



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

**GOODS & SERVICES TAX UPDATE-175**

**1. Reduction/waiver of late fee if Forms GSTR-4, GSTR-9 & GSTR-10 of earlier periods are filed within April-June 2023**

Default	Reduced late fee	Condition
Non-filing of Form GSTR-4 (Return for composition supplier) for quarters falling between the period July 2017 to March 2019 or the financial years from 2019-20 to 2021-22, by the due date	Rs. 500 [Rs. 250 each for CGST & SGST]  OR Nil, if no GST is payable	Return is filed between the period 01.04.2023 and 30.06.2023
Non-filing of Form GSTR-9 (Annual Return) for financial years 2017-18, 2018-19, 2019-20, 2020-21 and 2021-22, by the due date	Total late fee restricted to Rs. 20,000 [Rs. 10,000 each for CGST & SGST]	
Non filing of Form GSTR-10 (Final Return) by the due date	Rs. 1,000 [Rs. 500 each for CGST & SGST]	

Based on [Notification No. 02/2023-CT dt. 31.03.2023](#), [Notification No. 07/2023-CT dt. 31.03.2023](#) and [Notification No. 08/2023-CT dt. 31.03.2023](#)

**2. Prospective rationalisation of late fee for delayed filing of annual return by specific class of registered persons**

The amount of late fee for delayed filing of Form GSTR-9 (Annual Return) for FY 2022-23 onwards has been restricted for specific class of registered persons, in the following manner:

Class of registered persons	Amount of late fee
Registered persons having an aggregate turnover up to Rs. 5 crore in the relevant financial year	Rs. 50 [Rs. 25 each for CGST & SGST] per day subject to a maximum of 0.04% [0.02% each for CGST & SGST] of turnover in the State or Union Territory
Registered persons having an aggregate turnover of more than Rs. 5	Rs. 100 [Rs. 50 each for CGST & SGST] per day subject to a maximum of 0.04% [0.02%

crore and up to Rs. 20 crore in the relevant financial year

each for CGST & SGST] of turnover in the State or Union Territory

Based on [Notification No. 07/2023-CT dt. 31.03.2023](#)

*Note: For registered persons other than the above, late fee as provided under section 47 shall be leviable i.e., Rs. 200 [Rs. 100 each for CGST & SGST] per day subject to a maximum of 0.5% [0.25 % each for CGST & SGST] of turnover in the State or Union Territory.*

### 3. Extension of time limit for applying for revocation of cancellation of registration

The following registered persons, who have failed to apply for revocation of cancellation of their registration within a period of 30 days or such extended period as prescribed in section 30, have been allowed to apply for the same up to **30<sup>th</sup> June, 2023**, as under:

Registered person	Conditions
Composition taxpayer, whose registration has been cancelled on or before 31.12.2022 due to non-furnishing of return for a financial year beyond three months from the due date of furnishing the said return	1. Application for revocation of cancellation of registration to be made after furnishing of returns due up to the effective date of cancellation of registration and payment of due tax, interest, penalty and late fee in respect of such returns. 2. No further extension shall be provided for filing application of revocation of cancellation of registration in such cases.
Regular taxpayer filing monthly returns, whose registration has been cancelled due to non-furnishing of return for 6 months	
Regular taxpayer filing quarterly returns, whose registration has been cancelled on or before 31.12.2022 due to non-furnishing of return for 2 tax periods	
Here, the person who has failed to apply for revocation of cancellation of registration within the time period specified in section 30 shall include a person whose appeal against the order of cancellation of registration or the order rejecting the application for revocation of cancellation of registration under section 107 of CGST Act has been rejected on the ground of failure to adhere to the time limit specified under section 30(1) of the Act. Hence, such persons can also apply for revocation of cancellation of registration up to 30 <sup>th</sup> June, 2023.	

[Notification No. 03/2023-CT dt. 31.03.2023](#)

### 4. Deemed withdrawal of assessment orders issued under section 62 of the CGST Act (Assessment of non-filers of returns)

The assessment order under section 62(1) of the CGST Act issued on or before 28.02.2023 in respect of the registered person who has failed to furnish a valid return within a period of 30 days of the service of such assessment order shall be deemed to be withdrawn, if such registered person furnishes the said return on or before 30.06.2023 along with interest due under section 50(1) and late fee payable under section 47.

The above benefit shall be available irrespective of whether or not an appeal has been filed

against such assessment order under section 107 or whether or not the appeal, if any, filed against the said assessment order been decided.

**[Notification No. 06/2023-CT dt. 31.03.2023](#)**

**5. Extension of time limit for issuing adjudication order under section 73 for specific financial years**

As per section 73(10) of the CGST Act, the proper officer has to issue the order under section 73(9) within three years from the due date for furnishing of annual return for the financial year to which the tax not paid or short paid or input tax credit wrongly availed or utilised relates to or within three years from the date of erroneous refund.

The said time limit under section 73(10) for issuing the order under section 73(9) has been extended in the following manner:

<b>Financial Year</b>	<b>Due date of filing Annual return</b>	<b>Time period for issuing order u/s 73(10)</b>	<b>Extended time period for issuing order u/s 73(10)</b>
2017-18	05.02.2020 / 07.02.2020	Up to 05.02.2023 / 07.02.2023	Up to 31.12.2023
2018-19	31.12.2020	Up to 31.12.2023	Up to 31.03.2024
2019-20	31.03.2021	Up to 31.3.2024	Up to 30.06.2024

**[Notification No. 09/2023-CT dt. 31.03.2023](#)**

**6. Amendment in rule 8 (Application for registration) of CGST Rules, 2017 w.e.f. 26.12.2022**

Sub-rule (4A) of rule 8 has been substituted with effect from 26.12.2022 to provide that where an applicant, except a person notified under section 25(6D) of CGST Act, opts for authentication of Aadhar number, he shall, while submitting the application for registration undergo authentication of Aadhar number and the date of submission of the application in such cases shall be the date of authentication of the Aadhar number, or 15 days from the submission of the application in Part B of Form REG-01, whichever is earlier.

Every registration application made by a person, except a person notified under section 25(6D), who has opted for authentication of Aadhaar number and is identified on the common portal, based on data analysis and risk parameters, shall be followed by biometric-based Aadhaar authentication. This will also include taking of photographs of the applicant where the applicant is an individual or of such individuals in relation to the applicant as notified under section 25(6C) of CGST Act where the applicant is not an individual, along with the verification of the original copy of the documents uploaded with the application in Form GST REG-01 and the application shall be deemed to be complete only after completion of such process.

Further, with effect from 26.12.2022, consequential amendments have also been made in

sub-rule (4B) of rule 8 and [Notification No. 27/2022-CT dt. 26.12.2022](#) issued under sub-rule (4B).

[Notification No. 04/2023-CT dt. 31.03.2023](#) and [Notification No. 05/2023-Ct dt. 31.03.2023](#)

#### 7. Amendments to the Schedule to the GST (Compensation to States) Act, 2017 brought into force from 1<sup>st</sup> April, 2023

Amendments made in the Schedule to the Goods and Services Tax (Compensation to States) Act, 2017 by section 163 of the Finance Act, 2023 have been brought into force w.e.f. 01.04.2023 vide [Notification No. 01/2023-Compensation Cess dt. 31.03.2023](#). The Schedule has been amended to revise the maximum rate at which GST Compensation Cess shall be collected for items such as pan masala, tobacco and manufactured tobacco substitutes, including tobacco products and to link the same with retail sale price. A new explanation defining the scope of 'retail sale price' has also been inserted therein.

Further, [Notification No. 01/2017-Compensation Cess \(Rate\) dt. 28.06.2017](#) which specifies the rate of GST Compensation Cess on goods has been amended vide [Notification No.2/ 2023-Compensation Cess \(Rate\) dt. 31.03.2023](#).

*Chairman*  
*GST & Indirect Taxes Committee*

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

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