

"LAST DAY" CONTENT

CA INTER: FOR MAY/SEP: 2025 EXAMS

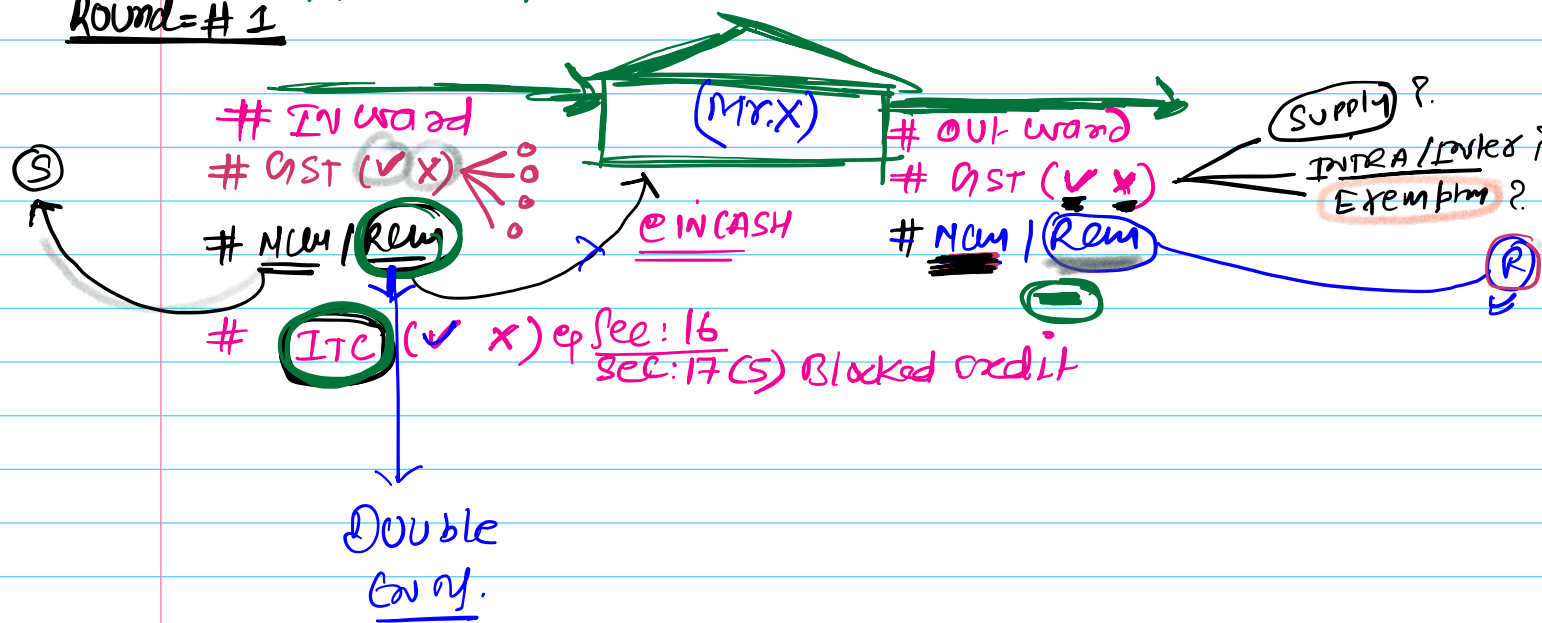
CONTENT

- # How to Handle and PRESENT ANSWER.
- # 47 RAPID FIRE QUESTIONS? { TRICKY }
- # VVVVVVV Imp: CONCEPTS.

How to handle Long Numerical Question : (14 marks)

" FOR EVERY TRANSACTION : CHECK "

Round = # 1



Round: #2

Output liability statement

PARTICULAR	Value	IGST	COST	SGST/UTGST
i)	-	-	-	-
ii)	-	-	-	-
iii)	-	-	-	-
TOTAL	xxx	xx	xx	x

INPUT Liab. Statement (RCM) @ Inward Side @ CASH

PARTICULAR	Value	IGST	COST	SGST/UTGST
i)	-	-	-	-
ii)	-	-	-	-
iii)	-	-	-	-
TOTAL	xxx	xx	xx	x

ITC Statement

PARTICULAR	Value	IGST	COST	SGST/UTGST
✓ OPENING Balan	xx	xx	-	-
+ ITC on RCM Supplier	-	-	-	-
+ ITC on <u>RCM</u> Supply.	-	-	-	-
TOTAL	xxx	xx	xx	x

Set off Statement

ITC	Amount	OIP IGST	OIP COST	OIP SGST/UTGST
i) of IGST	-	-	-	-
ii) of CGST	-	-	-	-
iii) of SGST	-	-	-	-
TOTAL	xxx	xx	xx	x
<u>Add RCM liability to be paid in CASH</u>	xxx	xxx	xxx	xxx
TOTAL CASH				

DONT make mistake in following Transactions

- ① Value of Goods = 40000 @ 18% } separately shown in Invoice
 Freight = 10000 @ 12% }
 contract delivery at door step of Buyer

GST Amount: $(5,00,000) \times 18\% = 90,000$

- ② Service of Repair = 3,00,000 @ 18% } CAR = Semi separately shown in
 PARTS USED = 50000 @ 12% } Invoice

GST Amt: separately claimed.

✓ $3,00,000 \times 18\% = 54,000$

✓ $50,000 \times 12\% = 6,000$

- ③ Value of AC = 18000 @ 18% } Combo Price = 20,000
 Value of Splitter = 7000 @ 12% } After Combo DISCOUNT
 GST Amount = mixed supply - highest rate @ 18%
 So $20,000 \times 18\% = 3,600/-$

- ④ Inter state transfer of Goods to Branch office. Both
 Places are under same Registration: value 5,00,000
OR

Inter state transfer of Goods to Additional Place of
 Business: value 5,00,000

GST Amt = NOT a supply, NO GST.

RC.
 + Adm:

- ⑤ - NA -

- (6) ABC Ltd Taken works Contract service for repair and Repair Amount-
- (a) debited to P/L : Repair ✓
 - (b) NOT debited to P/L BUT Capitalized = (cap. ex)
GST AMT and ITC ?
 - (a) Taxable and ITC Allowed to (R) ✓
 - (b) Taxable BUT NO ITC to (R)
- (7) Supply of Goods worth ₹ 35,00,000 and also collect 60,000 from (R) with the name of municipal TAXES.
AV = 35,60,000
- (8) Supply of Goods worth ₹ 2,00,000 from RAJASTHAN to Rajasthan on the instruction of ABC Ltd Registered in MH:
Nature of Supply : Inter State as ORIGIN is RAJASTHAN and Place of Supply is location of Registered Recipient @ Bhub § Sec: 10(1)(b) of IGST @ Bill to ship to.
- (9) Supply of Goods worth ₹ 2,00,000 from RAJASTHAN to Rajasthan on the instruction of ABC Ltd UN-Registered in MH:
Nature of Supply : INTRA State as ORIGIN is RAJASTHAN and Place of Supply is Delivery Place.
- (10) Purchase of TRUCK for BUSINESS USE ₹ 20,00,000 @ 28%.
WHAT ABOUT ITC ? ITC Allowed to (R), AS NO Restriction under Sec 17(5).
- (11) Vishnu limited take Voluntary Registration on 24/02/24 and a CAPITAL Goods purchased 20 days ago for ₹ 10,00,000 @ 18%.
WHAT ABOUT ITC to (R) : NOT Allowed.

- (12) In Above Question Input works R purchased on 13/2/23 for ₹ 3,00,000 and Available in stock of ₹ 2,00,000 @ 18%.
WHAT ABOUT ITC ? NOT ALLOWED.
- (13) RAJU Ltd Received Consideration of ₹ 2,00,000 for non performance of contract By MAYA Ltd.
Amt of GST ?? : NO supply, NO GST.
- (14) ABC Ltd Provides service of Booking of Air Ticket in Economy class from PATNA to NER for ₹ 2000/-
GST Amount: Taxable: 2000 * Applicable Rate of GST.
(FY: 22-23) of AIR Travel Service
- (15) Purchase Goods on 15/3/23 for ₹ 3,00,000 and in Jan a Debit Note Received for ₹ 25000 @ 18%.
ITC to (R) in the month of Feb, 2024 Allowed : YES
- (16) Inter state Supply of Taxable Goods of ₹ 40000 in the month of Feb, 2025 Invoice issued in Feb, 2025 But ₹ 100000 was Received in Advance in Jan, 2025
Amount of GST in Feb: 2025 ?? = 4,00,000 * GST Rate.
- (17) Repairing Service By way of PURE Labour Service to a Single Residential Unit Used for Residence for ₹ 10000.
GST Amount = Taxable: 10000 * GST Rate
- (18) Neelkanth Private limited Received service of GTA which is Taxable @ 12%.
Who is liable to pay GST = NCLM, GTA i.e. (S)
- (19) Security Service for ₹ 15000 provided to school for outdoor picnic:
GST Amount = Taxable = 15000 * GST Rate

(20) Purchase goods of ₹ 700000 out of which goods value ₹ 2,00,000 purchased from Composite Dealer and goods worth ₹ 10000 purchased from unregistered Supplier. GST Rate = 18% & 1%.

Amount of GST : $4,00,000 \times 18\% = 72,000$ Paid By Vendor
 $2,00,000 \times 1\% = 2,000$ Paid By Vendor
 $1,00,000 \times 1 = \text{No GST}$

ITC Available to (R) = ₹ 72,000

(21) Goods Purchased Value ₹ 700000 and out of 3 Bills 1 Bill is missing having CGST of ₹ 18000/-

Rate of GST = 18%.

ITC to (R) : ?

Total Tax Paid = $700,000 \times 18\% = 1,26,000$

Missing Bill CGST : 18,000
 SGST : 18,000 (36,000)

NET ITC Available 90,000

(22) ONE Invoice Dated 20th JAN, of PFY found in October of CFY, having GST Amount of ₹ 50,000. Annual Return is filed on 15th September of CFY.

Whether in October of CFY ITC can be availed : (No)

(23) ABC limited Rent out Commercial Property to XYZ Pvt limited Registered under GST: Value 10000
 Rate of GST @ 18%.


GST Amount:

AT Supplier Side : GST Amount = (NIL) (AS RCM)
 AT Recipient Side : GST Amount = $10,000 \times 18\% = 1,800$ and (R)
 Can Book the credit.

(23) Service provided by HOTEL as short term accommodation in PUNJAB to a registered person located in Delhi
Nature of supply: INTRA state.

(24) Invoice value ₹ 100000 Received in JAN, 2025 and goods received in APRIL 2025.
WHAT ABOUT ITC in JAN month: NO.

(25) Delivery of goods made in JANUARY Invoice received in APRIL value ₹ 100000/-
ITC in the month of JAN : (NO)

 (25) SUNITA Ltd purchased goods from Ram Limited as per contract Delivery of goods was at the risk of SUNITA, However Ram Limited arrange transportation for SUNITA. Freight paid by SUNITA and Transit RISK and Return with SUNITA.
Goods worth ₹ 12000 @ 18% handed over by Ram at his factory gate to SUNITA on: 28/02/2025
Goods actually received in SUNITA's premises on 1/03/2025.

In which month SUNITA can book the credit of ₹ 18000 : (FEB) MONTH

(26) Goods used of ₹ 12000 @ 18% for setting up Telecommunication tower:
ITC to (R) : (NO)

(27) For the month of MAY, 2025 :
I Lot received in JAN, 2025 and LAST Lot in JUNE 2025. ITC in MAY 2025 (NO)
I Lot received in MAY and LAST Lot in DEC.
ITC in MAY : (NO)

(28)

Club/Gym service taken for employee:

ITC = In general NO, But it specially said it is legal obligation then ITC shall be Allowed.

(29)

works contract service / Construction service / Goods purchased for Laying PIPELINE

Inside the factory: ITC to (R) = Allowed

Outside the factory: ITC to (R) = NOT Allowed.

(30)

Goods purchased and Received of R. 2,00,000 @ 18%, But GST Amount NOT Reflected in Invoice = 20
ITC to (R) = NOT Allowed.

(31)

5 TRUCK Given on Hire to Government Authority for 15 Days Rental @ ₹500 Per Day per TRUCK:

GST Amount: Taxable = ₹500 × 5 × 15 * 45 Rate //

(32)

5 TRUCK Given on Hire to Goods Transport Agency for 15 Days Rental @ ₹500 Per Day per TRUCK:

GST Amount = EXEMPT (Jan)

(33)

Sale of Goods on 6th JAN, Payment to be made within 30 DAYS otherwise Interest @ 2% per month on INVOICE Value shall be Applicable.

Actual Payment made Along with Interest on 20th Feb.

Value of Goods = 5,00,000 @ 18%

GST Amount:

GST on Goods = 5,00,000 * 18% = 90,000

Interest = Invoice Value * $\frac{2}{12}$ * $\frac{15}{30}$

$$= \textcircled{590,000} \times \frac{2}{100} \times \frac{15}{30}$$

$$\checkmark = 59,000$$

GST on Interest = 5900 * $\frac{18}{118}$ = 900 / =
GST

00

(34)

Calculation for Feb month: 2025

The Supplier supplied 1000 packets of 10 each in the month of JAN, 2025 and in Feb. Revalue the consignment @ 9 Rs each and according issue Credit Note to Buyer for Rs 1 & Buyer it reduce. What about our liability of supplier in Feb month: NO effect with this transaction i.e. NO reduction in liability because of this credit note.

(35)

Transportation service given to College for Rs 5,00,000
 GST amount; TAXABLE = $5,00,000 \times 9\%$
 # Transportation service given by college to student, faculty, staff: Rs 40,000
 GST amount; EXEMPTED.

(36)

Mr. A as a Business Correspondent provide service to URBAN Branch of Wealth Bank for Rs 1,00,000.
 GST Amount = $1,00,000 \times 18\% = 18,000$ to be paid by (BC).

(37)

Recovery Agent service provided to car dealer for Rs 15,000.
 Amount of GST = Taxable: $15,000 \times 18\% = 2,700$ and
Recovery Agent liable to pay GST.

(38)

Recovery Agent service provided to Bank | Financial Ins. for Rs. 15,000.
 Amount of GST = Taxable: $15,000 \times 18\% = 2,700$, and
 Bank | Financial Institution liable to pay GST under Reg.

(39)

Import of service from friend for Business purpose for FREE. Market value of service: 1,00,000.
 GST Amount = NOT a supply, NO GST.

(40) Service By way of Training By Mr. X from Delhi to ABC Ltd for ₹ 5,00,000 Registered in GoA and service provided in U.P.

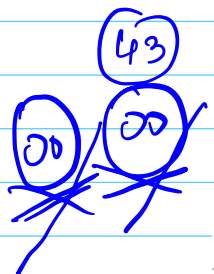
Place of Supply: @ B to B = GoA

(41) Service By way of Training By Mr. X from Delhi to ABC Ltd for ₹ 5,00,000 (UNREGISTERED) in GoA and service provided in U.P.

Nature of Supply: @ B to C = U.P.

(42) Amount paid to IIM for 15 DAYS MANAGEMENT Training to 10 Managers for ₹ 5,00,000 and After Completion A Certificate is given By IIM.

Gst Amount: Taxable: $5,00,000 \times 18\% = 90,000$



(43) ~~Example~~: Craftmodel Limited, a registered dealer in Patna (Bihar), is engaged in various types of supplies. It is not engaged in renting of cars business. The company provided the following details for the month of January, 2024.

During the course of arranging and filing documents, the Accountant of Craftmodel Limited observed that an invoice for ₹ 30,000 (excluding tax) dated 2nd December, 2023 was omitted to be recorded in the books of accounts and no payment was made against the same till the end of January, 2024. This invoice was issued by Mr. Rahuketu of Patna, from whom Craftmodel Limited had taken cars on rental basis. Invoice included cost of fuel also.

WHAT ABOUT GST liability under RCM in JAN MONTH?

No GST in JAN.

BUT will in Feb as time of supply is 61st DAY i.e. DAY After 60 DAYS fall in Feb.

WHAT ABOUT ITC to CRAFT model: Blocked as NOT engaged in same service.

Reason :

Cars Taken on rental basis from Mr. Rahuketu.

[Tax on renting of motor car services wherein cost of fuel is included in consideration provided by a non-body corporate to a body corporate and CGST/SGST is charged @ 2.5% each, is payable under reverse charge.

Time of supply of such services is 1st February being earlier of date of payment, or date immediately following 60 days since issue of invoice by the supplier. Since the time of supply of renting of motor car services in the given case does not fall in January, 2024, tax liability on the same does not arise in said month.

Further, ITC on renting of motor car services received is blocked since the recipient - Craftmodel Ltd. Is not in the same line of business]

(44)

Service provided to State Govt for ₹ 5,00,000.
For this total Expenditure was ₹ 9,00,000 and only
₹ 63,000 Borne By the Govt:

Amount of GST = Taxable as Amount Borne By the
Govt is less than 75%, i.e.

$$\frac{63000}{90000} \times 100 = 70\%$$

$$= 5,00,000 \times 18\% = \underline{90,000 \text{ GST}}$$

(45)

Total Invoice Received having GST Amount of ₹ 90,000
out of ₹ 20,000 related to E-Invoice NOT having IRN
however (5) file proper GSTR-1 and QB shows
Amount of ₹ 90,000

ITC Allowed to (R) = ₹ 70,000 (As with IRN, E-Invoice
is NOT a valid document)

(46)

(i) SQM Ltd. normally gives an interest-free credit period of 30 days for payment, after that it charges interest @ 1% p.m. or part thereof on list price. ACD Ltd. paid for the supply after 45 days, but SQM Ltd. waived the interest payable.

(ii) SQM Ltd. received ₹ 50,000 as subsidy, from one non-government organization (NGO) on sale of such machine. This subsidy was not linked to the price of machine and also not considered in list price of ₹ 9,50,000.

(iii) ACD Ltd. deducted discount of ₹ 15,000 at the time of final payment, which was not as per agreement.

(iv) SQM Ltd. collected ₹ 9,500 as TCS (tax collected at source) under the provisions of the Income Tax Act, 1961.

Compute the value of taxable supply as per the provision of GST laws, considering that the price is the sole consideration for the supply and both parties are unrelated to each other.

Ans: (i) : NO GST

(ii) : NO PLUS, NO MINUS 950,000

(iii) : NO PLUS, NO MINUS

(iv) : NO PLUS, NO MINUS.

47

Question II (12): Comfortable (P) Ltd. is registered under GST in the State of Odisha. It is engaged in the business of manufacturing of iron and steel products. It has received IT engineering services from High-Fi Infotech (P) Ltd. for ₹ 11,00,000/- (excluding GST @ 18%) on 28th October. Invoice for service rendered was issued on 5th November.

Comfortable (P) Ltd. made part payment of ₹ 4,20,000/- on 30th November. Being unhappy with service provided by High-fi Infotech (P) Ltd., it did not make the balance payment. Deficiency in service rendered was made good by High- Fi Infotech (P) Ltd. by 15th April of next year. Comfortable (P) Ltd. made the balance payment on 6th July of next year.

Examine the availability of ITC with Comfortable (P) Ltd. in respect of IT engineering services received by it from High-Fi Infotech (P) Ltd. [ICAI Material]

Answer: Relevant Provisions: - Every registered person is entitled to take credit of input tax charged on any supply of goods and/or services which are used or intended to be used in the course or furtherance of his business if, *inter alia*, **he is in possession of a tax invoice issued by a supplier and he has received the goods and/or services.**

The registered person must pay to the supplier, the value of the goods and/or services along with the tax **within 180 days from the date of issue of invoice.**

A registered person, who has availed of input tax credit on any inward supply (other than RCM inward supplies), but fails to pay to the supplier thereof, the amount towards the value of such supply along with the tax payable thereon, within the time limit of 180 days, **shall pay an amount equal to the input tax credit availed in respect of such supply along with interest payable thereon under section 50, while furnishing the return in FORM GSTR-3B for the tax period immediately following the period of 180 days from the date of the issue of the invoice.** However, if made After 180 Days, **Book (Re-Avail) ITC on Payment Basis (i.e. proportionately)**

Analysis & Conclusion: - In the given case, High-fi Infotech (P) Ltd. provides the service in the month of October and Comfortable (P) Ltd. receives the invoice in the month of November. Therefore, in view of the above provisions and assuming all other conditions required for availing ITC having been fulfilled, ITC of ₹ 1,98,000 ($₹ 11,00,000 \times 18\%$) will be availed by Comfortable (P) Ltd. in the month of November when it receives the invoice issued by High-fi Infotech (P) Ltd.

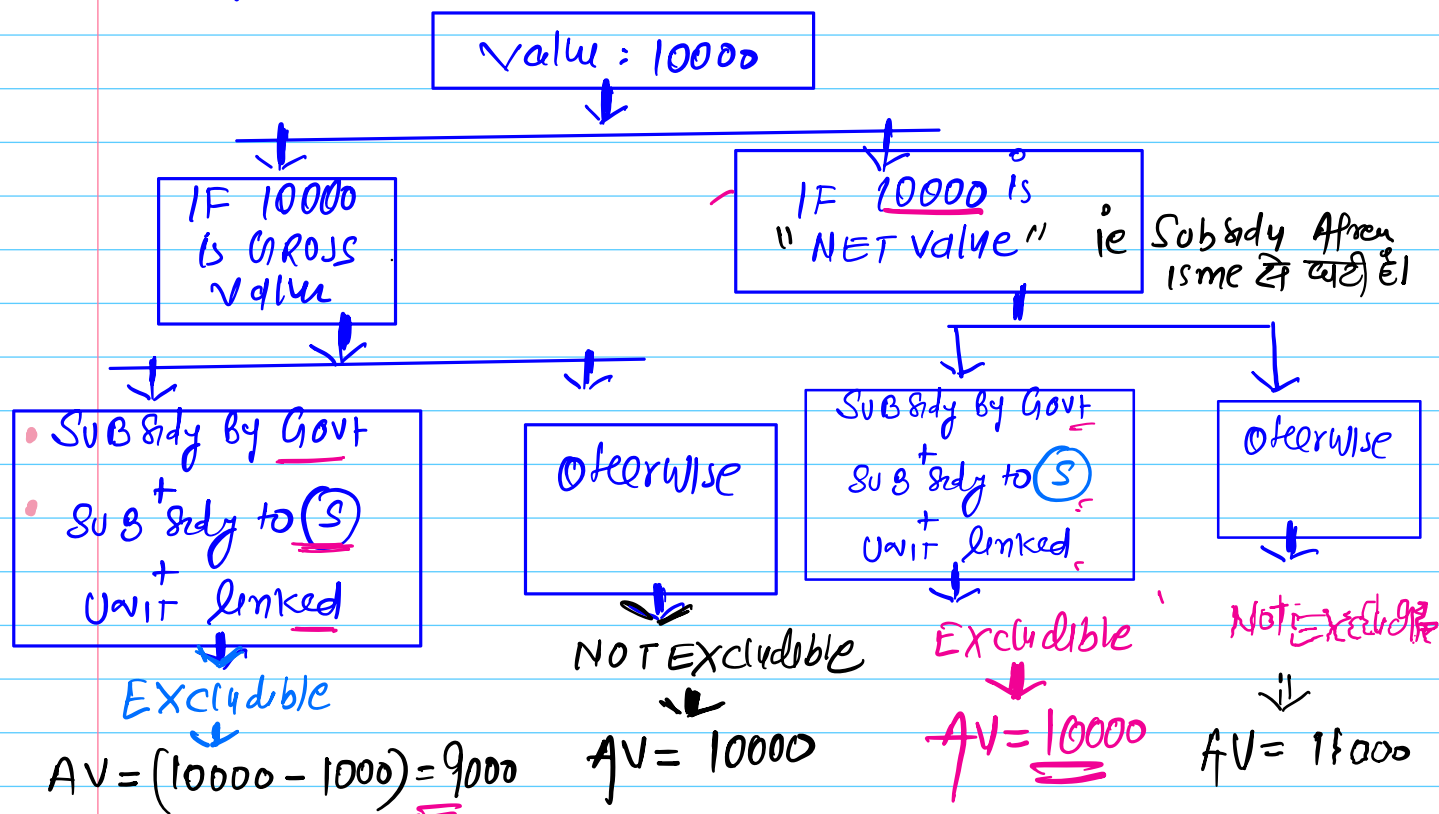
However, proportionate ITC amounting to ₹ 1,33,932 $\Rightarrow [(₹ 12,98,000 - ₹ 4,20,000)/118] \times 18$ will be payable along with interest u/s 50, by Comfortable (P) Ltd. as full payment has not been made within 180 days of issuance of the invoice, i.e. by 4th May of next year. ITC of ₹ 1,33,932 can, however, be availed again by Comfortable (P) Ltd. in the month of July next year when it makes the balance payment.

"DO NOT FORGET"

Valuation CHAPTER:

SUBSIDY Diagram

In Question Suppose: value of Goods = 10,000
Subsidy KA Amount = 1000



RCM CHAPTER:

Renting of Any Property: B to B: ALWAYS RCM (Either Given By Govt or Non Govt)

Renting of immovable: B to C $\left\{ \begin{array}{l} \text{Residential} = \text{GST X} \\ \text{Commercial} = \text{GST} \checkmark @ \text{NCM} \end{array} \right.$

Other Govt Service $\left\{ \begin{array}{l} \text{MOST of the service: Supply X or Exempt.} \\ \text{PVT (R): Always GST, Always NCM} \\ \text{Otherwise of Spectrum - B to B = RCM} \end{array} \right.$

ITC CHAPTER 3 Section: 16:

Supplier Need to file Valid GSTR 3B on time.

Effect of Non-payment of tax by the supplier

- Inward supply taken by recipient
- GSTR 1/1A filed by Supplier
- ITC amount reflected in GSTR 2B of Recipient
- ITC claimed by recipient
- Supplier did not pay GST by 30th September of next financial year
- Then Recipient need reverse or Pay Equal amount by 30th November
- If not paid by recipient by above date, then he is liable to pay the amount with Interest under section 50.
- Now if supplier pay the amount of GST
- Then Recipient will be eligible to Re-book ITC.

Condition of 180 days for bill payment-

- Inward supply taken by recipient
- ITC booked by the recipient on the basis of INVOICE.
- Bill amount not paid by recipient within 180 days from bill date.
- Then recipient is required to reverse or pay the full or proportionate amount with interest.
- If later on recipient pay the full or proportionate bill amount.
- Now recipient is eligible to Re book ITC on bill payment basis.

Note: 1 This condition is not applicable on RCM cases and free of cost supplies.

Note: 2 Supplier's obligation paid by Recipient then the amount shall be counted in Bill amount payment to supplier.

Wish you
Happy Exams

BEST Regards

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