

Dear Sir,

Please find clarification to the query below highlighted in green:

“WE PURCHASED A MACHINE FROM NEW DELHI AND THEY CHARGED IGST 18% AMOUNT 1,65,000/- THE TOTAL IGST AMOUNT 1,65,000/- IS UTILISED/USED FOR PAYMENT OF GST LIABILITY THE SAME MONTH PLEASE CLARIFY?” – Goods supplied by a supplier from a State / UT to a recipient in another State / UT with POS as the State of the recipient, the transaction shall be treated as an inter-state transaction.- Sec. 10 of IGST Act 2017. Input Tax Credit (ITC) of the taxes paid on such inward supplies (Capital Goods, Inputs & Input Services) will be available to the recipient to be availed and utilised against the taxable outward supplies in the same month of the procurement subject to the satisfaction of below mentioned parameters:

1. The recipient is in possession of a Tax Invoice
2. The recipient has received the goods or services or both
3. Inward supply is used or intended to be used by the recipient in course or furtherance of business
4. The concerned supplier has paid the tax charged on such supply to the Government
5. The concerned supplier has furnished a valid return under GST

- Sec. 16 of CGST Act 2017

Regards,  
Dipak

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**From:** balachandran nair [<mailto:bnairiccma@gmail.com>]

**Sent:** 13 March 2018 10:40

**To:** Dipak Tiwary

**Cc:** Mayuri Gade; Sanjay Gupta

**Subject:** Fwd: CAPITAL GOODS IGST INPUT CREDIT UTILIZATION RULES

Dear Mr. Tiwary,

Forwarded is a query from M/s Purnachandra Packaging P. Ltd. Could you please clarify?

Regards,

Balachandran Nair



----- Forwarded message -----

**From:** Purna Chandra <[purnachandra27@gmail.com](mailto:purnachandra27@gmail.com)>

**Date:** Tue, Mar 13, 2018 at 10:35 AM

Subject: CAPITAL GOODS IGST INPUT CREDIT UTILIZATION RULES

To: balachandran nair <[bnairiccma@gmail.com](mailto:bnairiccma@gmail.com)>

SIR,

WE PURCHASED A MACHINE FROM NEW DELHI AND THEY CHARGED IGST 18%  
AMOUNT 1,65,000/-

THE TOTAL IGST AMOUNT 1,65,000/- IS UTILISED/USED FOR PAYMENT OF GST  
LIABILITY THE SAME MONTH PLEASE CLARIFY?

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THANKS & REGARDS

**K.R.K.RATNAJI RAO**

PURNACHANDRA PACKAGING PVT LTD

9000006417/08458-277066