oriental Traders		Ctrl + M
Sales No. 2				13-Apr-2009
Ref. :				Monday
Party's A/c Name : Swastik Associates				
Current Balance :				
Sales Ledger : CST Sales				
VAT/Tax Class: Inter-State Sales				
Name of Item	Quantity	Rate per	Amount	
Black Matt	300 Kgs	240.00 Kgs	72,000.00	
Chocolate Brown	50 Kgs	270.00 Kgs	13,500.00	
P.O. Red	50 Kgs	545.00 Kgs	27,250.00	
			<hr/>	
			1,12,750.00	
J End of List				
Form to Receive : C Form Form No : TC-2K-15023 Date : 13-Apr-2009				
Form to Issue : E1 Form Form No : TE-1Q-0130 Date : 13-Apr-2009				
Show Statutory Details ? No				
Narration:				
			400 Kgs	1,12,750.00

Figure 9.6 Sales Invoice

- Press **Y** or **Enter** to accept the screen.



- In the books of **Swastik Traders**, the **C Form** received from **Rainbow Colours** has to be entered and **E2 Form** needs to be selected. This must be issued since it is a subsequent inter-state sales by transfer of documents of title.
- Generally, blank forms are received at the beginning of the year or on the commencement of an inter-state transaction with the respective dealer. However, **Tally.ERP 9** gives you the flexibility to update **Form Nos. and Date** in the **Reports Menu**.

9.3.4 Branch Transfers/ Consignment Sales against F Form

On 15-4-2009, M/s. Oriental Traders despatches the following goods to their Branch in Uttar Pradesh.

Product Description	Quantity	Rate
Golden Yellow	20 Kgs	285
Metallic Blue	30 Kgs	250

Setup :

- In **F11: Features (Accounting Features)** set (for Non-Trading A/cs also) under **Maintain Bill-wise details** to **Yes**.
- Create the following Masters
 - **Branch Ledger**

Ledger	Under	Maintain balances bill-by-bill	Inventory values are affected
Oriental Traders - U.P	Branch/Division	Yes	No

- **Sales Ledger**

Ledger	Under	Used in VAT returns	VAT/Tax class	Inventory values are affected
Branch Transfers Outward	Sales Accounts	Yes	Consignments / Branch Transfer Outward	Yes



*Do not activate **bill-wise details** for the ledger – **Branch Transfers Outward**.*

Enter the details of the transaction in a Sales invoice

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

- Accept the default bill allocations in the **Bill-wise Details** screen.

The completed **Sales Invoice for Branch Transfer** appears as shown below:

Accounting Voucher Creation		Oriental Traders		Ctrl + M
Sales No. 3				15-Apr-2009
Ref. :				Wednesday
Party's A/c Name : Oriental Traders - U.P				
Current Balance :				
Sales Ledger : Branch Transfers Outward				
VAT/Tax Class: Consignment/Branch Transfer Outward				
Name of Item	Quantity	Rate per	Amount	
Golden Yellow	20 Kgs	285.00 Kgs	5,700.00	
Metallic Blue	30 Kgs	250.00 Kgs	7,500.00	
			<hr/> 13,200.00	
J End of List				
Form to Receive : F Form Form No : Date :				
Show Statutory Details ? No				
Narration:			50 Kgs	13,200.00

Figure 9.7 Sales Invoice

- Press **Y** or **Enter** to accept the screen.



In the case of consignment sales made to agents, F Form has to be selected.

9.3.5 Exports against H Form

On 18-4-2009, M/s. Oriental Traders supplied 100 Kgs of Black Matt at Rs. 240 per Kg to M/s. Surya Exports against the submission of H Form vide bill No. 102504 dt. 18-4-09.

Setup :

i. Create Party Ledger

Ledger	Under	Maintain balances bill-by-bill	Inventory values are affected
Surya Exports	Sundry Debtors	Yes	No

ii. Create Sales Ledger

Ledger	Under	Inventory values are affected	Used in VAT Returns	VAT/Tax Class
Sales deemed Exports	Sales Accounts	Yes	Yes	Not Applicable

Enter the details of the transaction in a Sales invoice

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

- Accept the default bill allocations in the **Bill-wise Details** screen.

The completed **Sale Invoice** appears as shown below:

Accounting Voucher Creation		Oriental Traders		Ctrl + M
Sales	No. 4			18-Apr-2009
Ref. :				Saturday
Party's A/c Name : Surya Exports				
Current Balance :				
Sales Ledger : Sales Deemed Exports				
VAT/Tax Class: Inter-State Sales				
Name of Item	Quantity	Rate per	Amount	
Black Matt	100 Kgs	240.00 Kgs	24,000.00	
┆ End of List				
Form to Receive : H Form Form No. : 102504 Date : 18-Apr-2009				
Show Statutory Details ? No				
Narration:			100 Kgs	24,000.00

Figure 9.8 Sales Invoice

- Press **Y** or **Enter** to accept the sales invoice.

9.3.6 Sales to SEZ Units against I Form

On 20-4-2009, M/s. Oriental Traders supplied 50 Kgs of Metallic Blue at Rs. 290 per Kg to M/s. Track Innovations (P) Ltd. a unit in SEZ located at Chennai, against the submission of the I Form.

Setup :

i. Party Ledger

Ledger	Under	Maintain balances bill-by-bill	Inventory values are affected
Track Innovations (P) Ltd.	Sundry Debtors	Yes	No

ii. Sales Account

Ledger	Under	Used in VAT Returns	VAT/Tax Class	Inventory values are affected
Sales - SEZ	Sales Accounts	Yes	Not Applicable	Yes

Enter the details of the transaction in a Sales invoice

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

- Accept the default bill allocations in the Bill-wise Details screen.

The completed **Sale Invoice** appears as shown below:

Accounting Voucher Creation		Oriental Traders		Ctrl + M
Sales No. 5				20-Apr-2009
Ref. :				Monday
Party's A/c Name : Track Innovations (P) Ltd.				
Current Balance :				
Sales Ledger : Sales - SEZ				
VAT/Tax Class: Inter-State Sales				
Name of Item	Quantity	Rate per	Amount	
Metallic Blue	50 Kgs	290.00 Kgs	14,500.00	
↓ End of List				
Form to Receive : I Form Form No. : Date :				
Show Statutory Details ? No				
Narration:			50 Kgs	14,500.00

Figure 9.9 Sales Invoice

- Press **Y** or **Enter** to accept the sales invoice.

9.4 Payment of CST

Central Sales Tax is payable in the State from which the goods are sold. The tax so collected is retained by the state in which it is collected. The State Government Sales Tax Officer who assesses and collects local State Sales Tax also assesses and collects Central Sales Tax.

The returns under General Sales Tax of the appropriate State has to be submitted within the due date. The CST payable should be rounded off to the nearest rupee.

On 20-5-2009, M/s. Oriental Traders paid an amount of Rs. 7,308 towards CST payable of April 2009 vide Cheque No. 015630 dt. 20-5-09.

Create a payment voucher:

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

- **Date: 20-5-2009.**
- **Account: HDFC Bank Ltd.** (Create using Alt+C if it does not exist.)

- Select **CST @ 4%** and specify amount as **7308**.
- Type Cheque No. **015630** in the Narration field and press **Enter**.
- Press **Y** or **Enter** to accept.

9.5 CST Reports

Tally.ERP 9 facilitates the generation of CST related reports i.e Forms Receivable and Forms Issuable Reports for any period of time. It also offers the facility of auto-filling the form number for transactions related to the same dealer during the year, which hastens voucher entry and reduces the possibility of errors.

9.5.1 Forms Receivable Report

In Tally.ERP 9, you can generate the Forms Receivable Report ledger-wise. This report comments on various forms to be received from the dealer at any time. It displays the date of transaction, CST Sales ledger employed, gross amount inclusive of CST, form types and also contains two additional fields: Form Number and Date. These have to be filled when the prescribed forms are received from the purchasing dealer or the customer.

Usually, this report is generated at the end of a financial year or month end (in specific cases). However, Tally.ERP 9 facilitates the generation of this report at any point of time.

Go to **Gateway of Tally > Display > Statutory Reports > CST Reports > Forms Receivable > Ledger > Sunrise Industries > press Enter**.

The Forms Receivable Report of M/s. Sunrise Industries appears as shown below:

Forms Receivable		Oriental Traders					Ctrl + M		
Ledger Name: Sunrise Industries		1-Apr-2009 to 20-Apr-2009							
Date	Particulars	Vch Type	Vch No.	Assessable Value	CST Amount	Invoice Form Amount	Type	Form Number	Form Date
7-4-2009	CST Sales	Sales	1	34,200.00 Dr	1,368.00 Dr	36,318.00 Dr	C Form		

Figure 9.10 Forms Receivable

The above report shows that the C Form is to be received from the said customer for the supplies made during the respective period. In this report, you can fill the Form No. and Date when received.

View **M/s. Surya Exports** ledger for the forms to be received from them. You will notice that the report appears blank as the prescribed declaration in H Form was received at the time of sale and entered in the sales invoice during the voucher entry. However, you can view the vouchers for which forms have been received in advance or at the time of transaction.

To view all vouchers, press **F12: Configure** and change the following setting:

- ❑ Set **Show All Vouchers** to **Yes**.
- ❑ Select **H Form** in the **Show Vouchers** field - This feature allows you to view different Forms Receivable from the same dealer, if any. When set to **Not Applicable**, whatever forms are due from the dealer will be displayed.

Configuration		Form Types
Show All Vouchers	? Yes	Not Applicable
Show Vouchers of	H Form	C Form
		E1 Form
		E2 Form
		F Form
		H Form
		I Form

Figure 9.11 CST Reports Configuration

The **Forms Receivable** report appears as shown below:

Forms Receivable		Oriental Traders					Ctrl + M		
Ledger Name: Sunrise Industries							1-Apr-2009 to 20-Apr-2009		
Date	Particulars	Vch Type	Vch No.	Assessable Value	CST Amount	Invoice Amount	Form Type	Form Number	Form Date
7-4-2009	CST Sales	Sales	1	34,200.00 Dr	1,368.00 Dr	36,318.00 Dr	C Form	102504	18-Apr-2009

Figure 9.12 Forms Receivable

- ❑ Press **Alt+P** to print the report.



*Press **Alt+F5**, if there are many transactions and type the **Form No.** and **Date** to auto-fill the same in all the transactions pertaining to the related form.*

In the same manner, you can view other Forms Receivable from the rest of the dealers during the required period.

9.5.2 Forms Issuable Report

In Tally.ERP 9, you can generate the Forms Issuable Report ledger-wise. This report comments on various forms to be issued to the dealer for any given period of time. It displays the date of transaction, CST Purchases ledger employed, gross amount inclusive of CST, form types and also contains two additional fields: Form Number and Date, which can be filled when the prescribed forms are issued to the selling dealer or supplier.

Similar to the Forms Receivable Report, this report is also generated at the end of a financial year or month end (in specific cases) and can be generated at any point of time in Tally.ERP 9.

Go to **Gateway of Tally > Display > Statutory Reports > CST Reports > Forms Issuable > Ledger > Unique Paints (P) Ltd >** press **Enter**.

The **Forms Issuable Report** of M/s Unique Paints (P) Ltd. appears as shown below:

Forms Issuable		Oriental Traders					Ctrl + M				
Ledger Name : Unique Paints (P) Ltd.							1-Apr-2009 to 20-Apr-2009				
Date	Particulars	Vch Type	Vch No.	Reference	Effective Date	Assessable Value	CST Amount	Invoice Form Amount	Type	Form Number	Form Date
5-4-2009	CST Purchases	Purchase	1		5-4-2009	1,48,500.00 Cr		1,48,500.00 Cr	C Form		

Figure 9.13 Forms Issuable

- As discussed earlier, fill the **Form No.** and **Date**.

View the **Forms Issuable report** of M/s. **Swastik Associates ledger**, where the movement of goods affected the transfer of documents.

Go to **Gateway of Tally > Display > Statutory Reports > CST Reports > Forms Issuable > Ledger > Swastik Associates >** press **Enter**.

- Press **F12: Configure** and change the following settings:
 - Set **Show All Vouchers** to **Yes**.
 - Select **E1 Form** in the Show Vouchers of field and press **Enter**.

The **Forms Issuable report** appears as shown:

Forms Issuable		Oriental Traders					Ctrl + M				
Ledger Name : Swastik Associates							1-Apr-2009 to 20-Apr-2009				
Date	Particulars	Vch Type	Vch No.	Reference	Effective Date	Assessable Value	CST Amount	Invoice Form Amount	Type	Form Number	Form Date
13-4-2009	CST Sales	Sales	2		13-4-2009	1,12,750.00 Dr		1,12,750.00 Dr	E1 Form	TE-1Q-0130	13-Apr-2009

Figure 9.14 Forms Issuable

Even though the C Form has been received and the transaction has been reflected in the **Forms Receivable Report**, as per the rules the declaration in **Form E1** must be furnished. This is therefore, shown in the Form Issuable report.

Practice Exercise

M/s Jaykanth Agency is a registered dealer under the CST Act and is one of the leading distributors of refractory materials. Create the following masters and pass the following transactions as per the CST Act:

i. Party Ledgers

Ledger	Under	Maintain balances bill-by-bill	Inventory values are affected
M/s Bhim Traders	Sundry Creditors	Yes	No
Kirti Engineering	Sundry Debtors	Yes	No
M/s Shobha Fabrication Ltd.	Sundry Debtors	Yes	No
M/s Virendra Exports	Sundry Debtors	Yes	No
HDFC Bank	Bank Accounts	No	No
Freight Charges	Indirect Expense	No	No

ii. Sales Account and Purchase Account

Ledger	Under	Used in VAT returns	VAT/Tax Class	Inventory values are affected
CST Sales	Sales Accounts	Yes	Inter-State Sales	Yes
CST Purchases	Purchase Accounts	Yes	Inter-State Purchases	Yes

iii. CST Ledgers

Ledger	Under	Type of Duty/Tax	VAT/Tax Class	Inventory values are affected	Percentage of Calculation	Method of Calculation
CST @ 4%	Duties & Taxes	CST	Inter-State Sales	No	4	On Total Sales

Ledger	Under	Used in VAT Returns	VAT/Tax Class	Inventory values are affected
Input CST	Purchase Accounts	Yes	Not Applicable	Yes

iv. Stock Items

Item	Under	Units of measures	Opening Balance	Rate
Electrodes	Consumables	Pkt	25 Pkt	900
Moulding Sand	Consumables	Kgs	150 Kgs	120
Foundry Oil	Consumables	Ltrs	1,500 Ltrs	210
Steel Scrap	Consumables	Tons	20 tons	2,210

Enter the following transactions:

S No.	Date	Particulars
1.	4-5-09	Purchased Electrodes 60 Pkt at Rs. 900/pkt from M/s Bhim Traders vide Invoice. No. 226/09. Input CST paid @ 4%, Vat/Tax Class as Inter-State Purchase.
2.	11-5-09	Sold Electrodes 45 pkt at Rs. 1200/pkt to Kirti Engineering against C Form, CST @ 4% will be calculated automatically, Freight charges of Rs. 400 to be paid extra.
3.	15-5-09	M/s. Jaykanth Agency sold Moulding Sand 100 Kgs at Rs. 140/kgs to M/s. Shobha Fabrication Ltd Bihar, against CST Form, CST paid @ 4% extra.
4.	20-5-09	M/s. Jaykanth Agency despatches 1000 litres of Foundry Oil at Rs. 240/litre to their Branch in Bihar regarding Branch Transfers/ Consignment Sales against F Form.
5.	27-5-09	Supplied 10 tons of Steel Scrap at Rs. 2500/ton to M/s. Virendra Exports against submission of H Form vide No. 302538 dt. 27-5-09.
6.	31-5-09	M/s. Jaykanth Agency paid an amount of Rs. 2720 towards CST payable of April 2009 vide HDFC Cheque No. 065611 dt. 31-5-09.

Points to Remember

- ❑ CST is levied on inter-state sales transactions.
- ❑ Various CST Forms are issued/ received in the course of inter-state trade which are mandatory to be produced while paying tax.
- ❑ Tally.ERP 9 facilitates the creation of invoice for inter-state purchase and sales with an additional field for specifying the type of Forms to be issued/ received while recording transactions.
- ❑ The Forms Receivable and Forms Issuable reports relating to CST for any period can be generated and printed in Tally.ERP 9.