



# ***UDESH REGULAR***

## **FOR GROUP-1, MAY 2024**

- Subject- GST
- Chapter- ITC
- Lecture No.- 2

# Recap of Previous Lecture

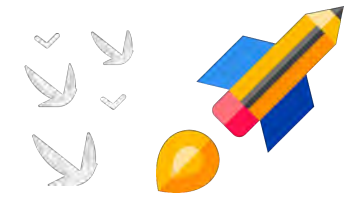


Topic

Input Tax Credit

PHYSICS  
WALLAH

# Topics to be Covered



Topic

ITC - Part 2

PHYSICS  
WALLAH

## Input Tax Credit

\* Tax paid on I/w supply  $\rightarrow$  Adjusted Against  $\rightarrow$  GST collect on o/w supply.

Goods Purch (10000K) = ₹10,00,000 + GST @ 18% i.e 180000

↓  
Process = ₹500000

↓  
Profit = ₹300000

↓  
Sale ₹18,00,000

o/w supply

→ GST collect @ 18% 3,24,000  
I/w Value ₹21,24,000

Net GST liability

GST collected 324000

(-) GST paid on I/w supply 180000

Net liability  $\rightarrow$  144000

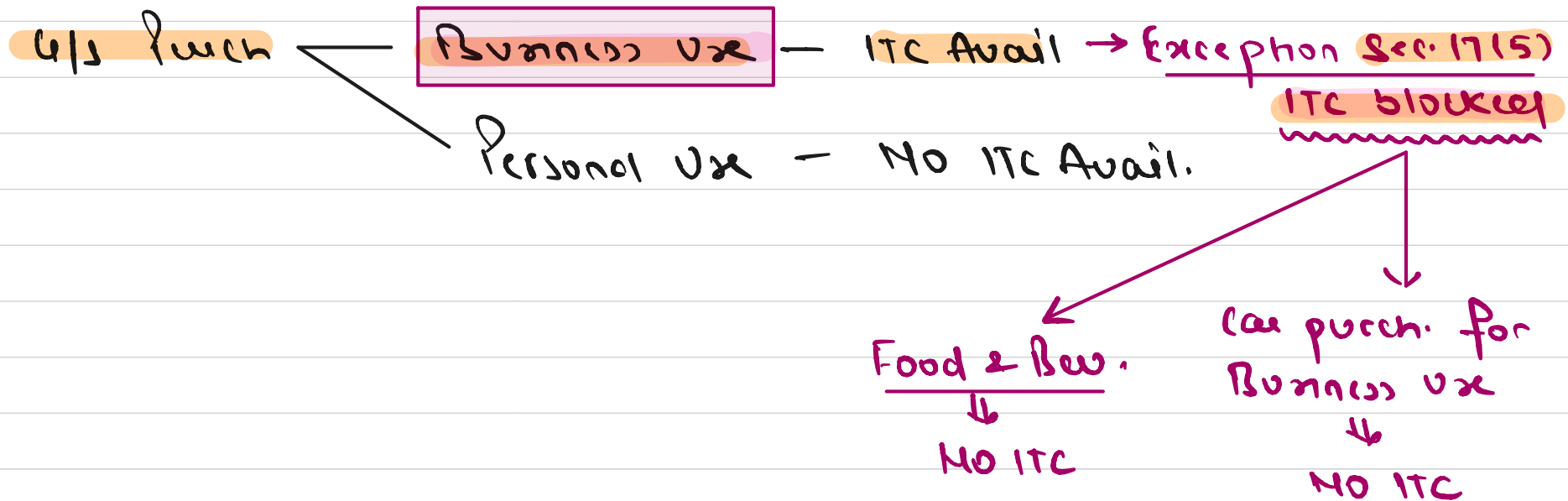
ITC  $\rightarrow$  Remove cascading effect  
 $\rightarrow$  Value added Tax

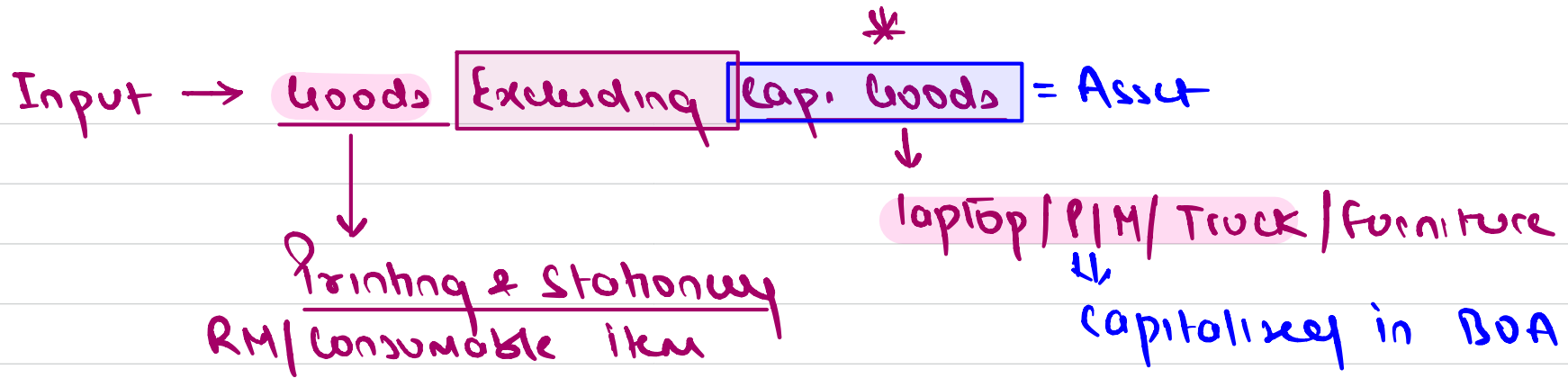
\* Shirts - 10 @ ₹ 5000 + GST @ 12% ic 600 ← 10 shirt

\* 8 shirts sold @ ₹ 8000 + GST collect @ 12% ic 960.

\* Net Tax liability = O/P Tax - ITC  
= 960 - 600 = 360.

one to one correlation is NOT Required





Input Service - Rep. Maint/ Insurance/ Internet/ Telephone/ Int. dev.  
Copyright vx/ Arch./ CAPS/ CMA

Section 16 General Section → Eligibility for claiming ITC

(a) ITC available only to Req. Person.

(b) ITC available if Inputs/ Cap. Goods/ Inp. services are USED or INTENDED to use in the course of F.O.B

(c) Person claiming ITC must have documentary evidence of Inputs/ Cap. Goods/ Inp. services purchased (ie Tax Invoice/ Dr. Note)  
↓  
Issued by Supplier

(d) Goods/Services must have been received

\* Goods Purch - 15/7/2023

ITV Recd - 15/7/2023

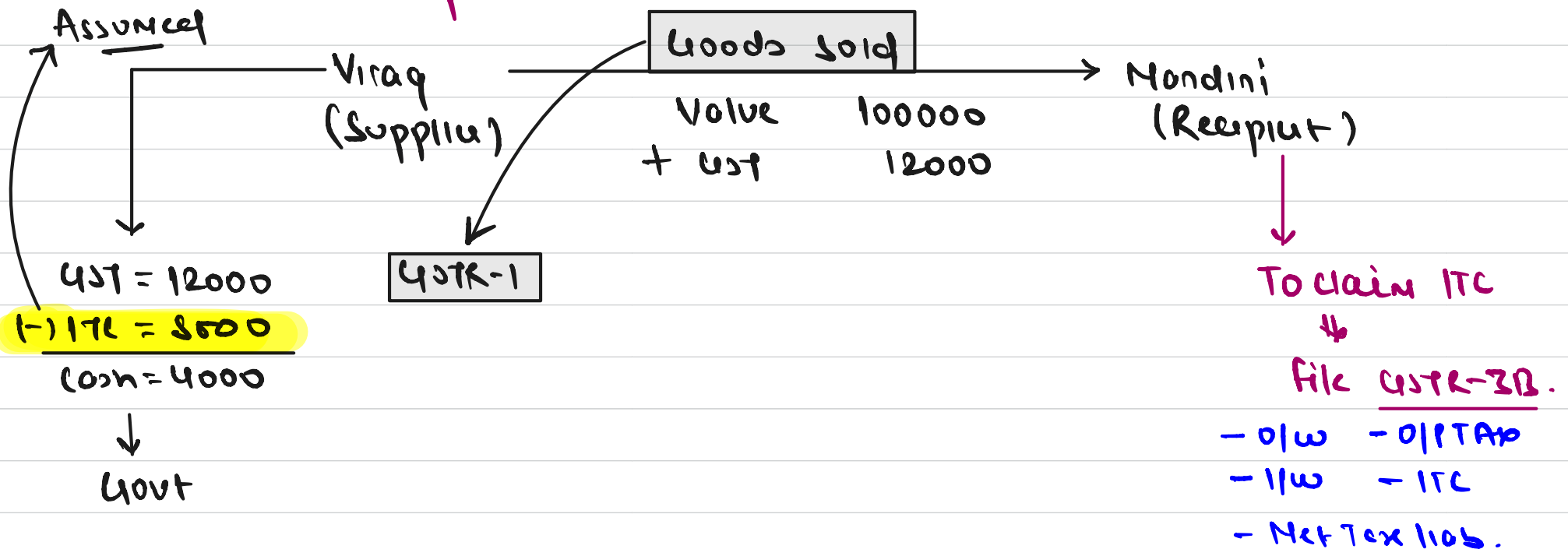
Vos 10000  
GST 18000

\* Goods In Transit

\* Goods Recd - 6/8/2023

ITC available in  
M/O Aug ie Month  
in which goods  
are recd.

(e) Supplier has filed GSTR-1 & deposited Tax either through cash or through ITC



(f) Person claiming ITC must file return up to 39 i.e. GSTR-3B.

(g) ITC Amount cannot exceed ITC As per GSTR-2B.

Alisha In M/0 Dec Purch through 10 Invoices = ITC = ₹500000 \*

In GSTR-2B for M/0 Dec only 8 IIV are appearing = ITC = ₹4,50,000

Supplier

Alisha

Ritu	→	Gst = 50000	→	GSTR-1	→	GSTR 2B = 50000
Aryan	→	Gst = 60000	→	GSTR-1	→	GSTR 2B = 60000
AKshay	→	Gst = 70000	→	GSTR-1	→	GSTR-2B = 70000
Shukh	→	Gst = 80000	→	GSTR-1	→	GSTR-2B = 80000
Sayali	→	Gst = 25000	→	Not file	→	GSTR-2B = -
Rahul	→	Gst = 25000	→	Not file	→	GSTR-2B = -
Ansari	→	Gst = 60000	}	→ GSTR-1	→	GSTR 2B = 190000
Sonju	→	Gst = 70000				
Shikha	→	Gst = 30000				
Krish	→	Gst = 30000				
		<u>500000</u>				<u>450000</u>



CUST ITC → CUST O/P Tax  
→ IUST O/P Tax

IUST ITC → IUST O/P Tax  
→ CUST O/P Tax  
→ SUST/IUST O/P Tax

S.49.

CST Portal → El. liab. ledger ⇒ Tax/Int/fees/penalty  
↳ 100000  
El. cash ledger ⇒ cash paym = 35000  
El. credit ledger ⇒ eligible ITC  
↳ 65000

S.49.

ledger of - RP  
with  
CST Dept

Supplier

R-1 Timely file (upto due date) → GSTR-2A → GSTR-2B → ITC<sup>Recp.</sup>

R-1 late file (After due date) → GSTR-2A

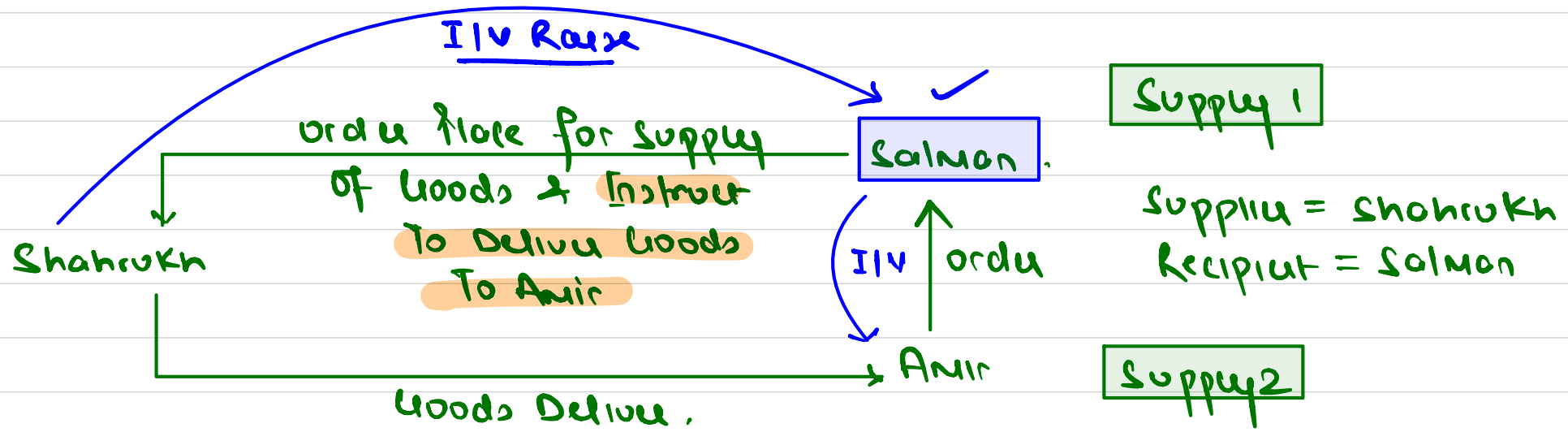
ITC → Inv. 2B Appears

Supplier  $\left\{ \begin{array}{l} R-1 \times \rightarrow \text{Recip. ITC } \times \\ R-1 \text{ lota file} \rightarrow \text{Keep ITC } \times \end{array} \right.$

May R-1 Timely file - 2B Appear ITC May Avail.

May R-1 lota file  $\rightarrow$  2B Appear in Next Month  $\Rightarrow$  ITC June Avail.

Nov ITC  $\rightarrow$  Nov 2B  $\Rightarrow$  Inv. = ITC Avail.



\* U/s Must be Recip To claim ITC  
 $\rightarrow$  except B2B2 Mode.

## Goods Received In Installment

1000 bags of cement @ ₹500/bag. = ₹5,00,000 + 28% GST

I/V	DT 3/1/24
1000 BAG	No: 1010
Value	500000
GST @ 28%	<u>140000</u>
	640000

1000 bag  $\left\{ \begin{array}{l} 400 = \text{Jan} \\ 300 = \text{Feb} \\ 300 = \text{March} \end{array} \right.$

Single I/V + Goods delivered In Installment = ITC claim = last Install. Recd.

ie M/o March

ITC = 140000

### Conditions for claiming ITC

↓

\* Receipt must have made payment to supplier?

Supply = 3/1/24 ✓

V = 100000

GST = 12000

112000

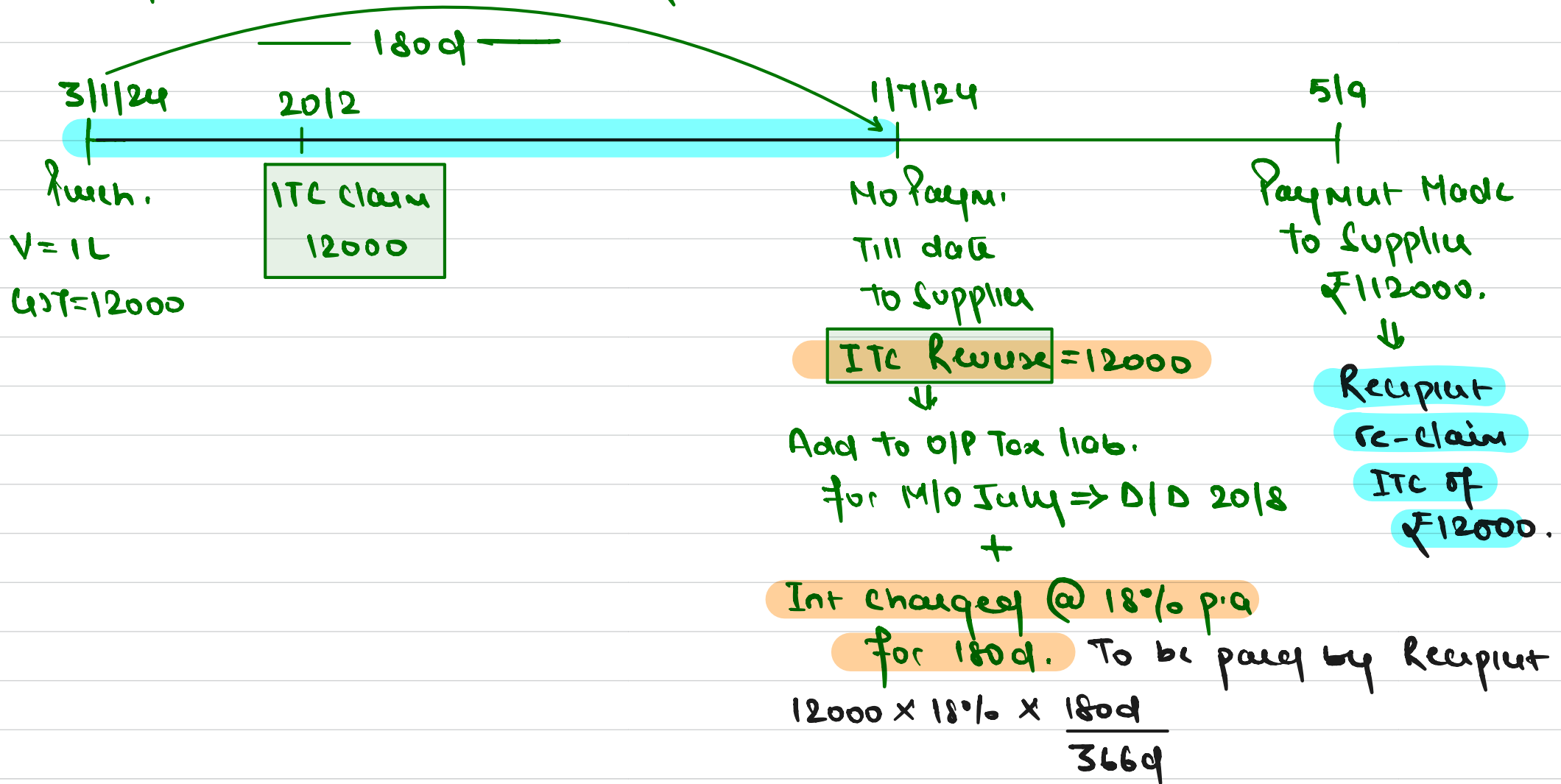
\* T.O.S Goods, D/D of I/V = 3/1/24  
300 credit Paym. due 3/2/24 A/D of I/V = 5/1/24  
 Feb X March X

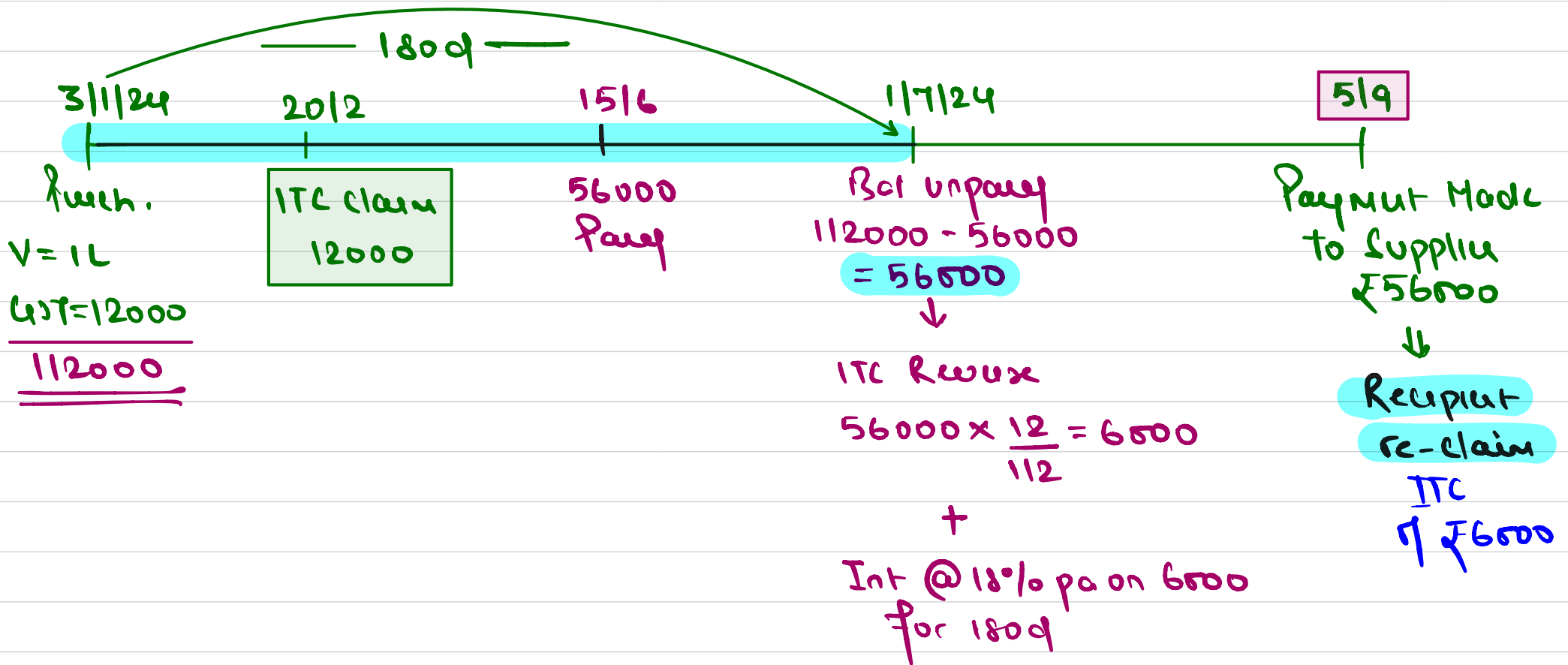
TOS = 3/1/24

April x May x  
June x July x

12000 GST Deposit upto 20/2/24

Receipt  $\Rightarrow$  TAN ITC claim = ₹12000 = S.I.B All Condition satisfy.

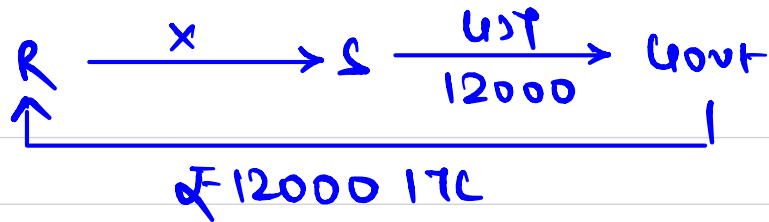




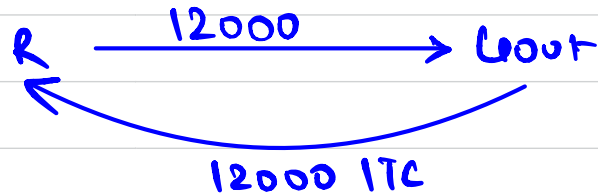
180d Restriction → Not Applicable

- Supply Invoice - RCM
- Supply Invoice S.I
- Payment made to any person on behalf of Supplier.

FC



RC



- \* Machinery Purch = ₹5L + GST Payable @ 18% i.e 90,000.
- \* Dep @ 10% SLM.

1

Mach. A/c Dr 5,00,000  
 Input GST A/c Dr 90,000  
 To Bank A/c 5,90,000

Dep A/c Dr 50,000  
 To Mach 50,000

⇓  
 ITC = 90,000 Available

2

Mach A/c Dr 5,90,000  
 To Bank A/c 5,90,000

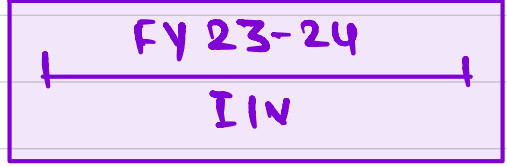
Dep A/c Dr 59,000  
 To Mach 59,000

⇓  
 No ITC Available  
 As GST Amt Capitalized & Dep. Claimed, on GST Amt.

90,000 ITC → lost law.

↳ Dep claim up 32 of 1. Tax Act  
↳ Profit ↓ → Tax ↓.

**ITC claim → lost date**



- Earlier {
- \* upto 30 Nov of Next FY  
or
  - \* upto date of filling Annual Return of relevant FY.

I/V Dt. 15/3/24 — FY 23-24



ITC claim lost date

- \* upto 30 Nov of Next FY (24-25)
- \* Relw. FY (23-24) Annual Return filling date

Earlier of Above-2 dates

30/11/24	30/11/24
15/12/24	15/9/24
<u>30/11/24</u>	<u>15/9/24</u>

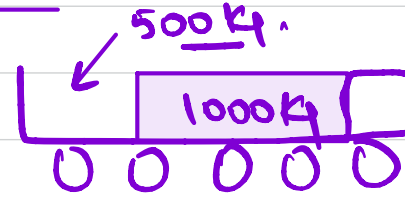
NOTE Annual Return ⇒ Due date ⇒ upto 31 Dec of Next FY

Madhav.

30/3/24 →

INV 201 Dt = 30/3/24	
1000K RM	
Value	1,00,000
+ Cost @ 12%	12,000
	<u>1,12,000</u>

11/4/24



500K Excess Supply

<u>Dr. Note</u>	<u>Dt 11/4/24</u>	24-25
Inv 201		
Value (500K)	50000	
+ Cost @ 12%	6000	
	<u>56000</u>	

Separate  
Identified

ITC in dr. Note  
↓  
Claim - last date

- 30 Nov of Next FY (25-26)  
ie 30/11/25
  - AR of 24-25 = ie 15/12/25
- ↓  
Assumed
- last date - earlier = 30/11/25

✓  
INV  
Dr. Note } last date ⇒ Indep. Identified.  
✓



25/12/22 IIV (22-23) → last date for claiming ITC

\* 30/11 of Next FY (i.e. 23-24) ⇒ 30/11/23

\* Date of filling AR of R FY (22-23) ⇒ 12/8/23

} earlier.

∴ last date for claiming ITC is 12/8/23

As Opinion from legal consultant is Recd on 5/5/23 (i.e. before last date of claiming ITC), XYZ Ltd can claim ITC immediately on 5/5/23.



## 2 mins Summary



Topic

*Summary of chapter*

Topic

PHYSICS  
WALLAH

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***Thank You***

