

Significant Notifications and Circulars issued in GST and Customs from 16th March 2023 to 15th April 2023

GST

Notifications

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 crore and up to Rs. 20 crore in the	Rs. 100 [Rs. 50 each for CGST & SGST] per day subject to a maximum of 0.04% [0.02% each for CGST & SGST] of

relevant financial year	turnover in the State or Union Territory
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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.

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

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 30th 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 th June, 2023.	

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

4. 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 Aadhaar 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).

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

5. 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 has been decided.

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

6. 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:

Financial Year	Due date of filing Annual return	Time period for issuing order u/s 73(10)	Extended time period for issuing order u/s 73(10)
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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](#)

7. Amendments to the Schedule to the GST (Compensation to States) Act, 2017 brought into force from 1st 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](#)**.

[Notification No. 01/2023-Compensation Cess dt. 31.03.2023 and Notification No.2/ 2023-Compensation Cess \(Rate\) dt. 31.03.2023](#)

Circulars

1. Clarification regarding GST rate and classification of ‘Rab’ based on the recommendation of the GST Council in its 49th meeting held on 18th February, 2023

On the recommendation of the GST council in its 49th meeting, held on 18th February, 2023, with effect from the 1st March, 2023, GST rate on Rab has been notified as 5%, when sold in pre- packaged and labelled, and Nil GST, when sold in other than pre-packaged and labelled.

In view of the prevailing divergent interpretations and genuine doubts regarding the applicability of GST rate on Rab, the issue for past period is hereby regularized on “**as is**” basis.

[Circular No. 191/03/2023-GST dt. 27.03.2023](#)

Customs

1. **Effective date of sections regarding amendments made vide Finance Act, 2023 in Customs Act, 1962 notified**

The amendments made in the First Schedule to the Customs Tariff Act, 1975 vide clauses (a) and (b) of section 135 of the Finance Act, 2023 have come in to force with effect from 31.03.2023. Further, the amendment in sections 25 and 127C of the Customs Act, 1962 vide sections 128 and 131 of the Finance Act, 2023 respectively have come into force with effect from 01.04.2023.

[*Notification No.21/2023-Customs \(NT\) dated 31.03.2023*](#)

2. **Amendment in Courier Imports and Exports (Clearance) Regulations, 1998 and Courier Imports and Exports (Electronic Declaration and Processing) Regulations, 2010.**

With effect from 1st April, 2023, Courier Imports and Exports (Clearance) Regulations, 1998 have been amended to specify that the consignments of value exceeding Rs. 10 lakh (Rs. 5 lakh upto 31.03.2023) and involving transaction in foreign exchange will not be governed by such regulations. Consequential amendment has been made in regulation 6(3). Further, consequential amendment has also been made in regulation 2(2)(c)(ii) of the Courier Imports and Exports (Electronic Declaration and Processing) Regulations, 2010.

Detailed notifications can be accessed at:

[*Notification No.22/2023-Customs \(N.T.\) dated 31.03.2023 and Notification No.23/2023-Customs \(N.T.\) dated 31.03.2023.*](#)

3. **Notifications issued to implement new Foreign Trade Policy 2023**

In view of the Foreign Trade Policy 2023, various notifications have been issued under the customs law as under:

Manner of issue of duty credit for goods exported under the Scheme for Remission of Duties and Taxes on Exported Products (RoDTEP)	<u><i>Notification No. 24/2023-Customs (N.T.) dated 01.04.2023</i></u>
Manner of issue of duty credit for goods exported under the Scheme for Rebate of State and Central Taxes and Levies (RoSCTL)	<u><i>Notification No. 25/2023-Customs (N.T.) dated 01.04.2023</i></u>
Regarding implementation of Advance Authorisation Scheme for	<u><i>Notification No. 21/2023-Customs dated 01.04.2023, Notification No.22/2023-</i></u>

deemed exports, annual requirement, export of prohibited goods	<u>Customs dated 01.04.2023, Notification No.23/2023-Customs dated 01.04.2023, Notification No. 24/2023-Customs dated 01.04.2023</u>
Regarding implementation of Duty-Free Import Authorisation Scheme	<u>Notification No.25/2023-Customs dated 01.04.2023</u>
Regarding implementation of EPCG Scheme	<u>Notification No.26/2023-Customs dated 01.04.2023</u>

Detailed conditions under various schemes as given above can be referred to from the respective notifications given against the same.

4. Phased implementation of electronic cash ledger (ECL) in Customs w.e.f. 01.04.2023

The following deposits have been exempted from the provisions of Electronic Cash Ledger (ECL) functionality as envisaged under section 51A, namely, -

- I. Deposits with respect to goods imported or exported in customs stations where Customs Automated System is not in place;
- II. Deposits with respect to Accompanied baggage;
- III. Deposits with respect to goods imported or exported at International Courier Terminals
- IV. Deposits, other than those used for making electronic payment of:
 - a. any duty of customs, including cesses and surcharges levied as duties of customs;
 - b. integrated tax;
 - c. Goods and Service Tax Compensation Cess;
 - d. interest, penalty, fees or any other amount payable under the Act, or Customs Tariff Act, 1975.

It has been decided to enable ECL in phases from 01.04.2023. In the first phase from 01.04.2023 till 30.04.2023, the exemption to deposit from the provisions of section 51A shall be restricted to the items specified above. In second phase, from 01.05.2023, the exemptions cited above would continue, except for the deposits with respect to goods imported or exported at International Courier Terminals. Various aspects like registration for availing ECL, deposits to ECL, payment of liabilities using ECL, Modes enabled for deposit into ECL, Refund of balance in ECL have been explained in [Circular No. 09/2023- Customs dated 30.03.2023.](#)

Detailed notifications and circular can be accessed at:

Notification No.18/2023-Customs (N.T.) dated 30.03.2023, Notification No.19/2023-Customs (N.T.) dated 30.03.2023

5. A new version (V 3.0) for on-boarding of AEO-LO applicants by way of online filing, real-time monitoring, and digital certification will be launched by the Board.

Detailed circular can be accessed at

Circular No. 10/2023-Customs dated 11.04.2023