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ITC in respect of expenditure incurred for corporate social responsibilities (CSR) has been subject matter of discussion at various forums. It is argued that if the ITC is not made available the expenditure on causes which are socially relevant for the benefits of society in general would suffer as the expenditure incurred would be burden with GST incidence. Putting aside this economic angle, one would have to examine the allowability of ITC on expenses incurred on CST activity based solely on the provisions under the GST laws. Expenditure on CSR is the expenditure which the corporate entity is mandated under the provisions of the Companies Act, 2013. Briefly speaking, in terms of section 135 of the Companies Act, 2013, a company which has a net worth exceeding ₹ 500 crs or turnover exceeding ₹ 1,000/- Crs. or net profit exceeding ₹ 5 crs in a year is required to spend at least 2% of the average net profit of the last 3 years on the CSR .....