

# INDIA LEGAL UPDATE

23 May 2023

## CBIC issues Guidelines for Special All-India Drive against Fake Registrations

### Instruction Date:

4 May 2023

### Legal Framework:

Central Goods and Services  
Tax Act, 2017

### Government Authority:

Ministry of Finance

### Online Link:

[CBIC Instruction No. 1/2023-  
GST, dated May 4, 2023](#)

### LEGAL UPDATE

To address the issue of misusing the identity of other persons to obtain fake/bogus registration under GST, it was decided in the National Co-ordination Meeting held on April 24, 2023, to conduct a nation-wide Special Drive to detect such suspicious / fake registrations. Such registrations are being used to fraudulently pass on input tax credit (ITC) without any underlying supply of goods or services or both.

- A Special All-India Drive is launched from May 16, 2023 to July 16, 2023.
- The GST Officer may visit and ask for certain information while carrying out this verification process.
- Following are the documents that can be asked for verification by the Nodal Officer:
  - GST Registration Certificate
  - Aadhaar Details
  - PAN
  - Address Proof
  - Books of Accounts
  - Bank Details
- Above documents should be available in original.
- This should not be confused with any Inspection.

## KEY QUESTION

### Are there any repercussions in case of failure to furnish information?

- The Nodal Officer, upon finding out that the taxpayer is non-existent and fictitious, an immediate action for suspension and cancellation of the registration can be initiated.
- ITC in Electronic Credit Ledger can also be blocked immediately.
- Action may be initiated for demand and recovery of the ITC wrongly availed by the recipient.

## Queries?

If you have any queries about this article, please reach out to our experts:



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