

# GCA TIMES

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## GST Amnesty Scheme 2023

The goods and services tax (GST) is a tax levied by the government on most goods and services sold for domestic consumption. The GST amnesty scheme, was first introduced to provide relief to taxpayers who failed to file their returns between July 2017 and September 2018 and allowed taxpayers to voluntarily disclose and pay their tax dues in exchange for avoiding penalties. Thereafter, in subsequent years too, the scheme was brought back to benefit taxpayers.

To give effect to the recommendations of the 49th GST council meeting held on 18.02.23, with respect to amnesty scheme, notification numbers 02/2023, 03/2023, 06/2023, 07/2023, and 08/2023 were issued by the Government on 31st March 2023. The amnesty scheme as enumerated in the above notifications can be summarized as follows:

1. All the amnesty schemes will be in force between 1st April 2023 to 30th June 2023
2. The pending GST returns GSTR-4, GSTR-9 and GSTR-10 could be filed with no or lower late penalty fees and interest. However, there are certain conditions applicable.
3. Those GST registrations that were cancelled due to non-filing of returns stand to be re-registered due to the amnesty scheme. If GST registration is cancelled on or before 31.12.22 under certain specified section of CGST Act and taxpayer missed filing application for revocation of cancellation of GST registration by the due date under the law, they can file application for revocation by 30.6.2023. However, taxpayer should have filed all pending returns with taxes, late fee and interest.
4. Withdrawal of past best judgment assessment orders of taxpayers who failed to furnish a valid return within a period of thirty days from the service of the best judgement assessment order. However, the withdrawal shall happen only if they file the said return on or before the 30.6.2023 and pay the interest, penalty and late fee in respect of such returns.



## Extension of Time Limit

Section 73 of the Goods and Services Tax (GST) Act 2017 lays down the provisions regarding determination of tax not paid or short paid or erroneously refunded or input tax credit wrongly availed or utilized for any reason other than fraud or any willful-misstatement or suppression of facts.

The Government vide Notification No. 9/23 issued on 31st March 2023, extended the time limit specified under section 73(10) of the GST Act 2017 for issuance of order under section 73(9) of the said Act, for recovery of tax not paid or short paid or of input tax credit wrongly availed or utilized, relating to the period as specified below, as follows: –

- (i) for the financial year 2017-18, up to the 31st day of December, 2023;
- (ii) for the financial year 2018-19, up to the 31st day of March, 2024;
- (iii) for the financial year 2019-20, up to the 30th day of June, 2024.



## Time limit on reporting old invoices on the Invoice Registration Portal (IRP)

The Goods and Services Tax Network (GSTN) has issued an advisory whereby businesses with annual aggregate turnover equal to or more than Rs.100 crores must upload e-invoice within 7 days on the IRP Portal, with effect from 1st May 2023. Credit / Debit note will also have to be reported within 7 days of issue. Currently, no such reporting restriction have been mandated on taxpayers with annual aggregate turnover less than 100 crores.

## Recent Amendments in Rules on Companies Name Removal

Vide Notification dated 17.4.23, the Ministry of Corporate Affairs has passed the Companies (Removal of Names of Companies from the Register of Companies) Amendment Rules, 2023 which will amend the Companies (Removal of Names of Companies from the Register of Companies) Rules, 2016.

Following are the important changes which will take place because of the above amendment:

1. The amendment shall come into force with effect from 1st May, 2023.
2. The responsibility of striking off companies from Registrar of Companies will now lie with Registrar, Centre for Processing Accelerated Corporate Exit (PACE).
3. Application for removal of name of a company must be made to the Registrar, PACE in Form No. STK-2 along with fee of Rs. 10,000/-.
4. Revised formats of Form No. STK-2, Form No. STK-6, and Form No. STK-7 have been substituted.



## Audit Trail Feature in Accounting Software

The Ministry of Company Affairs (MCA) has made it mandatory for every company to fulfill the requirement of an audit trail feature in their accounting software from 1st April, 2023. An audit trail is a step-by-step record of the transactions, thus providing chronological history of the transactions which can eventually be traced to their source.

The concept of 'Audit trail' was first introduced by MCA in 2021 vide its notification dated 24th March, 2021 whereby it mandated that ".....every company which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled." However, the applicability of the provision was deferred and is now applicable with effect from April 1, 2023.

### TDS Rates Applicable for FY 2023-24

Section	Description	Threshold Limit	Rate of TDS
192	Salary payment	Basic Exemption limit	Normal slab rates applicable to employee
192A	Premature Taxable Withdrawals From Employee PF	Rs 50,000 (TDS On Exact Rs 50,000 Also)	10%
193	Interest On Securities	Rs.5,000 - in case of Debenture Rs.10,000 - 8% Savings (Taxable) Bonds 2003 or 7.75% Savings (Taxable) Bonds 2018 No limit - Other securities	10%
194	Dividend	Rs 5,000	10%

194A	Interest Other Than Interest On Securities	<ul style="list-style-type: none"> <li>Rs 40,000 where interest is paid by banks &amp; post offices (Rs 50,000 where payment is made by banks &amp; post offices to senior citizens)</li> <li>Rs 5,000 in case of transaction other than Bank</li> </ul>	10%
194B	Winnings From Lottery, Puzzles, Card Games, etc	Rs 10,000	30%
194BA	Winning from Online Games	Nil	30%
194BB	Winnings From Horse Races	Rs 10,000	30%
194C	Payments To Contractors	<ul style="list-style-type: none"> <li>Rs 30,000 in case of single contract</li> <li>Rs 1,00,000 in case of aggregate of contracts during one FY</li> </ul>	<ul style="list-style-type: none"> <li>1% in case payment is made to individual/HUF</li> <li>2% in all other cases</li> </ul>
194D	Insurance Commission	Rs 15,000	5%
194DA	Maturity Proceeds of Life Insurance Policy	Rs 1,00,000 (TDS On Exact Rs 1,00,000 Also)	5% of Net Amount
194E	Payments To Non Resident Sportsman etc.	No Threshold Limit	20% (+) Surcharge, if applicable (+) 4% Cess
194EE	Payments Of Deposit Under National Savings Scheme (NSS)	Rs 2,500 (TDS On Exact Rs 2,500 Also)	10%

194F	Payment on account of repurchase of units by UTI or mutual funds	No Threshold Limit	20%
194G	Commission On Sale Of Lottery Tickets	Rs 15,000	5%
194H	Commission Or Brokerage	Rs 15,000	5%
194I	Rent	Rs 240,000	2% in case of P&M 10% in case of land, building, furniture, fittings
194IA	Payment On Transfer Of Certain Immovable Property Other Than Rural Agricultural Land	Rs 50,00,000	1%
194IB	Rent Paid By Individual/HUF not covered u/s 194I	Rs 50,000 per month	5%
194IC	Payment Under Specified Agreement Referred u/s 45(5A)	No Threshold Limit	10%
194J	Fees for Professional Services, Technical Services, Royalty etc.	Rs 30,000	<ul style="list-style-type: none"> <li>• 2% for Payments to call centers; FTS; and Royalty for sale, distribution or exhibition of cinematographic films.</li> <li>• 10% for all other payments</li> </ul>
194K	Income On Units of Mutual Fund	Rs 5,000	10%

194LA	Compensation For Acquisition Of Certain Immovable Property	Rs 2,50,000	10%
194M	Certain payments by Individual/HUF not liable to deduct TDS under Section 194C, 194H, and 194J	Rs 50,00,000	5%
194N	Cash Withdrawals	1 crore	2% or 5% (as the case may Be)
194O	TDS On Payments By E-Commerce Operator To E-Commerce Participants	Rs. 5,00,000	<ul style="list-style-type: none"> <li>• 1% of gross amount of sale of goods or provision of services or both</li> <li>• 5% in case of failure to furnish PAN</li> </ul>
194P	Payments of Pension/ Interest to specified senior citizen above 75 years	Basic exemption limit	Normal tax slab rates applicable to the senior citizen
194Q	TDS on Payments Made For Purchase Of Goods	Rs 50,00,000	0.1% of value of purchase of goods in excess of Rs 50L Note: In case of failure to furnish PAN, maximum TDS shall be 5%.
194R	TDS on benefit or perquisite of a business or profession	Rs. 20,000	10%
194S	TDS on the transfer of virtual digital assets	Specified Persons- 50,000 Others- 10,000	1%
195	Payment Other Than Salary	Nil	Rates as given under the Income Tax Act, 1961

# Thank You

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