



UDESHEREGULAR

FOR GROUP-1, MAY 2024

- Subject- GST
- Chapter- ITC
- Lecture No.- 4

Recap of Previous Lecture

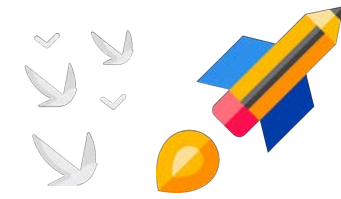


Topic

Input Tax Credit - 3

PHYSICS
WALLAH

Topics to be Covered



Topic

ITC - Part 4

PHYSICS
WALLAH

3. Specific Goods / Service

Food & Beverage
Outdoor Catering

Beauty Treatment
Health Services
Cosmetic & Plastic Surgery

Leasing / Renting of
MV / Vessel / Aircraft

Life Insurance
Health Insurance

• No ITC Available

Exception

1. I/w supply for making further supply (either composite or mixed)

2. Such supplies provided to EE under statutory obligation

• Membership of Club / Health / Fitness Centre

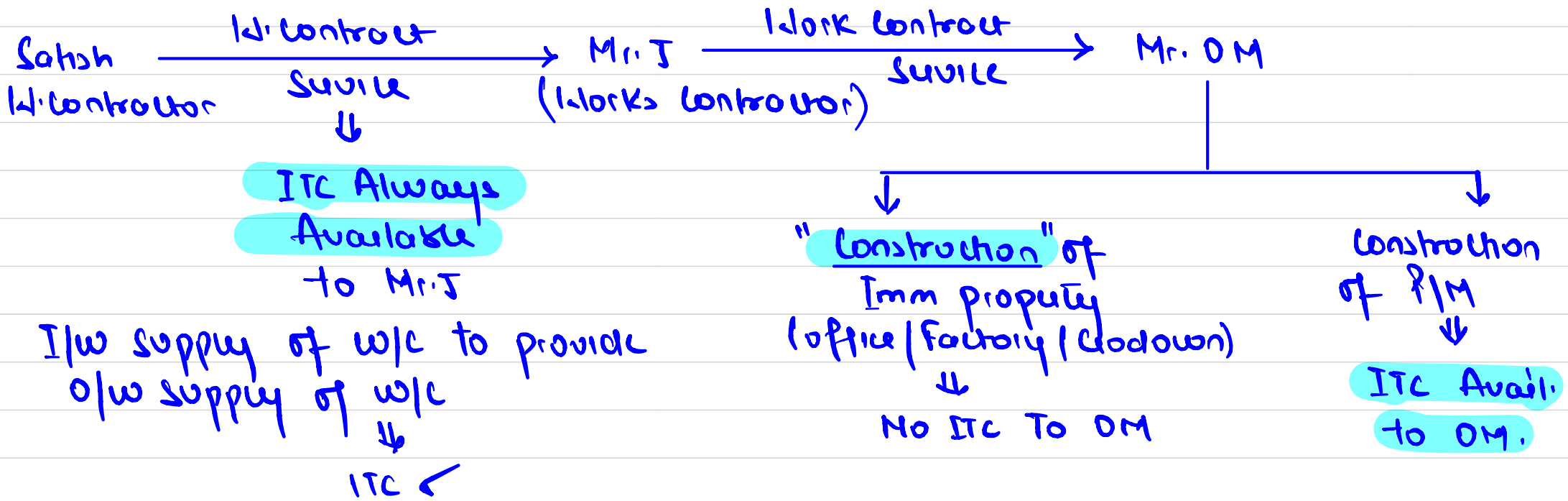
• Travel Benefits extended to EEs

• No ITC

Exception

Provided by ER to EE under statutory obligation

4. ITC Contract Service (Construction of Immovable property)



Note:- PIM doesn't include

- * Telecommunication Tower
 - * Pipelines lay down o/s factory Premises.
 - * land/ Building
- } HENCE NO ITC

Analysis.

- 1) W/C service for Construction of office - ITC blocked S.17(5)
↳ Const of Imm. Property
- 2) W/C service for repair of office & Exp dr. to P/L } ITC Avail.
↳ Not A Construction of Imm. Property
- 3) W/C service for repair of office & Dr. exp to Building A/c } ITC block
↳ CAP. Nature Repair → Construction
- 4) W/C service available for further supply of w/c service in relation to const of Imm. property = ITC Available
I/w w/c → o/w w/c
- 5) W/C service Avail for construction of
 - a) Machinery → Yes ITC allowed
 - b) Tele. Comm. Tower - No ITC blocked.

5) Goods/Services purchased for Construction of Immovable property - ITC blocked
→ for construction of PIM - ITC Available

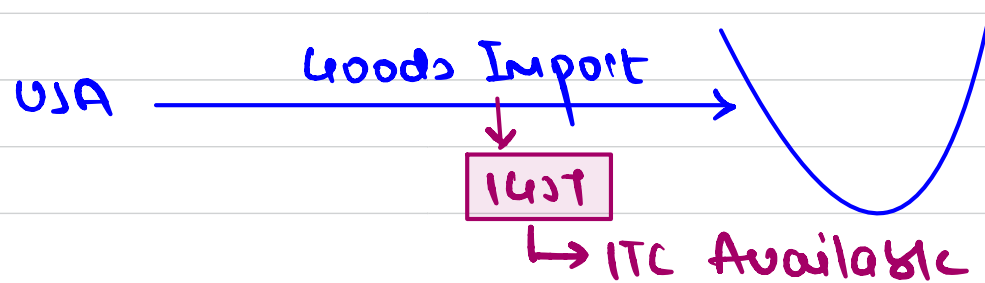
Office Construct → RM - Cement / Sand / Iron / Paint / Polty
→ Int dec. Service → Civil Engineer
→ Architect Service

PIM ⇒ Design & develop. Service - ITC ✓
RM ITC ✓
Eng. Service ✓

6) Other cases where ITC is blocked

a) No ITC of Tax paid under C/S

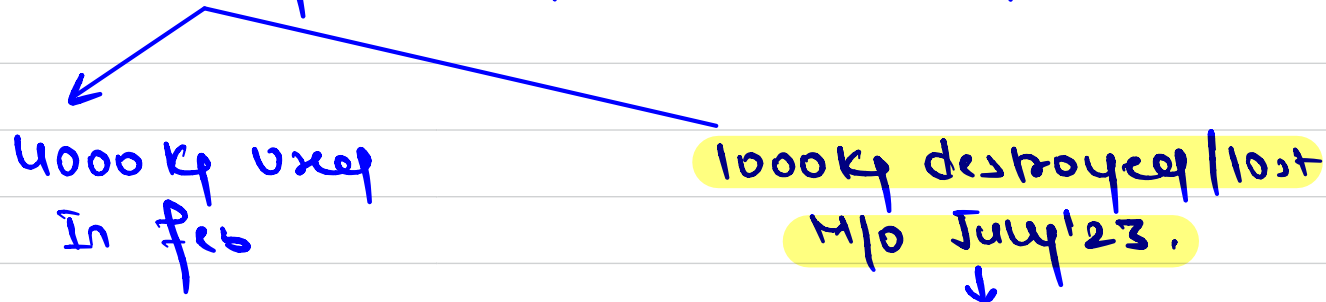
b) No ITC available to C/S procured by NRTP in India
except GST paid on import of goods - ITC Available



c) Goods/services purchase for personal consumption

d) Goods destroyed/disposed off / Gift / Sample / Written off / Lost / Stolen

5000K RM 1/1/23 - 4st Pkct = 50000 = ITC Avail.

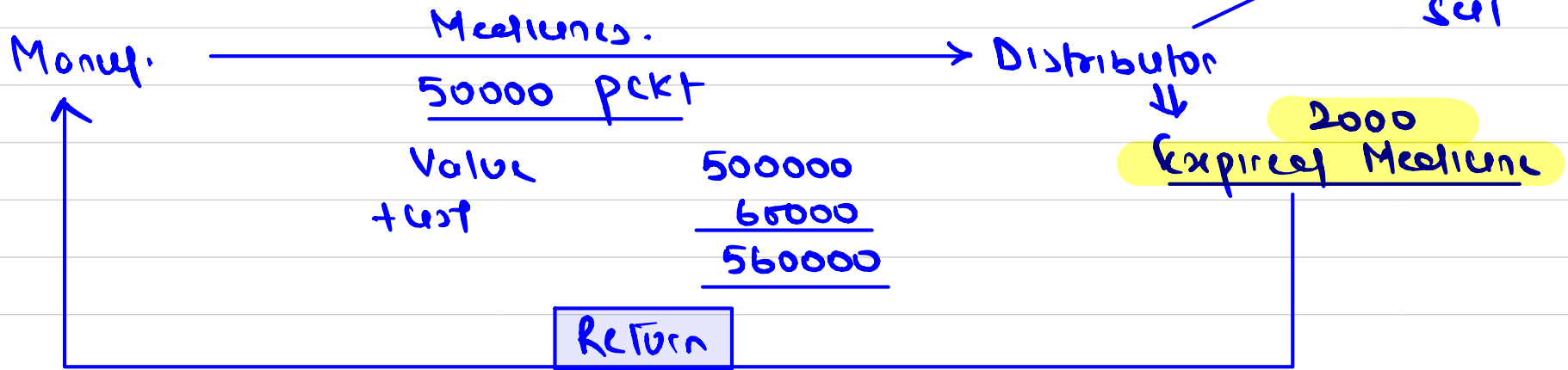


Proportional ITC - Reversed

is added to output tax liability for M/0 July'23

$$\frac{60000}{50000} \times 48000 = 57600$$

48000 Pkct sel



1) Expired Med. Return → Manuf. Issue Credit Note

CR. NOTE

- MF → O/P Tax Liab. ↓
- DIST → ITC Reduce (Reverse) ↓

fresh supply

2) Distributor $\xrightarrow{2000 \text{ fresh supply}}$ Money.

↓
2400
↓
Cost

Tax Inv
Value 20000
+ Cost Charge 2400
22400

ITC claim = 2400

Expired Medicine
↓
Destroy

ITC block.
↓

2400 ITC Reverse

ITC = 60000
O/P = 2400
Net ITC 57600

Q4

Aug ITC = 90,000

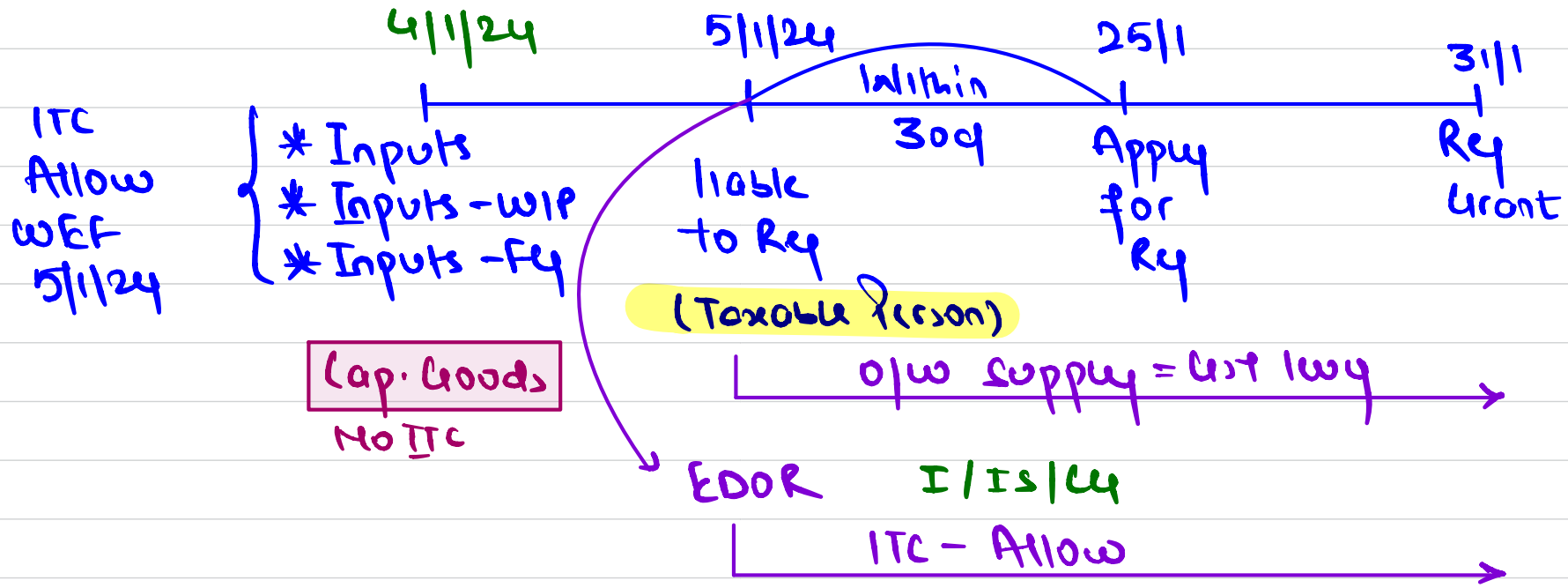
Computation of Eligible ITC

	₹	ITC Allow
1) Services from DP (100%)	18000	18000
2) Outdoor catering	block	—
3) Goods w/o	block	—
4) Auditing Services (50%)	22500	11250
5) Goods personal use of KEs	block	—
6) Balance ITC (90000 - 63900) (50%)	26100	13050
Total Eligible ITC	<u>66600</u>	<u>42300</u>

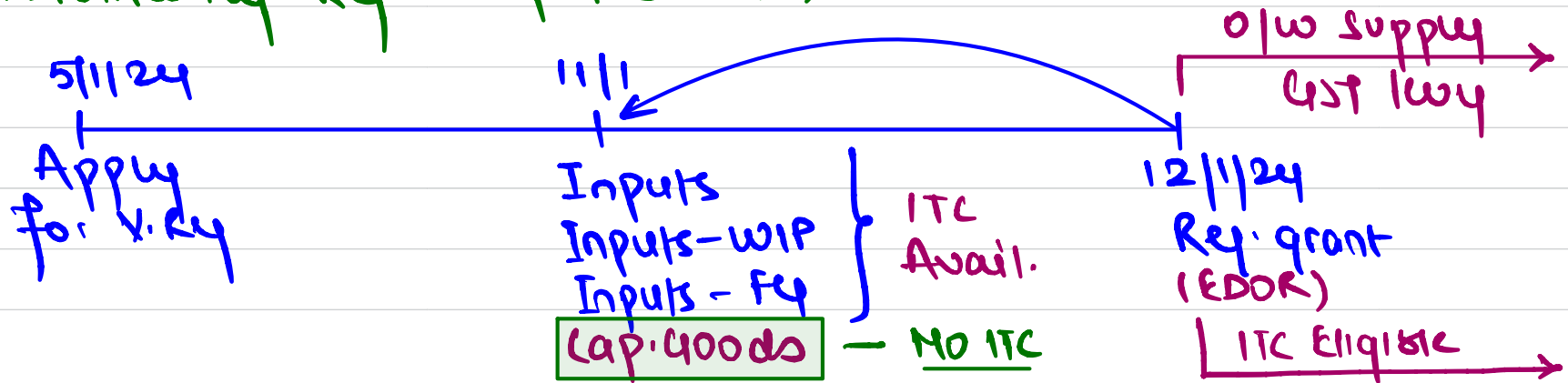
$$\begin{aligned} \text{ITC Allowable to Yes Bank} &= \text{Eligible ITC} \times 50\% \\ &= (66600 - 18000) \times 50\% + 18000 \\ &= 42300 \end{aligned}$$

S.18 → ITC Availability / Reversal In Special Cases.

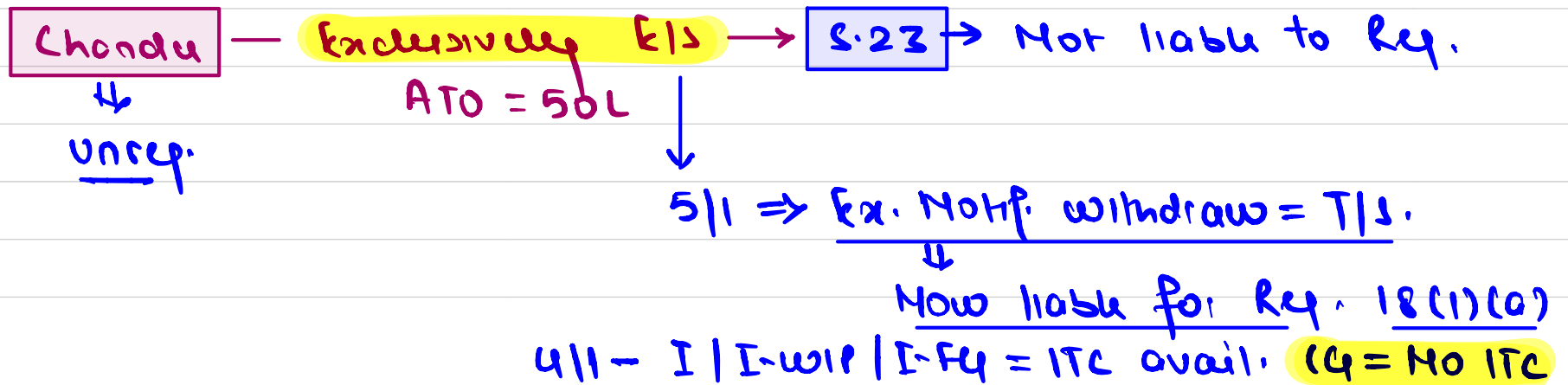
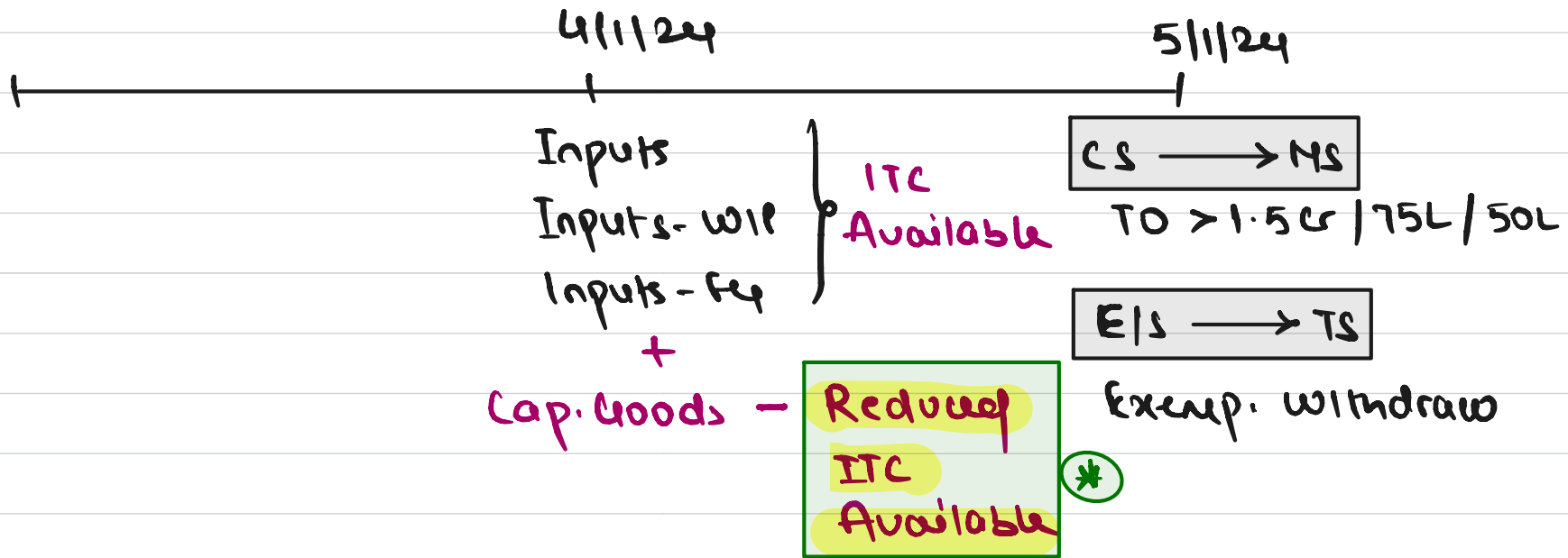
(1) (a) liable to Register (As per S.22/24) [Compulsory Registration]



(b) Voluntarily Reg As per S.25(3)



(e) C/S → M/S } Person already Reg. under GST
 (d) E/S → T/S }



Chandu

↓

Rep. undu. Cost.

UP

(TS) = 15L

(ES) = 30L

ATO 45L

5/1

Ex. withdraw.

T/S = 18(1)(a)

I | I-wir | I-fy | C4

Rep.
ITC

I	→	E/S
I/S	→	E/S
C4	→	E/S

= NO ITC



2 mins Summary



Topic

Summary of chapter

Topic

PHYSICS
WALLAH

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Thank You