



CA. Ajay Aggarwal
B. Com. (Hons.), FCA, FCS, LLB
DISA, Dip. (International Taxation)
Email ID: ajay@ajayrattanco.com
Phone Number: 9810005583



CA. Varun Garg
B. Com. (Hons.), FCA
Email ID: varun@ajayrattanco.com
Phone Number: 9023637000



CA Pradeep Rastogi
B. Com. (Hons.), FCA, LLB, MIMA, PGD
(ADR), APCCL
Email ID: pradeep@ajayrattanco.com
Phone Number: 9818344544

EDITOR: PALAK & PRAGATI

NEWSLETTER

AJAY RATTAN & CO.

Chartered Accountants

Newsletter for April'23
Volume 13, Issue 4



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DUE DATES | APRIL 2023

Due Date	Compliance Detail	Applicable To
7th	a) TCS deposit b) Equalization Levy deposit	a) Non- Government deductors. b) All Deductors
10th	a) GSTR – 7 (TDS return under GST) b) GSTR – 8 (TCS return under GST)	a) Person required to deduct TDS under GST b) Person required to collect TCS under GST
11th	GSTR – 1 (Outward supply return)	<ul style="list-style-type: none"> • Taxpayers having annual turnover > Rs. 5 crore in FY 2021-22 • Taxpayers having annual turnover ≤ Rs.5 crore in FY 2021-22 and not opted for QRMP Scheme
13th	a) GSTR – 1 (Outward supply return) b) GSTR-6 [Return by input service distributor]	a) Taxable person having annual turnover ≤ Rs 5 crore in FY 2021-22 and opted for QRMP Scheme b) Person registered as ISD

15th	a) Deposit of PF & ESI contribution	a) All Deductors
18th	CMP-08 (Statement – cum challan for composition dealer)	Composition dealer
20th	a) GSTR-5 (Return by Non-resident) b) GSTR-5A (OIDAR) services return c) GSTR-3B (Summary return)	a) Non-resident taxable person (NRTP) b) OIDAR services provider c) • Taxpayers having annual turnover > Rs. 5 crore in FY 2021-22 • Taxpayers having annual turnover ≤ Rs. 5 crore in FY 2021-22 and not opted for QRMP scheme
22nd	GSTR-3B (Summary Return)	Taxpayers having annual turnover ≤ Rs. 5 crores in FY 2021-22 and opted for QRMP scheme (depending on the State).
24th	GSTR-3B (Summary Return)	Taxpayers having annual turnover ≤ Rs. 5 crores in FY 2021-22 and opted for QRMP scheme (depending on the State).
30th	a) TDS deposit b) MSME Form-1 (Filing of MSME dues outstanding for > 45 days from the date of acceptance of the goods or services) c) GSTR-4 (Annual Return for composition dealer)	a) Non-Government Deductors b) All Companies having MSME trade payment outstanding for more than 45 days. c) Composition dealer.



DIRECT TAX

Aadhaar-PAN linking last date extended to 30th June 2023

The Aadhaar- PAN linking deadline has been extended by three months from March 31 to June 30, 2023, by the government. All unlinked PAN cards will become inoperative as of July 1, 2023, according to the Central Board of Direct Taxes (CBDT) announcement.

Circular no. 3 of 2023 dated 28th March 2023

F.No. 370142/14/2022-TPL

Consequences of PAN becoming inoperative as per rule 114AAA

1. Taxpayer's PAN will no longer be active starting from July 1st, 2023, if they fail to provide their Aadhaar information as required. Following repercussions will apply:
 - Refund of any amount of tax or part thereof, due under the provisions of the Act shall not be made to him.
 - Interest shall not be payable to him on such refund for the period during which PAN remain inoperative.
 - TDS/TCS shall be deducted/collected at higher rate, as provided in the Act.
2. These consequences shall take effect from 1st July 2023 and continue till the PAN become operative. A fee of one thousand rupees will continue to apply to make the PAN operative by intimating Aadhaar number.
3. The consequences of PAN becoming inoperative shall not be applicable to those persons who have been provided exemption from intimating Aadhaar number under the Act.
4. PAN shall be become operative within 30 days from the date of intimation of Aadhaar number.

F.No. DGIT(S)-ADG(S)-3/e-Filing Notification/Forms/2023/13420, dated 28th March 2023

Partial relaxation with respect to electronic submission of Form 10F by Non- Resident

Non- Resident (NR) taxpayers who were not having PAN and not required to have PAN as per relevant provision of the Income -tax Act, 1961 were exempted from mandatory electronic filing of Form 10F till 31st March 2023 by the competent authority. Now this has been extended till 30th September 2023.

Till 30th September 2023, Form 10F will be filed manually.

Company Law

Establishment of 'Centre for Processing Accelerated Corporate Exit' (C - PACE) to facilitate speedy processing & approval of applications for company closure under strike-off mode.

Background

Companies Act, 2013 read with Insolvency & Bankruptcy Code, 2016 (IBC), provides modes for closure of companies such as:

- Strike off u/s 248 of Companies Act, 2013
- Voluntary Winding up under IBC

Closure of company via Strike off mode is the most common and easiest process in cases where company has:

- Not done any business in the preceding 2 FYs; and
- Nil assets and Nil liabilities at the time of submission of application for company closure

Need for C – PACE

Pursuant to section 248 of the Companies Act, 2013, application for strike off a company is required to be submitted with the Registrar of Companies (RoC) in e-Form STK-2. The RoC scrutinizes the application and if found in order, issues closure certificate to the company.

Reportedly, it has been observed that time taken by RoC to process and approve the strike off applications varies between 6-8 months (approx.), causing inconvenience and additional compliance cost on the companies under strike off process.

To expedite the process of approval of strike off applications, Finance Minister Ms. Nirmala Sitharaman had proposed in the Union Budget 2022-23, the establishment of C – PACE for facilitating speedy approval of applications for strike off.

In line with the same, the Ministry of Corporate Affairs (MCA) vide notification dated 17 March 2023 has notified the establishment of C – PACE with effect from 1 April 2023 onwards to facilitate speedy processing and approval of applications for company closure under strike-off mode.

The C – PACE shall be located at the Indian Institute of Corporate Affairs (IICA), Plot No. 6, 7, 8, Sector 5, IMT Manesar, Gurgaon, Haryana – 122050.



Notification-02/2023- Central Tax, dated 31st March, 2023:

GST 4 not filed within due date; Late Fee restricted of Rs. 500/- if filed between 01-04-2023 to 30-06-2023 for quarters from July 2017 to March 2019 of FY 2019-20 to FY 2021-22.

S. No.	Form	Years	Present Scheme		After Waiver		Condition
			Late Fee	Limit	Late Fee	Limit	
1.	GSTR – 4	2017-18	Rs. 50 per day	Rs. 2,000	Rs. 50 per day	Rs. 500	File Returns between 01 st April 2023 to 30 th June 2023
		2018-19					
2.	GSTR- 4(Nil)	2019-20	Rs. 500	0	0		
		2020-21					
3.	GSTR -10	2021-22	Rs. 200 per day	Rs. 10,000	Rs. 200 per day	Rs. 1000	

Notification-03/2023- Central Tax, dated 31st March 2023:

Amnesty scheme has been provided for registered person for Special procedure for revocation of cancellation of registration, cancelled on or before the 31-12-2022.

- The registered persons may apply for revocation of cancellation of their registrations upto 30-06-2023.
- Revocation to be filed only after filing all returns along with all payment of due as tax, Late Fees, Interest Penalty upto the effective date of cancellation of registration.
- No further extension of time period for filing application for revocation of cancellation of registration shall be available in such cases.

Explanation:

For the purposes of this notification, the person who has failed to apply for revocation of cancellation of registration within the time period specified in section 30 of the said Act includes a person whose appeal against the order of cancellation of registration or the order rejecting application for revocation of cancellation of registration under section 107 of the said Act has been rejected on the ground of failure to adhere to the time limit specified under sub-section (1) of section 30 of the said Act.

Notification-04/2023- Central Tax, dated 31st March, 2023:

Changes have been made in Rule 8(4A) & Rule 8(4B) pertaining to procedure regarding Aadhar authentication and biometric verification of applicants. The said changes shall be deemed to have come into force from 26.12.2022.

Notification-05/2023- Central Tax, dated 31st March 2023:

Sub -rule (4B) amended giving effect to sub rule (4A) Proviso “for and words, - provisions of, the words- proviso to “shall be substituted”.

Thereby making the proviso to sub-rule (4A) applicable only to Gujarat (As explained in No-27/2022-Central Tax)

Combined reading of notification no- 4/2023- Central Tax and no-05/2023-Central tax concludes Biometric – based Aadhar authentication and taking photograph of the applicant along with the verification of the original copy of the documents to be uploaded with the application in FORM GST REG-01 through one of the notified Facilitation Centres is applicable only to the state of Gujarat.

Notification-06/2023- Central Tax, dated 31st March 2023:

Amnesty scheme has been provided for registered persons in whose cases assessment u/s 62 of the Act has been done on or before 28.02.2023 and who have failed to furnish a valid return within a period of 30 days from date of service of assessment order. Such persons should furnish the said return on or before 30.06.2023 with payment of interest u/s 50 and late fees u/s 47.

Notification-07/2023- Central Tax, dated 31st March 2023:

GSTR 9 if not filed within due date, Late fees restricted to Rs. 20,000/- if GSTR 9 is filed between 01-04-2023 to 30-06-2023 for the FY 2017-18, 2018-19, 2019-20, 2020-21 or 2021-22.

Late Fees Revision from FY 22-23 onwards

Aggregate Annual T/O	Late Fees
Upto Rs. 5Cr	Rs. 50 (Rs. 25/- & 25/- in CGST & SGST resp.) per day subject to maximum of 0.04% of T/O
Above Rs. 5Cr and upto Rs. 20 Cr	Rs. 100 (Rs. 50/- & 50/- in CGST & SGST resp.) per day subject to maximum of 0.04% of T/O
Above Rs. 20Cr	Rs. 200 (Rs. 100/- & 100/- in CGST & SGST resp.) per day subject to maximum of 0.50% of T/O

Comparison of present scheme and after amnesty scheme has been live from 1st April 2023 to 30th June 2023 are as follows:

S. No.	Year	Turnover	Before Amnesty Scheme		After Amnesty Scheme		Condition
			Late Fee	Limit	Late Fee	Limit	
1.	2017-18	Any	Rs. 200 Per day	0.50% of turnover	Rs. 200 per day	20,000	File GSTR 9 between 01 st April 2023 to 30 th June 2023
	2018-19						
	2019-20						
	2020-21						
2.	2022-23 and coming years	Upto 5 crores	Rs. 200 Per day	0.50% of turnover	Rs. 50 per day	0.04% of turnover	No Conditions
		> 5 Crores to 20 crores			Rs. 100 per day	0.04% of turnover	
		> 20 Crores			Rs. 200 per day	0.5% of turnover	

Notification-08/2023- Central Tax, dated 31st March 2023:

Amnesty scheme for Final Return in FORM GSTR-10 has been provided if the said return is furnished from 01.04.2023 to 30.06.2023 with a maximum payment of late fees of Rs 1000/- only.

Notification-09/2023- Central Tax, dated 31st March 2023:

Extension of Time Limit for issuance of Order u/s 73 (9)

S. No	Year	Present Deadline	Extended Deadline
1.	FY-17-18	30 th September 2023	31 st December 2023
2.	FY-2018-19	30 th December 2023	31 st March 2024
3.	FY-2019-20	30 th March 2024	30 th June 2024

Circular Number -191/03/2023- GST, dated 27th March 2023:

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

Further, as per the recommendation of the GST Council in the above-said meeting, 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.

HSN Code Reporting in e-Invoice on IRPs Portal

1. As per the notification no. 78/2020 – Central Tax dated 15th October 2020. As per the above-said notification, it is now mandatory for taxpayers to report a minimum of six-digit valid HSN code for their outward supplies having AATO of more than 5 crores in any previous financial year.
2. This requirement has already been implemented in the GST system, and we are now in the process of implementing the same at IRPs portal in collaboration with our IRP partners including NIC. It is further suggested that in case wherever valid six-digit HSN code is not available, a corresponding valid eight-digit HSN code be reported instead of artificially creating six-digit HSN code.
3. This requirement may require changes to your systems as well.

Advisory for the taxpayer wishing to register as “One Person Company” in GST

As per provision of section 2(62) of The Companies Act, 2013 “One Person Company” is defined as a company which has only one person as member.

Some issues have been raised by the persons registering as ‘One Person Company’ while they take GST registration. Upon analysis, it has been noticed that the option of choosing One Person Company is not there in form notified by CGST/SGST Acts and hence not available on the GSTN portal also.

It is advised that in the ‘Part B’ of GST Registration Form ‘REG-01’, applicant may select (Constitution of Business under ‘Business Details’ tab using dropdown list) option “Others”, if the taxpayer wants to register for GST as “One Person Company”. After selecting option as “Others”, the applicant shall also mention “One Person Company” in the text field and follow the steps for a normal registration application to complete the process.

GSTN launches e-invoice registration services with private IRPs

In another step towards further digitization of the business process flow, GSTN has launched the e-invoice registration services through multiple private IRPs at the recommendation of the GST Council. Four private companies viz. Clear Tax, Cygnet, E&Y and IRIS Business Ltd were empaneled by GSTN for providing these e-invoice registration services to all GST taxpayers of the country. The details of the existing and new IPRs are available at <https://einvoice.gst.gov.in/einvoice/dashboard>

The taxpayers now have a choice of more than one IRP (earlier being the only single portal of NIC), which they can use to register their e-invoices. This adds significant capacity and redundancy to the single e-invoice registration portal which existed earlier.

The end-to-end flow of a digitally signed e-invoice between sellers and buyers by integration with the GST system will lead to ease of compliance for the taxpayers. It will also lead to facilitation of auto-drafting and auto-populating of invoice details in the GST returns which would lead to increased accuracy, correctness of reporting of supplies and availing of ITC by the recipients of the supply.



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**HEAD OFFICE: E-115, 11TH FLOOR, HIMALAYA HOUSE, KASTURBA
GANDHI MARG, NEW DELHI-110001**

**BRANCH OFFICE: 1113, 11TH FLOOR, ARUNACHAL BUILDING,
BARAKHAMBA ROAD, NEW DELHI -110001**

(Partner-in-charge - CA Ajay Aggarwal)

BRANCH OFFICES:

SCO 13, 1st Floor, Kabiri Site,
Industrial Area Phase – 2,
Chandigarh – 160002

(CA Varun Garg)

212-A, Vashisht Complex,
Sikanderpur, Gurugram-122004

(CA Piyush Jindal)

House No. 14266, Street No.
2A, Ganesha Basti, Bhatinda-
151001

(CA Yogesh Kumar Jain)

Flat No.- S-3, Second Floor,
Yash Apartment, 37-B Patel
Nagar, Raisen Road, Anand
Nagar, Bhopal-462021

(CA Prakhar Srivastava)

Hanna Tower, Flat No.-1622,
Gaur Saundaryam, Tech Zone-
4, Near Charmurti Chowk,
Gautam Buddha Nagar, Uttar
Pradesh-201009

(CA Pradeep Rastogi)