LLB & CO

September 2024

CONNECTION

VOLUM XII, ISSUE 6

"We should deal with our problems in our life,
but we shouldn't be consumed by them."

-GAUR GOPAL DAS

LLB & CO.

Volum XII, Issue 6 Innovate Create Lead Sept 2024

Just to Remind You:

- Sept 07—TDS Payment
- Sept 11 - Due date for filling GSTR1 Normal case for Aug 2024
- Sept 13 - Due date for filling GSTR1 IFF case for Aug 2024
- Sept 15 - Due date for Advance Tax Payment.
- Sept 15 - Due date for the payment of ESIC & PF for Aug 2024.
- Sept 20 - Payment of GST & filing of return for Inward & Outward Supplies for Aug 2024 by Regular & Casual Suppliers
- Sept 30– Due date for filling Audit Report.
- Sept 30—Due Date for filing DPT3 KYC.
- Sept 30—Due Date for AGM.

Inside this issue:

Implementation of Rs 5 Lakh limit per transaction for Tax Payment in UPI

With UPI emerging as a preferred payment method, there is a need to enhance the per transaction limit in UPI for specific categories. This proposed enhancement aligns with previous limit enhancements implemented through circulars such as NPCI/UP1/0C-127/2021-2022 dated 9th December 2021 and NPCI/UPI/0C-185/2023-2024 dated 19th December 2023. In view of the above, the per transaction value limit in UPI has now been enhanced to Rs. 5 lakhs for entities under categories aligned to tax payments. This enhanced limit shall only be applicable to 'Verified Merchants', in the applicable category. To enable this enhancement: 1. Banks/PSPs/UPI Apps shall ensure that per transaction limit has been enhanced for the categories of verified merchants. (Refer Annexure) 2. Acquiring entities must ensure that the classification of their merchants within `MCC-9311' strictly adheres to the tax payments They shall ensure that entities are added to the 'Verified Merchant' list after proper due diligence. 3. Merchants shall ensure UPI as a payment mode is enabled for the increased limit for the tax payments category. With reference to the above and its annexure, Members (PSPs & Banks), UPI apps, Merchants and other payment providers are requested to take note of the above enhancement, undertake requisite changes. Members are requested to ensure compliance with the same by 15th September 2024.

FCRA Fraud Alert: Ministry of Home Affairs Issues Warning Against Fake Emails

1. There have been instances where fraudulent emails/ communications containing fake logos, fake official email addresses, fake documents using names of officials of FCRA Division, Ministry of Home Affairs asking individuals/associations/NGOs to make payment for getting FCRA services are being circulated. It is informed to general public that such fake emails/ letters requesting personal information or payments should not be responded to.

2. All concerned are informed that any service under Foreign Contribution (Regulation) Act, 2010 (FCRA, 2010) such as registration, renewal, prior permission, change of details compounding, revision etc. may be availed by making application only through the online FCRA portal "https://fcraonline.nic.in/". The payment, if required, for such application or for availing any FCRA service is also to be made only on online FCRA portal through online payment gateway.

3. Regarding FCRA related problems/issues/Queries if any, you may take assistance of FCRA support team/Help Desk team by visiting website https://helpdesk.fcraonline.gov.in/ or by sending email at support-fcra@gov.in or through Phone No. 011-23077504/23077505

4. This issues with the approval of the Competent Authority.

Trade Marks Holding Inquiry and Appeal Rules 2024

WHEREAS the draft of certain rules, further to amend the Trade Marks Rules, 2017 was published on the 10th January, 2024 as required under sub-section (1) of section 157 of the Trade Marks Act, 1999 (47 of 1999), vide notification of the Government of India in the Ministry of Commerce and Industry (Department for Promotion of Industry and Internal Trade) number G.S.R. 35(E), dated the 2nd January, 2024 in the Gazette of India, Extraordinary, Part II, section 3, sub-section (i), inviting objections and suggestions from all person likely to be affected thereby before the expiry of a period of thirty days from the date on which copies of the Official Gazette containing the said notification were made available to public; AND WHEREAS

copies of the Official Gazette in which the said notification was published were made available to the public on the 10th January 2024 and subsequently on 1st of July, 2024 for seeking public comments; AND WHEREAS the objections and suggestions were received from the public in respect of the said draft rules have been considered by the Central Government; NOW THEREFORE in exercise of the powers conferred by section 157 of the Trade Marks Act,1999 the Central Government hereby makes the following rules, namely: – ADVERTISEMENT HOLDING INQUIRY AND APPEAL 1. Short Title and Commencement. – (1) These rules may be called the Trade Marks (Holding Inquiry and Appeal) Rules, 2024. (2) They shall come into force on the date of their publication in the Official Gazette. 2. Definitions. – (1) In the said rules, unless the context otherwise requires, – (a) "act" means the Trade Marks Act, 1999 (47 of 1999); (b) "adjudicating officer" means an officer authorised under section 112A of the Act; (c) "appellant" means a person aggrieved with an order of adjudicating officer and prefers an appeal before the appellate authority under sub-section (1) of section 112B of the Act; (d) "appellate authority" means an officer authorised under sub-section (1) of section 112B of the Act. (e) "form" means a form appended to these rules. (2) words and expressions used in these rules and not defined but defined in the Act, shall have the same meaning respectively assigned to them in the act. 3. Complaint. — Any person may file a complaint in Form-I through electronic means to the adjudicating officer regarding any contravention committed under section 107 of the Act.

4. Holding of inquiry. –

1. For the purposes of adjudication under section 112A of the Act whether any person has committed any contravention as specified in that section, the adjudicating officer shall, issue a notice through electronic means to such person requiring him to show cause within such period as may be specified in the notice (being not less than seven days from the date of service thereof) why an inquiry should not be held against him.
2. Every notice under sub-rule (1) shall indicate the nature of contravention alleged to have been committed.
3. After considering the cause, if any, shown by such person, the adjudicating officer is of the opinion that an inquiry should be held, he shall issue a notice requiring the appearance of that person personally or through a legal practitioner duly authorised by him on such date as may be fixed in the notice.
4. On the date fixed, the adjudicating officer shall explain to the person proceeded against or his legal practitioner, the contravention, committed by such person and the provisions of the Act, in respect of which contravention is alleged to have been committed.
5. The adjudicating officer shall, then, given an opportunity to such person to file his counter statement and produce such documents or evidence under Form-II as he may consider relevant to the inquiry and if necessary, the hearing may be adjourned to a future date and in taking such evidence the adjudicating officer shall not be bound to observe the provisions of the Bhartiya Sakshya Adhiniyam, 2023 (47 of 2023).
6. While holding an inquiry under this rule, the adjudicating officer may require and enforce the attendance of any person acquainted with the facts and circumstances of the case to give evidence or to produce any document which in the opinion of the adjudicating officer may be useful for or relevant to the subject matter of the inquiry.
7. If any person fails, neglects or refuses to appear as required under sub-rule (3) before the adjudicating officer, the adjudicating officer may proceed with the inquiry in the absence of such person after recording the reasons for doing so.
8. If, upon consideration of the evidence produced before the adjudicating officer, the adjudicating officer is satisfied that the person has committed the contravention, he may, by order in writing, impose such penalty under the Act as he considers reasonable.
9. Every order made under sub-rule (8) shall specify the provisions of the Act in respect of which contravention has been committed and shall contain the reasons for imposing the penalty.
10. Every order made under sub-rule (8) shall be dated and signed by the adjudicating officer.
11. A copy of the order made under this rule and all other copies of proceedings shall be supplied free of cost to the person against whom the order is made.
12. The adjudicating officer shall complete the proceeding within three

months from the issuance of the notice to the opposite party.

5. Appeal. –

(1) Any person aggrieved by an order of the adjudicating officer under this rule, may prefer an appeal in Form III through electronic means to the appellate authority, within sixty days from the date of the order:

Provided that the appellate authority may entertain appeal after the expiry of the said period if he is satisfied that he has sufficient cause for not filling the appeal within such period.

(2) On receipt of the appeal, the appellate authority shall issue a notice requiring to the respondent, to file his reply within such period as may be specified in the notice.

(3) The appellate authority, shall, after giving the parties a reasonable opportunity of being heard, pass a reasoned order, including an order for adjournment, and complete the proceedings ordinarily within sixty days from the date of the receipt of the appeal.

6. Serving upon parties. –

(1) All communications under these rules shall be transmitted through electronic means only.

(2) In proving such transmission, it shall be sufficient to show that the communication was properly addressed and transmitted through electronic means.

7. Extension of time. – The adjudicating officer or the appellate authority may, for reasons to be recorded in writing, where there is a reasonable cause for the delay or failure to act, extend any period specified in these rules till such period as he may think fit.

8. Order and penalties. –

(1) Every order under these rules, shall be dated, digitally signed, communicated to all the parties, and also uploaded on the official website of Intellectual Property India.

(2) All sums realised by way of penalties under these rules shall be credited to the Consolidated Fund of India".

Geographical Indication of Goods Holding Inquiry and Appeal Rules 2024

Whereas the draft of certain rules, further to amend the Geographical Indication of Goods (Registration and Protection) Rules, 2002 were published as required under sub-section (3) of section 87 of the Geographical Indications of Goods (Registration and Protection) Rules, 2002 vide notification of the Government of India in the Ministry of Commerce and Industry (Department for Promotion of Industry and Internal Trade) number G.S.R 06(E) dated the 3rd January 2024, in the Gazette of India, Extraordinary, Part II, section 3, sub-section (i) inviting objections and suggestions from all person likely to be affected thereby before the expiry of a period of thirty days from the date on which copies of the Official Gazette containing the said notification were made available to public; AND WHEREAS copies of the Official Gazette in which the said notification was published were made available to the public on the 2nd January, 2024 and subsequently on 1st of July, 2024 for seeking public comments; AND WHEREAS the objections and suggestions were received from the public in respect of the said draft rules have been considered by the Central Government. NOW THEREFORE in exercise of the power conferred by section 87 of the Geographical Indications of Goods (Registration and Protection) Act 1999 (48 of 1999), the Central Government hereby makes the following rules. ADVERTISEMENT Powered by HOLDING INQUIRY AND APPEAL 1. Short titles and commencement: – (1) These rules may be called the Geographical Indications of Goods (Holding Inquiry and appeal) Rules, 2024. (2) They shall come into force on the date of their publication in the official Gazette. 2. Definitions: – (1) In this chapter, unless the context otherwise requires, – (a) "Act" means the Geographical Indications of Goods (Registration and Protection) Act 1999 (48 of 1999); (b) "adjudicating officer" means an office authorized under section 37A of the Act; (c) "appellant" means a person aggrieved with an order of adjudicating officer and prefers an appeal before the appellate authority under sub-section (1) of section 37B of the Act; (d) "appellate authority" means an officer authorized under section 37B of the Act; (e) "form" means a form appended to these rules; (2) words and expressions used in these rules and not defined but defined in the Act, shall have the same meaning respectively assigned to them in the Act; 3. Complaint. – Any

person may file a complaint in Form-I through electronic means to the adjudicating officer regarding any contravention committed under sections 38, 39, 40, 41, and 42 of the Act. 4. Holding of Inquiry. – (1) For the purpose of adjudication under section 37A of the Act whether any person has committed any contravention as specified in that section, the adjudicating officer shall, issue a notice through electronic means to such person requiring him to show cause within such period as may be specified in the notice (being not less than seven days from the date of service thereof) why an inquiry should not be held against him. (2) Every notice under sub-rule (1) shall indicate the nature of contravention alleged to have been committed. (3) After considering the cause, if any, shown by such person, the adjudicating officer is of the opinion that an inquiry should be held, he shall issue a notice requiring appearance of that person personally or through a legal practitioner duly authorized by him on such date as may be fixed in the notice. (4) On the date fixed, the adjudicating officer shall explain to the person proceeded against or his legal practitioner, the contravention committed by such person and the provisions of the Act, in respect of which contravention is alleged to have been committed. (5) The adjudicating officer shall, then, give an opportunity to such person to file his counter statement and produce such documents or evidence under Form-II as he may consider relevant to the inquiry and if necessary, the hearing may be adjourned to a future date and in taking such evidence the adjudicating officer shall not be bound to observe the provisions of the Bhartiya Sakshya Adhiniyam, 2023 (47of 2023). (6) While holding an inquiry under this rule, the adjudicating officer may require and enforce the attendance of any person acquainted with the facts and circumstances of the case to give evidence or to produce any document which in the opinion of the adjudicating officer may be useful for or relevant to the subject matter of the inquiry. (7) If any person fails, neglects or refuses to appear as required under sub-rule (3) before the adjudicating officer, the adjudicating officer may proceed with the inquiry in the absence of such person after recording the reasons for doing so. (8) If, upon consideration of the evidence produced before the adjudicating officer, the adjudicating officer is satisfied that the person has committed the contravention, he may, by order in writing, impose such penalty under the Act as he considers reasonable. (9) Every order made under sub-rule (8) shall specify the provision of the Act in respect of which contravention has been committed and shall contain the reasons for imposing the penalty. (10) Every order made under sub-rule (8) shall be dated and signed by the adjudicating officer. (11) A copy of the order made under this rule and all other copies of proceedings shall be supplied free of cost to the person against whom the order is made. (12) The adjudicating officer shall complete the proceeding within three months from the issuance of the notice to the opposite party. 5.- Appeal. – (1) Any person aggrieved by an order of the adjudicating officer under this rule, may prefer an appeal in Form-III through electronic means to the appellate authority, within sixty days from the date of the order: Provided that the appellate authority may entertain an appeal after the expiry of the said period if he is satisfied that there was sufficient cause for not filing the appeal within such period. (2) On receipt of the appeal, the appellate authority shall issue a notice requiring to the respondent to file his reply within such period as may be specified in the notice. (3) The appellate authority, shall, after giving the parties a reasonable opportunity of being heard, pass a reasoned order, including an order for adjournment, and complete the proceedings ordinarily within sixty days from the date of the receipt of the appeal. 6.- Serving upon parties. – (1) All Communications under these rules shall be transmitted through electronic means only. (2) In proving such transmission, it shall be sufficient to show that the communication was properly addressed and transmitted through electronic means. 7. Extension of Time. – The adjudicating officer or the appellate authority may, for reasons to be recorded in writing, where there is a reasonable cause for the delay or failure to act, extend any period specified in these rules till such period as he may think fit. 8. Order and Penalties. – (1) Every order under these rules, shall be dated, digitally signed, communicated to all the parties, and also uploaded on the official website of Intellectual Property India. (2) All sums realised by way of penalties under these rules shall be credited to the Consolidated Fund of India.

Penalty Imposed for Violation of Section 10A of Companies Act

Appointment of Adjudicating Officer:

1. Ministry of Corporate Affairs vide its Gazette Notification A-42011/112/2014-Ad.II dated 24.3.2015 appointed undersigned as Adjudicating Officer in exercise of the powers conferred by Section 454 of the Companies Act, 2013 (herein after known as Act) read with Companies (Adjudication of penalties) Rules, 2014 for adjudging penalties under the provisions of this Act. Company:

2. Whereas Company M/s METHINI SPINTEX PRIVATE LIMITED (hereinafter Known as Company) is a registered company with this office under the provisions of Companies Act, 2013 having its registered address at SF 40, Sukkiramanigounden Pudur, Ellapafayam PO, Pogalur Via, Annur, Pogalur, Avanashi Coimbatore-641 697. Facts of the case:

3. The company and its directors have filed suomoto application in this office on 31.07.2024 for adjudication of the penalty for violation of section 10A of the Companies Act, 2013.

4. The undersigned in exercise of power conferred under sub section 4 of section 454 of the Companies Act, 2013 with a view to give a reasonable opportunity of being heard before imposing any penalty, fixed the date of hearing on 13/08/2024 at 11.30 AM to adjudicate the penalty for violation of provision of section 10A of the Companies Act, 2013.

5. In response to the hearing notice dated 13/08/2024 issued by the undersigned, the Company and its Officer in default vide Board Resolution dated 19/07/2024 have authorized Mr. N.H.Venkataraman, Practicing Company Secretary to appear and represent before the adjudicating authority-Registrar of Companies, Coimbatore on the above given date and time for oral and written submission and to all acts and things as may be necessary and incidentally in the matter.

6. During the hearing on 13/08/2024 , Practicing Company Secretary and authorized representative of the Respondent made submissions that the Company could not bring in promised capital within 180 days and hence commencement of business could not be done.

Provisions of the Companies Act, 2013

7. Sub-Section (1) of Section 10A of the Act provides that every company incorporated after the commencement of the Companies Amendment) Second Ordinance, 2019 and having a share capital shall not commence any business or exercise any borrowing powers unless a declaration is filed by a director within a period of one hundred and eighty days of the date of incorporation of the company with the Registrar that every subscriber to the memorandum has paid the value of the shares agreed to be taken by him on the date of making of such declaration.

8. Sub-section (2) provides that if any default is made in complying with the requirements of this section, the company shall be liable to a penalty of fifty thousand rupees and every officer who is in default shall be liable to a penalty of one thousand rupees for each day during which such default continues but not exceeding an amount of one lakh rupees.

ORDER

9. Having considered the facts and circumstances of the case and the submissions made by the authorized representative of the Respondent, the Adjudicating officer do hereby impose penalty on Company and its directors as per Table below for violation of Section 10A of the Companies Act, 2013. The penalties imposed as under should be paid by the Respondents as per Law and submit the copies of Challan to this office. The company should file the INC 28 with attachment of this order and copy of aforesaid Challan.

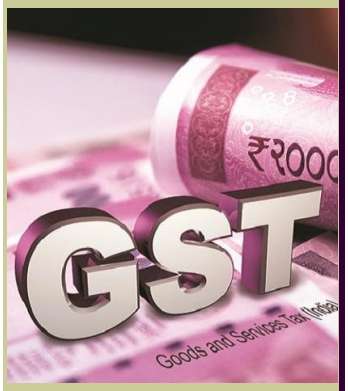
10. The respondents in this case have been penalized with the following amounts: M/s Methini Spintex Private Limited with ₹50,000, Shri Subbaiyan Chandrasekar

with ₹1,00,000, and Smt. Rangasamy Vinodhini with ₹1,00,000, resulting in a total penalty of ₹2,50,000.

11. The company and its directors are hereby directed to rectify the defect immediately on receipt of copy of this order.
12. The penalty imposed shall be paid through the Ministry of Corporate Affairs portal only,
13. Appeal, if any against this order may be filed in writing with the Regional Director, Southern Region, Ministry of Corporate Affairs, 5th Floor, Shastri Bhavan, 26, Haddows Road, Chennai-600 006 within a period of sixty days from the date of receipt of this order, in Form AD3 setting forth the grounds of appeal and shall be accompanied by a certified copy of this order (Section 454 of the Companies Act, 2013 read with the Companies (Adjudication of penalties) Rules, 2014).
14. Your attention is also invited to Section 454 (8) of the Act regarding consequences of non-payment of penalty.

Guidelines for Second special All-India Drive against fake registrations

Attention is invited to the Instruction No. 01/2023-GST dated 04.05.2023 vide which guidelines were issued for conducting a special All-India drive during the period from 16th May 2023 to 15th July 2023 (which was further extended till 14th August 2023), for verification and detection of suspicious/ fake registrations and for taking timely remedial action to prevent any further revenue loss to the Government. A National Coordination Committee headed by Member (GST), CBIC and including the senior officers from different States and Centre was also formed to take decisions and monitor the progress of this special drive. 1.2 A meeting of the said National Co-ordination Committee was held on 11th July 2024, wherein it was discussed that the special All-India drive conducted during the year 2023, was found quite effective in weeding out fake registrations. The Committee felt that there may be a need for further focused and coordinated action by Central and State tax authorities to clean up the tax base and to take concerted action against the fake registrations and fake/bogus invoices, on the same pattern as was done during the said drive. It was, therefore, decided that a second special All-India drive against fake registrations may be conducted by all Central and State tax authorities for a period of two months starting from 16th August 2024. 1.3 The National Co-ordination Committee also decided that like the previous drive, a set of common guidelines may be issued to ensure uniformity in action by the field formations and for effective coordination and monitoring of the action taken during this special drive. 2. In the light of above, in partial modification of the Instruction No. 01/2023-GST dated 04.05.2023, the following guidelines are issued for such concerted action on suspicious/ fake registrations during the special All-India drive during this year: a) Period of Special Drive: The second Special All-India Drive may be launched by all Central and State Tax administrations from 16th August 2024 to 15th October 2024 to detect suspicious/ fake GSTINs and to conduct requisite verification and further remedial action to weed out these fake billers from the GST eco-system and to safeguard Government revenue. b) 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. In case of such suspicious GSTINs falling under the jurisdiction of Central Tax, the details will be shared with the Central Tax authorities by GSTN through DGARM. 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, ADVAIT, 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. c) Action to be taken by field formations: i. On receipt of data from GSTN, a time bound exercise of verification of the suspicious GSTINs shall be



undertaken by the concerned jurisdictional tax officer(s). 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 in accordance with the provisions of section 29 of CGST Act, read with the rules ii. Further, the matter may also be examined for blocking of input tax credit in Electronic Credit Ledger as per the provisions of Rule 86A of CGST Rules 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 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, without underlying supply of goods or services or both. iv. In cases where the recipient GSTIN pertains to a different tax jurisdiction, the details of the case including the details of the recipient GSTIN, along with the relevant documents/ evidence, may be sent to the concerned tax authority, as early as possible, in the format mentioned in Annexure-B. For sharing such details/ information and coordination with other tax authorities, GSTN Back Office has an online functionality, namely, 'Initiate Enquiry' in the Enforcement module, which is available to all tax officers who have been assigned the role of 'Enforcement Officer' on the Back Office (BO Portal). v. For the purpose of communicating this information to the recipient tax jurisdiction, a nodal officer shall be appointed immediately by each of the Zonal CGST Zone and State. The name, designation, phone number/ mobile number and E-mail Id of such Nodal officer(s) appointed by CGST Zones and States must be shared by the concerned tax authority with GST Council Secretariat within three days of issuance of this letter. GST Council Secretariat will compile the list of the Nodal officers after procuring the details from all the tax administrations and will make the compiled list available to all the tax jurisdictions and to GSTN. vi. The nodal officer of the tax jurisdictions may be assigned the role of 'Enforcement Officer' on the BO Portal. Wherever the details of the recipient GSTIN needs to be shared to other tax jurisdiction, the same may be done through the nodal officer. The said nodal officer will accordingly share the information about the recipient GSTIN with the nodal officer of the concerned recipient tax administration, through the said functionality, attaching a pdf document in the format mentioned in Annexure-B. The nodal officer of the recipient tax administration will further share the details with the concerned jurisdictional tax officers, for necessary action. vii. GSTN will issue detailed guidelines/ advisory regarding usage of this functionality, which may be referred to. viii. 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. as per provisions of section 83 of CGST Act. Further, during the investigation/ verification, if any linked suspicious GSTIN is detected, similar action may be taken/ initiated in respect of the same. d) Feedback and Reporting Mechanism: i. An action-taken report in the format enclosed as Annexure-A (for GSTINs identified by GSTN and those identified locally) and Annexure-A1 (for those GSTINs received from other tax administrations through 'Initiate Enquiry' module) will be uploaded by each of the State as well as CGST Zones, through the nodal officer referred to in para 2(c)(v), 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 format enclosed in Annexure-C. 3. 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. 4. GST Council Secretariat will compile the reports received from various formations and make it available to the National Coordination Committee 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.

CGST

Central Goods and Service Tax

Guidelines for CGST Audit and Investigations

The undersigned is directed to say that the Board's Instruction No. 01/2023-24-GST (Inv.) dated 30-03-2024 has been issued providing guidelines for maintaining ease of doing business while engaging in investigation with regular taxpayers. The para 2(g) of said Instruction is "The scenario may arise in a CGST Zone where an issue investigated by one of the (Pr.) Commissioners is based on an interpretation of CGST Act/ Rules, notifications, circulars etc, and it is in the direction of proposing non-payment or short payment of tax, however, the background is that the taxpayer(s) is/are following, or have followed, a prevalent trade practice based on particular interpretation on that issue in the sector/ industry. This scenario results in more than one interpretation and likelihood of litigation, change in practice etc. In such cases, it is desirable that the zonal (Pr.) Chief Commissioner make a self-contained reference to the relevant policy wing of the Board i.e. the GST Policy or TRU. The endeavor, to make such reference before concluding investigation, and as much in advance, as is feasible, of the earliest due date for issuing of show cause notice, may be use/id in promoting uniformity or avoiding litigation if the matter, after being processed, is amongst those that also gets placed before the GST Council." 2. The Board desires that during the process of audit, wherever the relevant CGST Audit (Pr.) Commissioner comes across the scenario described above, the Zonal (Pr.) Chief Commissioner should follow the procedure and endeavor prescribed by Board in para 2(g) of above Instruction. This applies also to on-going audit proceedings.

Advisory for furnishing bank account details before filing GSTR -1/IFF

1. As per Rule 10A of Central Goods and Services Tax Rules, 2017 notified vide notification no. 31/2019 dated 28.06.2019, a taxpayer is required to furnish details of a valid Bank Account within a period of 30 days from the date of grant of registration, or before furnishing the details of outward supplies of goods or services or both in FORM GSTR-1or using Invoice Furnishing Facility (IFF), whichever is earlier. 2. Advisory and various communications have already been issued time to time to inform the taxpayers regarding furnishing the details of a valid Bank Account detail in the GST Registration. 3. Now, from 01st September, 2024 this rule is being enforced. Therefore, for the Tax period August-2024 onwards, the taxpayer will not be able furnish GSTR-01/IFF as the case may be, without furnishing the details of a valid Bank Account in their registration details on GST Portal. 4. Therefore, all the taxpayers who have not yet furnished the details of a valid Bank Account details are hereby requested to add their bank account information in their registration details by visiting Services > Registration > Amendment of Registration Non – Core Fields tabs on GST Portal. 5. It is informed that in absence of a valid bank account details in GST registration, you will not be able to file GSTR-1 or IFF as the case may, be from August-2024 return period.

New RCM Liability/ITC Statement on GST Portal

To assist taxpayers in correctly reporting Reverse Charge Mechanism (RCM) transactions, a new statement called "RCM Liability/ITC Statement" has been introduced on the GST Portal. This statement will enhance accuracy and transparency for RCM transactions by capturing the RCM liability shown in Table 3.1(d) of GSTR-3B and its corresponding ITC claimed in Table 4A(2) and 4A(3) of GSTR-3B for a return period. This statement will be applicable from tax period August 2024 onwards for monthly filers and from the quarter, July-September-2024 period for quarterly filers. The RCM

Liability/ITC Statement can be accessed using the navigation: Services >> Ledger >> RCM Liability/ITC Statement. Reporting Opening Balance in RCM ITC Statement. RCM ITC opening balance can be reported by following below navigation: Login >> Report RCM ITC Opening Balance or Services >> Ledger >> RCM Liability/ITC Statement >> Report RCM ITC Opening Balance • In case the taxpayers have already paid excess RCM liabilities by declaring the same in Table 3.1(d) of GSTR-3B however he hasn't availed corresponding ITC through Table 4(A)2 or 4(A)3 of GSTR-3B, due to any reason, in such cases taxpayer need to fill Positive value of such excess paid liability as RCM ITC as opening balance in RCM statement. • In case the taxpayers have already availed excess RCM ITC through Table in Table 4(A)2 or 4(A)3 of GSTR-3B however he hasn't paid corresponding liability by declaring the same in table 3.1(d) of GSTR-3B, in such cases taxpayer will be needed to fill a negative value of such excess claimed ITC as RCM as opening balance in RCM Statement. ADVERTISEMENT • In case taxpayer need to reclaim the RCM ITC, which was reversed in earlier tax periods through Table 4(B)2 of GSTR-3B, if eligible, he can reclaim such RCM ITC in Table 4A(5) of GSTR-3B. Please note that such RCM ITC shall not be reclaimed through Table 4(A) 2 and 4(A)3 of GSTR-3B. Such RCM ITC reversal need not to be reported as RCM ITC opening balance. For Opening Balance pls reconcile till tax Period: • Monthly filers:Report the opening balance considering RCM ITC till the July-2024 return period. • Quarterly filers:Report the opening balance up to Q1 of FY 2024-25, considering RCM ITC till the April-June, 2024 return period. • Deadline to declare Opening Balance:Opening balance can be declared till 31.10.2024. • Amendments in Opening Balance:Taxpayers can rectify any errors committed while declaring the opening balance on or before 30.11.2024, he shall be provided three opportunities for the same.

Case Law: Joshi Technologies International … vs The Cit (It & Tp)

This appeal filed by the assessee is directed against the order passed by the Learned Commissioner of Income-Tax (IT & TP), Ahmedabad [hereinafter referred to as "Ld.CIT" for short] dated 30/03/2021in exercise of his revisionary jurisdiction under Section 263 of the Income-Tax Act, 1961 [hereinafter referred to as "the Act" for short] for Assessment Year (AY) 2015-16.

2. The assessee has raised the following ground:-

"The Appellant aggrieved by the order passed by the Commissioner of Income Tax (IT & TP), Ahmedabad, (CIT) under section 263 of the Act prefers this appeal against the same on following amongst other grounds which are without prejudice to each other:

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1. The order passed by the CIT is erroneous on facts and contrary to the provisions of the law and therefore needs to be quashed. It is submitted it be so held now.

1.1 The CIT erred on facts and in law in holding that the order passed by the Assessing officer (AO) under section 143(3) of the Income Tax Act (Act) was erroneous and prejudicial to the interest of the revenue and thereby setting aside the order with direction for fresh assessment keeping the issue of weighted deduction u/s 35(1)(II) of the Act in mind. It is submitted it be so held now.

1.2 The CIT erred in facts and in law in Invoking Explanation 2 to sub section (1) of section 263 of the Act while holding that the assessment order was passed without proper enquiry and verification of facts when in fact inquiry had been made and details were submitted in the course of regular proceedings. It is submitted it be so held now.

1.3 The CIT ought to have appreciated that absence of reasons given in order, for allowing a deduction does not tantamount to enquiry not made in that assessment proceedings and thereby making the order erroneous and prejudicial to the interest of revenue. It is submitted it be so held now.

2. The learned CIT has erred in law and in facts in not appreciating that the donation was given by the appellant based on the notarized approval of registration u/s 35(1)(ii) of the Act given by the trust and appellant had no reason to disbelieve the operation of approval and notification of the trust.

2.1 The learned CIT has erred in not appreciating that in the facts and circumstances of the case, appellant was eligible to claim the deduction u/s 35(1)(11) It be so held now.

2.2 Even otherwise, the learned

CIT has erred in not appreciating that the fact of approval having expired was not available when the donation was made and when the assessment order was passed, hence view adopted by the AO while framing assessment order was plausible view and cannot trigger revision under section 263 of the Act. It is submitted that it be so held now."

3. As transpires from the order of the Ld.CIT, the error noted by him in the assessment order passed in the case of the assessee u/s 143 (3) of the Act, from the records before him ,was the incorrect allowance of weighted deduction @ 175% on donations made to a Scientific Research Institute, i.e. M/s.Shri Arvindo Institute of Applied Scientific Research Trust u/s 35(1)(ii) of the Act, since as per the records with the Ld.CIT the approval granted to the Institute for receiving donations under the said section had Joshi Technologies International Inc. vs. CIT (IT & TP) AY :2015-16 expired long back and was not in existence for the impugned year. The amount of donation given by the assessee to the said trust was noted to be to the tune of Rs.70 lakhs and the assessee had claimed weighted deduction thereon @ 175% amounting to Rs.1,22,50,000/-.

4. Show-cause notice was issued to the assessee u/s 263 of the Act in response to which the assessee contended that there was no error in the assessment order since the AO had allowed the claim of the assessee taking a plausible view after conducting due inquiry and considering all documents filed by the assessee which showed that the deduction had been claimed as per law. The Ld.CIT, however, rejected the contention of the assessee stating that the fact was that the Trust/ Institute was not approved for the purposes of receiving donation under section 35(1)(ii) of the Act during the impugned year, and the Assessing Officer had not made necessary inquiries before allowing an ineligible claim of weighted deduction to the assessee, rendering the assessment order erroneous and causing prejudice to the Revenue. He accordingly set aside the order of the Assessing Officer directing him to make a fresh assessment on the issue.

5. Before us, the Ld.counsel for the assessee contended that he had been provided documents by the Institute which clearly demonstrated that it was approved for receiving donations u/s 35(1)(ii) of the Act. The Ld.Counsel for the assessee thereafter made arguments challenging the exercise of revisionary jurisdiction contending that:

(i) the Assessing Officer had examined the issue during assessment and taken a plausible view allowing the claim of weighted deduction to the assessee based on documents placed before him exhibiting approval granted to the said Institute for receiving donations u/s 35(1)(ii) of the Act for the impugned Joshi Technologies International Inc. vs. CIT (IT & TP) AY :2015-16 year and hence eligibility of assessee's claim of weighted deduction u/s.35(1)(ii) of the Act on donations made to it during the year

(ii) That the documents provided to the assessee by the Institute sufficiently demonstrating approval granted to it for receiving donations u/s 35(1)(ii) of the Act for the impugned year, there was no occasion to doubt assessee's claim, for prompting any further enquiry on the issue by the AO.

(iii) That, it was only subsequently that the Instruction wasissued by the CBDT in F.No.225/351/2018-ITA(II) dated 14/12/2018 based on which Ld.CIT had exercised revisionary powers.That, on the date of which the assessment order was passed, this was the only plausible view that the Assessing Officer could have taken.

(3) That, the assessee had bonafidely made the claim on the basis of documents furnished to it by M/s.Shri Arvindo Institute of Applied Scientific Research Trust reflecting approval granted to it u/s 35(1)(ii) of the Act and neither the assessee nor the Assessing Officer would have known that the approval was no longer in existence.

6. The Ld.counsel for the assessee heavily relied on the decision of the ITAT Mumbai Bench in the case of M/s.Long Life Realtors LLP vs. Pr.CIT-17 in ITA No.525/Mum/2021 dated 05/04/2022 pointing out that the ITAT had quashed an identical revisionary order passed noting incorrect claim of weighted deduction u/s 35(1)(ii)allowed by the Assessing Officer on donation made to the very same Institute, M/s.ShriArvindo Institute of Applied Scientific Research Trust. Copy of the order was placed before us.

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7. The Ld.counsel for the assessee has also relied on the decision of the ITAT Rajkot Bench in the case of M/s.Emboza Granito Pvt.Ltd. vs. Pr.CIT in where the Assessing Officer had taken a plausible view on an issue there could not be said to be any error in his order calling for revision of the same u/s.263 of the Act. Further, reliance was also placed on the decision of the Hon'ble Gujarat High

Court in the case of CIT vs. Kamal Galani reported in (2018) 95 taxmann.com 261 (Guj.) for the above proposition and it was also pointed out that SLP filed by the Department against the order of the Hon'ble Jurisdictional High Court was dismissed by the Hon'ble Supreme Court it its decision reported in (2019) 110 taxmann.com 213 (SC) in the case of CIT vs. Kamal Galani copies of both the orders were placed before us.

8. The Ld.DR, on the other hand, contended that the fact remained, as noted by the Ld.CIT, that the Trust, i.e. M/s.Shri Arvindo Institute of Applied Scientific Research Trust was not approved for the purposes of section 35(1)(ii) of the Act, for the impugned year A.Y 2015-16; its approval having expired on 31/03/2006. Thatby way of CBDT Instruction in F.No.225/351/2018-ITA(II) dated 14/12/2018 it was informed to all field officers that the Institute was fraudulently accepting donations u/s 35(1)(ii) of the Act after expiry of approval based on forged documents. He contended that clearly the assessee had been allowed an otherwise patently ineligible claim of deduction u/s.35(1)(ii) of the Act rendering the assessment order erroneous causing prejudice to the Revenue.

9. We have heard the rival contentions. We have perused all the documents placed before us and also carefully gone through the orders as well as the decisions referred to before us and also the relevant provision of law on the issue raised before us.

Joshi Technologies International Inc. vs. CIT (IT & TP) AY :2015-16 As noted above, the Ld.CIT's finding of error in the assessment order, for exercising revisionary jurisdiction, iswith respect to wrong allowance by AO of assesses claim toweighted deduction u/s 35(1)(ii) of the Act on donation made to an Institute, i.e. M/s.ShriArvindo Institute of Applied Scientific Research Trust ,in the absence of approval to the said institute for receiving donations under the said section in the impugned year. The quantum of donation made is of Rs.70 Lakhs and the deduction claimed by the assessee and allowed by the Assessing Officer is of Rs.1,22,50,000/- i.e. @ 175% of the donation as allowed by section 35(1)(ii) of the Act.

10. During the course of hearing before us, the Ld.counsel for the assessee had pointed out that this claim was duly examined during assessment proceedings when the assessee had placed relevant documents proving its eligibility to the claim of and even the genuineness of the claim by furnishing documents pointing out that the donation had been made through banking channels and the donee Institute had furnished receipts and certificates issued by CBDT showing that it was approved for receiving donations u/s.35(1)(ii) of the Act. Our attention was drawn to the documents so produced to the Assessing Officer which are reproduced in the Ld.CIT's order also at paragraph Nos.2.1 & 2.2 read as under:

"2.1 During the course of assessment proceedings, the Assessing Officer had asked for the details for the deduction u/s 35(1)(ii) of the Act at 175% claimed by the assessee. The assessee had duly submitted the copy of the receipt for payment made to the said institution. Therefore, the AO made an inquiry with the assessee in response to which the assessee has submitted the details to the AO as mentioned below:

i. Assessee made payment of Rs. 70,00,000 to donee trust on 09.10.2014 ii. Payment was made by way of account payee cheque iii. Payment made was for donation towards Thalassemia Project iv. PAN of done trust was AAFTS7349D v. Trust Registration number Joshi Technologies International Inc. vs. CIT (IT & TP) AY :2015-16 vi. Main office vii. Registered office viii. Project for which donation is to be applied ix. Eligibility under section 35(1)(ii) of the Income Tax Act.

2.2 After necessary review of the details called for, the AO was satisfied and accordingly allowed the claim of the assessee. The donation was made in the year 2014 and the assessment was completed in the year 2018. As per the notice issued u/s 263 of the Act, the approval of the trust has already expired on 31.03.2006. Accordingly, it is possible that the fact of approval having expired was not available when the donation was made and the assessment order was passed by the AO. Just because there is no mention in the assessment order regarding the reasons for allowing the deduction, it cannot be concluded that the AO has not made necessary enquiry regarding the applicability of section 35 of the Act. While making the payment to the trust, it has issued a receipt which clearly demonstrated that the said trust is eligible for donation u/s 35(1)(ii) of the Act. The trust has also provided the following documents to the assessee regarding approval u/s 35(1)(ii) of the Act:

*Notarized copy of CBDT notification SO No. 1856(E) dated 30th October 2006 stating that Shri Arvindo Institute of Applied Scientific Research Puduchery (registration granted earlier under F. N. 0.203/107 / 2000 - ITA II) is one time registra-

tion and renewal is necessary *Renewal letter by CBDT dated 14/05/2012 stating that validity period for exemption to trust is forever unless and until it is withdrawn and *Letter of CBDT dated 2/7 / 2012 stating that the validity of project expires on 31/3 / 2015 and is subject to further renewal.

Based on the documents submitted by the assessee, the AO was satisfied regarding the claim of the assessee and therefore, the deduction has rightly been allowed. Therefore, it was requested by the assessee to withdraw the notice issued u / s 263 of the I.T.Act, 1961."

11. Based on the above facts, the arguments of the Ld.counsel for the assessee are that since the documents fairly exhibited the genuineness and the eligibility of the claim of the assessee to weighted deduction u/s.35(1)(ii) of the Act, the Assessing Officer had committed no error allowing the said claim to the assessee. The case of the assessee is that the CBDT Notification Joshi Technologies International Inc. vs. CIT (IT & TP) AY :2015-16 dated 30/10/2006 ,stating that the registration granted to the impugned Trust was one-time registration and the subsequent renewal letter by the CBDT Notification dated 14/05/2012 stating that the validity period for exemption to the Trust forever along with the letter of the CBDT dated 02/07/20212 stating that the validity expired on 31/03/2015 ,sufficiently exhibited the fact that the assessee was eligible to claim weighted deduction on the donation made to the Trust during the impugned year, i.e. Financial Year 2014-15 relevant to Assessment Year 2015-16. It was pointed out thatthe letter of the CBDT dated 02/07/2012 categorically stated that the validity of the project expired on 31/03/2015 and was subject to further renewal and, therefore, it was contended that upto 31/03/2015 all donations made to the said Institute, as per the CBDT notifications filed by the assessee to the Assessing Officer, were eligible for weighted deduction u/s.35(1)(ii) of the Act. The contention of the Ld.Counsel for the assessee is that all these notifications/ documents were given to it by the said Institute, therefore the assessee harboured a bonafide belief based on them that it was eligible to claim weighted deduction and so also the Assessing Officer believed these documents and allowed the assessee's claim to weighted deduction u/s.35(1)(ii) of the Act. Based on these documents, the contention of the Ld.counsel for the assessee is that, there was no occasion at all to doubt these documents either by the assessee or by the Assessing Officer and, therefore, there was no occasion for making any further enquiry also. That, accordingly, the allowance of claim of weighted deduction by the Assessing Officer based on the above documents was a probable and bonafide view taken by him which could not be termed as erroneous for the purposes of exercising revisionary jurisdiction u/s.263 of the Act.

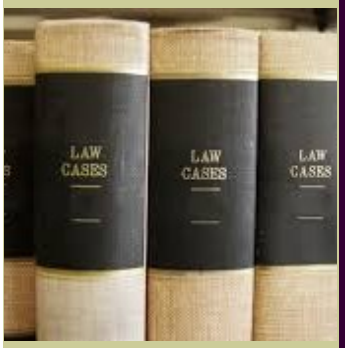
12. The Ld.DR, on the other hand, has pointed out that in the year 2018, the CBDT issued an Advisory to its Field Officers pointing out that the said Joshi Technologies International Inc. vs. CIT (IT & TP) AY :2015-16 Trust, M/s.Shri Arvindo Institute of Applied Scientific Research Trust had been granted approval u/s.35(1)(ii) of the Act only upto 31/03/2006 and that subsequently it was fraudulently receiving donations from various donors by issuing forged certificates. The relevant Instruction is reproduced hereunder:-

"F.No. 225/351/2018-ITA (II) Government of India Ministry of Finance Department of Revenue Central Board of Direct Taxes Room N0. 245A, North Block New Delhi, the 14th December, 2018 To All Principal Chief Commissioners of Income Tax All Director Generals of Income Tax (Investigation) Sir/Madam Subject: Information regarding bogus donation racket under section 35(1)(ii) of Income-tax Act, 1961-reg.-

Kindly refer to the subject mentioned above.

2. In this connection, I am directed to state that Section 35(1)(ii) of the Income-tax Act,1961 ('Act') prescribes a weighted deduction @ 150% (175% before 01.04.2018) to a donor for any sum paid to an approved 'research association having as its sole object the undertaking of scientific research or to a 'university, college or other institution' for carrying out scientific research. Very recently, Board has received several references from the field authorities for clarifying whether a Trust namely M/s Shri Arvindo Institute of Applied Scientific Research Trust (PAN:AAFTS7349D) (Hereinafter 'the Trust') having offices at Mumbai & Puducherry is an entity specified by the Central Government through a Notification for purposes of section 35(l)(ii} of the Act or not. Presently, the trust is assessed with CIT(Exemption), Mumbai.

3. In this regard, upon perusal of records,it emerges that the above Trust was earlier approved under section 35(1}(ii} of the Act which expired on 31.03.2006. Thereafter ,this entity, being not recognized for purpose of section 35(1)(ii) of the Act, is not eligible to raise donations for undertaking scientific research how-



ever, the Trust has raised substantial donations over the last six years on the basis of a forged certificate while the donors have irregularly claimed weighted deduction u/s. 35(1)(ii) of the Act on donations made to the Trust.

4. In view of above, I am directed to state that the pending scrutiny assessment cases of donors who have claimed irregular weighted deduction u/s 35(1)(ii) should be handled in light of above facts. In case of donors whose cases are presently not under scrutiny,the Board desires that a list of donors who had provided funds to the Trust u/s 35(1}(ii) of the Act should be drawn by CIT (Exemption}, Mumbai for the period from A.Y 2012-13 to 2018-19 and circulated to the concerned field authorities expeditiously.

5. I am further directed to state that while handling investigations/ enquiries in these cases, the concerned Assessing Officer should examine the specific transactions related to the sum donated and cash trail should be clearly identified. Also, various provisions pertaining to enquiry and investigation under the Act should be effectively used and assessment orders should be passed under the monitoring of supervisory authorities.

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6. This issues with approval of Member (IT&C), CBDT.

Yours faithfully , (Rajarajeswari R.) Under Secretary (ITA.II)"

13. The case of the Revenue is that the fact of the matter is that the impugned Trust was not approved for the purposes of receiving donations u/s.35(1)(ii) of the Act after 31/03/2006 and all donations subsequently received by it were based were forged documents furnished by it. That the said Institute,not being approved for the purposes of section 35(1)(ii) of the Act.,there was no question of the assessee being granted weighted deduction on donations made to it u/s.35(1)(ii) of the Act in the impugned year. And there was no doubt therefore that the allowance of claim of deduction to the assessee was an error in the assessment border.

14. The Ld.counsel for the assessee, in counter, has stated that this Notification was issued by the CBDT on 14/12/2018 subsequent to the allowance of assesses claim by the AO vide assessment vide order dated 20/02/2018.

On consideration of the above contentions a very important fact which emerges is that the Institute, to which donation was made by the assessee during the impugned year and weighted deduction claimed thereon u/s.35(1)(ii) of the Act, was not approved for the said purposes for the impugned year. The fact on record available with the Ld.CIT is that the approval granted to the said Institute expired on 31/03/2006. Impugned year before us is A.Y 2015-16. The Advisory issued by the CBDT in December-2018 brought this fact to the notice of all its Field Officers. Therefore, the fact on record was that the said Institute was not approved for receiving donations u/s.35(1)(ii) of the Act during the impugned year.

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15. In the light of the above fact there can be no two views that when the assessment order was passed by the AO, assessees claim to weighted deduction u/s 35(1)(vii) of the Act was impermissible in law. And it is a foregone conclusion therefore that the allowance of the said claim in assessment framed was patently incorrect. The assessment order was obviously in error in having allowed a patently ineligible deduction to the assessee.

This is probably the simplest and most straight forward example /instance of an assessment order being erroneous causing prejudice to the Revenue, for a valid exercise of revisionary jurisdiction.

All arguments of the Ld.Counsel for the assessee against the revisionary order passed by the Ld.CIT fail and are of no consequence in the backdrop of the fact, as noted above by us, that the assessee was not eligible to claim weighted deduction on the said donation u/s 35(1)(ii) of the Act.

Even if the assessee and the AO had bonafidely claimed and allowed respectively the deduction based on documents furnished by the said Institute,the fact still remains that the claim was not allowable as per law. What is material for claiming deduction is its eligibility as per law and not the intention with which it is claimed, whether bonafidely or malafidely. Even a bonafidely claimed deduction if found ineligible in law, it cannot be allowed to the assessee.

16. Also on a patently ineligible claim there can be no question of the AO taking a plausible view in allowing assesses claim. Therefore, reliance placed by the Ld.counsel for the assessee on the decision of ITAT Rajkot Bench in the case of M/s.Emboza Granito Pvt.Ltd. vs. The Pr.CIT (supra) on the proposition that where due enquiries have been conducted by the Joshi Technologies International Inc. vs. CIT (IT & TP) AY :2015-16 Assessing Officer who has taken a plau-

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sible view there cannot be any error in the order of Assessing Officer, does not, we hold, help the case of the assessee.

The reliance placed by the Ld.counsel for the assessee on the decision of ITAT Mumbai Bench in the case of M/ s.Long Life Reators LLP vs. CIT -17 (supra), also does not help the case of the assessee because it held that the assessment order was not in error noting the fact that it was only subsequently that the CBDT had issued the Advisory in 2018.But as noted by us above, the Advisory was only to the effect to point out the fact of approval to the Institute u/s 35 (1)(ii) having expired in 2006 and the Institute fraudulently receiving donations thereafter by forging documents showing-subsistence of approval .This Advisory did not have the effect of withdrawing the approval granted to the Institute subsequently, but it only pointed out the fact that the approval was not inexistence after 31/03/2006 and the said Trust was subsequently receiving donations fraudulently. The subsequently issued advisory of the CBDT only reiterates the fact of donations to the said institute being ineligible for deduction to donors u/s.35(1) (ii) of the Act.

In view of the above, we have no hesitation in upholding the order of the Ld.CIT holding the assessment order erroneous for having allowed a patently ineligible claim of weighted deduction to the assessee.

17. In the result, the appeal of the assessee is dismissed. Order pronounced in the open Court on 7th December, 2023 at Ahmedabad.

Wish You a very happy
Ganesh Chaturthi