



## The Institute of Chartered Accountants of India GST & Indirect Taxes Committee

### GOODS & SERVICES TAX UPDATE-235

#### Second special All-India Drive against fake registrations

In view of the effectiveness of first Special All-India drive conducted during the period 16<sup>th</sup> May, 2023 to 14<sup>th</sup> August, 2023 for weeding out fake registrations, the National Coordination Committee has decided to take a concerted action against the fake registrations and fake/bogus invoices on the same pattern as was done during the said drive. The second such drive will be conducted from **16<sup>th</sup> August, 2024 to 15<sup>th</sup> October, 2024**.

In light of the above, in partial modification of the [Instruction No. 01/2023-GST dated 04.05.2023](#), the following guidelines have been issued for Special All-India drive to be conducted during this year:

#### (a) Identification of fraudulent GSTINs

GSTN, in coordination with Directorate General of Analytics and Risk Management (DGARM), CBIC, will identify suspicious/ high-risk GSTINs, based on detailed data analytics and risk parameters, for the purpose of verification by the State and Central Tax authorities during the said drive and share the details of such suspicious GSTINs, jurisdiction wise, with the concerned tax administration. Besides, the State and Central Tax Authorities, may, at their own option, supplement this list by data analysis/ intelligence gathering at their end, using various available analytical tools like BIFA/ GAIN, ADAIT, NIC Prime, E-Way Bill Analytics etc., as well as through human intelligence, modus operandi alerts, experience gained through the past detections, as well as the first special All-India drive.

#### (b) Action to be taken by field formations

- (i) A time bound exercise of verification of the suspicious GSTINs shall be undertaken. If, after detailed verification, it is found that the taxpayer is non-existent and fictitious, then the tax officer may immediately initiate action for suspension and cancellation of the registration of the said taxpayer
- (ii) Matter may also be examined for blocking of input tax credit in Electronic Credit Ledger without any delay. Additionally, the details of the recipients to whom the input tax credit has been passed by such non-existent taxpayer may be identified through the

details furnished in FORM GSTR-1 by the said taxpayer.

- (iii) Where the recipient GSTIN pertains to the jurisdiction of the said tax authority itself, suitable action may be initiated for demand and recovery of the input tax credit wrongly availed by such recipient on the basis of invoice issued by the said non-existent supplier.
- (iv) Where the recipient GSTIN pertains to a different tax jurisdiction, the details along with the relevant documents/ evidence may be sent to the concerned tax authority, as early as possible, in the format given in Annexure-B.
- (v) A nodal officer shall be appointed immediately by each of the Zonal CGST Zone and State for the purpose of communicating this information to the recipient tax jurisdiction.
- (vi) Action may also be taken to identify the masterminds/ beneficiaries behind such fake GSTIN for further action, wherever required, and also for recovery of Government dues and/ or provisional attachment of property/ bank accounts, etc.
- (vii) Further, during the investigation/ verification, if any linked suspicious GSTIN is detected, similar action may be taken/ initiated in respect of the same.

**(c) Feedback and Reporting Mechanism**

- (i) An action-taken report in the specified format shall be uploaded by each of the State as well as CGST Zones, through the nodal officer on the portal provided for the same, on a weekly basis on the first working day after completion of the week, for enabling the GST Council Secretariat to monitor the same.
  - (ii) If any novel modus operandi is detected during the verification/ investigation, the same may also be indicated in the said action taken report. On conclusion of the drive, GSTIN-wise feedback on the result of verification of the suspicious GSTINs shared by GSTN, will be provided by the field formations through the nodal officer to GSTN, as per the specified format.
- (d)** The Principal Chief Commissioner/ Chief Commissioner of the Central GST Zones and the Chief Commissioner/ Commissioner of the States/ UTs may monitor the progress of action taken in respect of list of suspicious GSTINs received from GSTN and chosen locally. The action taken in respect of the GSTINs received from other tax administrations through the 'Initiate Enquiry' module may also be monitored.
- (e)** GST Council Secretariat will compile the reports received from various formations and make it available to the National Coordination Committee immediately. The unique modus operandi found during this special drive will be compiled by GST Council Secretariat and presented before National Coordination Committee, which will be

subsequently shared with Central and State Tax administrations across the country.

**[Instruction No. 02/2024-GST dated 12.08.2024](#)**

***Vice – Chairman  
GST & Indirect Taxes Committee***

***Chairman  
GST & Indirect Taxes Committee***

*Union Budget 2024-25 Highlights on Indirect Taxes & some recent GST Updates including the updates on notifications/circulars issued pursuant to 53<sup>rd</sup> GST Council Meeting are given below for quick reference*

[Union Budget 2024-25 Highlights - Indirect Taxes](#)

[GST Update-233](#)

[GST Update-232](#)

[GST Update-231](#)

[GST Update-230](#)

[GST Update-229](#)

[GST Update-228](#)

*The GST Update is an endeavour of the GST & Indirect Taxes Committee of ICAI to apprise the readers with the amendments made in the GST law vide significant notifications, circulars etc. The Committee welcomes your feedback on the Update at [gst@icai.in](mailto:gst@icai.in). Please visit the website of the Committee <https://idtc.icai.org/index.php> for previous GST Updates and other knowledge resources on GST like articles, publications, legal updates, newsletter etc. as also for the information on upcoming events on GST organised by the Committee.*

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