

HC: Possession of Tax Invoice and Bank Payment Sufficient for ITC Eligibility

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REFER THE DECISION OF THE HON'BLE ALLAHABAD HIGH COURT

Astol Cleantech Pvt. Ltd. V/s State of U.P. Writ Tax No. 1279 of 2024, decided on 4-9-2024

Key Issues:

Can ITC be denied if the assessee possesses valid documents and payment was made through banking channels?

Hon'ble High Court Judgement:

Assessee's entitlement to Input Tax Credit cannot be denied solely due to the supplier's non-payment of GST or deregistration, provided the assessee holds valid tax invoices, e-way bills, transport documentation, and has made payment through legitimate banking means.

Section 16(2)(c) read with Section 74 of Central Goods and Services Tax Act, 2017