

INPUT TAX CREDIT

Illustration 1

MR. Vikas purchased spare parts worth ₹75000 as on 01/08/2017, on which CGST @9% i.e 6750, and SGST @9% i.e. 6750, were charged, thus total amount payable against such, purchases is 88500/- here Mr. Vikas

Solution

Illustration 2

Q. Mr Akshay purchase goods worth 85000 as on 2 5 2017 in which CGST @ 6% 5100 and SGST @ 5100 where charge thus total amount against such purchases is 95200 watch paid to the supplier Mr X head to the pay GST amount of 10200 to the government as and date filing return determine the tax implications.

Solution

Illustration 3

M/sLata trading co purchased certain goods for venue traders, Mumbai who agreed to deliver to goods as per the contract the supply of goods was in following instalments:-

Date of receipt of supply	Instalments	Value of goods
10.06.17	1 st	15,000
10.07.17	2 nd	35,000
10.08.17	Last	42,000
	Total	92,000

Solution

Illustration 4

M/s Q Ltd. Purchased input for 3,00,000 vide tax invoice no. 12 dated 1st December 2017, M/s Q Ltd. Has submitted annual return for the financial year 2017-18, on 15th September 2018, and return for September 2018, has been filed, 19th Oct, 2018, find the time limit within which input tax credit can be availed on input by Q Ltd. M/s Q Ltd. Want to take input tax credit on such input on 30th September 2018, advice,

Solution

Illustration 5

Mr. Arun a registered supplier of goods, pays GST under regular scheme and provides the following information for the month of August 2017.

1	INTERSTATE TAXABLE SUPPLY OF GOODS	10,00,000
2	Intra state taxable supply of goods	2,00,000
3	Intra state purchases of taxable goods	5,00,000

He Has The Following Input Tax Credit At The Beginning Of August 2017,

Sr. No.	Nature	Itc amount in rs.
1	CGST	20,000
2	SGST	30,000
3	IGST	25,000

Rate of CGST, SGST and IGST are 9%, 9% and 18% respectively,

Both inward and outward supplies are exclusive taxes are wherever applicable.

All the conditions necessary for availing the ITC have been fulfilled. Compute the net GST payable by Mr. Arun for the month of August 2017,

Solution

Illustration 6

M Ltd. a registered supplier, supplying taxable as well as exempted goods, provides following Turnover details during the month of August, 2018.

Particulars	Rs.
Value of taxable supply of goods	12,00,000
Value of Zero rated taxable Supply of goods	5,50,000
Value of Exempted Supply of goods	5,00,000
Supply of goods made for non-business use	50,000
Total	23,00,000

Details of Input tax paid on Capital goods for the month of August, 2018 areas under

Particulars	CGST	SGST	Total
i) Credit on capital goods exclusively used for supplying exempted goods.	10,800	10,800	21,600
ii) Credit on capital goods exclusively used for supplying taxable goods [including zero rated supplies]	45,000	45,000	90,000
iii) Credit on capital goods exclusively used for supplying goods for non-business use	11,700	11,700	23,400

Capital goods used for both supply of taxable as well as exempt goods :

Capital Goods	Value of inward supplies [exclusive of CGST & SGST]	CGST@9%	SGST@9%	Date of inward supplies
A	5,60,000	50,400	50,400	12.01.2018
B	2,56,000	23,040	23,040	21.4.2018
C	4,56,000	41,040	41,040	25.8.2018
	Total	1,14,480	1,14,480	

Determine the credit on capital goods attributable for tax period of August, 2018.

A consignment of 1000 Kgs of inputs was received. The GST @ 5% paid as per invoice was Rs. 10,000. While the inputs were in transit, 100 kgs were destroyed and it was found that these were not usable. State eligibility of input tax credit as per GST Act?

Solution

Illustration 7

500 pieces of inputs were received. GST paid on these inputs was Rs. 2500. These were issued to production, while in process of production line fire broke out & 200 pieces of inputs lying on shop floor were destroyed. State eligibility of Input tax credit as per GST Act ?

Solution

Illustration 8

Smart Pvt. Ltd. in respect of various inputs purchased during the month of August, 2017 pertaining to which following information is provided determine the amount of input tax credit admissible to Smart Pvt.Ltd.

Solution

Illustration 9

ABC (Pvt.) Ltd. is engaged in supplying goods to its customer within the state and it's not liable for registration under section 22 of CGST Act, 2017, From 20.01.2018 onwards, it started interstate supply of taxable good for this purpose it applied for registration on 28.01.2018 and same has been granted to him. The liability of CGST, SGST and IGST for the month of January, 2018 is Rs. 32,000, 32,000 and Rs. 45,000 respectively and ABC Pvt. Ltd. has to make e-payment of tax on due date i.e. on 20.02.2018.

ABC Pvt. Ltd. has provided the following details of stock of input held on 19.01.2018 and taxes paid thereon :-

Particulars	CGST	SGST
A. Inputs received on 12.12.2017 lying in stock	4,500	4,500
B. Inputs received on 16.01.2018 lying in semi-finished stock	5,600	5,600
C. Inputs received on 26.11.2017 lying in finished stock	8,500	8,500

Determine the amount of Input tax credit eligible for ABC Pvt. Ltd. Would your answer differ if input category (A) is purchased on 14.01.17.

Solution

Illustration 10

Daksh Ltd. a registered manufacturer demerged its entity into DG gold Ltd. and DG gold testing Ltd. The total value of Assets of Daksh Ltd. is Rs. 45,00,000 and unutilized credit on account of CGST, SGST and IGST amounted to Rs. 56,000, Rs. 65,000 and Rs. 75,000 respectively.

The value of assets of DG Gold Ltd. and DG Gold Testing Ltd. is Rs. 20,00,000 and Rs. 25,00,000 respectively. Discuss the eligibility of credit transferred to the new units on account of Demerger.

Solution**Illustration 11**

M/s. Akshaya Enterprises removed its Refractory Bricks as a scrap at a transaction value of Rs. 35,000 as on 25.12.2017? What would be the impact on GST if such Refractory bricks are treated as capital goods?

Solution**Illustration 12**

Ceramity Ltd. has following units : [ICAI Study Material – Final]

A : Factory in Hassan, Karnataka; closed from 2017-18 onwards, no turnover.

B : Factory in Tumkur, Karnataka; turnover of Rs. 27 crores in 2017-18;

C : Service centre in Hyderabad, Telangana; turnover of Rs. 1 crore in 2017-18;

D : Service centre in Chennai, Tamil Nadu; turnover of 2 crores in 2017-18; Ceramity Ltd.'s corporate office functions as ISD. It has to distribute ITC of Rs. 9 lakh for December, 2018. Of this, an invoice involving tax of Rs. 3 lakh pertains to technical consultancy for Tumkur unit.

What should be the distribution of the credit?

Solution