

## Audit by Tax Authorities under Section 65 ▾

Your entire GST lifecycle. **Simplified with ONE platform.**



All PAN-level filings, GSTR-1 to 9C



AI-powered matching



30+ smart reports

[Book your Demo Today](#)

[Home](#) > [GST](#) > [gst-procedure](#)



# Audit under GST- When You Might Get Audited by Tax Officers?

By [Annapoorna](#)

Updated on: Feb 17th, 2025 | 2 min read

GST audits are necessary at times to maintain a check and examine whether the correct GST is being paid and refund claimed, especially for certain categories of taxpayers. In this article, we will learn what is a GST audit and the various types of GST audits.

## IMS: The Future of Compliance

Master your IMS workflow and stay ahead of the curve.

Discover the  
Changes

## Introduction to GST Audit

Audit under GST is the process of examination of records, returns and other documents maintained by a taxable person. The purpose is to verify the correctness of turnover declared, taxes paid, refund claimed and input tax credit availed, and to assess the compliance with the provisions of GST.

## Types of GST Audits

**clear**

1. Statutory Audit under Section 35(5) - Removed w.e.f. 1st August 2021.

## **Audit by Tax Authorities under Section 65**



### 3. Special Audit under Section 66

## **Statutory Audit under Section 35(5) - Removed w.e.f. 1st August 2021\***

Every GST registered taxable person whose turnover during a financial year exceeds the prescribed limit of Rs.2 crore was subjected to a statutory audit under Section 35(5) of the Central Goods and Services Tax (CGST) Act\*. Such businesses were to get their books of accounts audited by a chartered accountant or a cost accountant.

\*However, in Finance Act 2021, Section 35(5) of the CGST Act was amended to remove the statutory audit requirement under Section 35(5). This was further notified in CGST Notification No. 29/2021–Central Tax dated 30th July 2021 and came into effect from 1st August 2021. The audit requirement was instead replaced by a self-certified [Form GSTR-9C](#) statement. This must be filed on the GST portal or through a facilitation centre by taxpayers whose turnover exceeds Rs.5 crore in a financial year, along with other documents such as a copy of the Audited Accounts and Annual Return in form GSTR-9.

## **Audit by Tax Authorities under Section 65**

- The Commissioner of CGST/SGST (or any officer authorised by him) may conduct an audit of a taxpayer. The period of audit to will be a financial year or part of a financial year (or multiple financial years).
- A notice will be sent to the auditee in FORM GST ADT-01 at least 15 working days prior.
- The audit will be completed within 3 months from the date of commencement of the audit.
- The Commissioner can extend the audit period for a further six months with reasons recorded in writing.

## **Obligations of the Auditee**

The taxable person will be required to:

1. Provide the necessary facilities to verify the books of account/other documents as required
2. To give information and assistance to ensure the timely completion of the audit.

## clear

On conclusion of an audit, the officer will inform the taxable person within 30 days of.

### **Audit by Tax Authorities under Section 65**

- The findings,
- Their reasons, and
- The taxable person's rights and obligations

The above will need to be communicated to the taxpayer in in FORM GST ADT-02. If the audit results in the detection of unpaid/short paid tax or wrong refund or wrong input tax credit availed, then demand and recovery action will be initiated.

### **Special Audit under Section 66**

- The Assistant Commissioner (with the prior approval of the Commissioner) can order for a special audit, in writing, if they are of the opinion during any stage of scrutiny/inquiry/investigation that the value has not been correctly declared or the credit has been wrongly availed.
- The officer referred to is required to issue a direction in FORM GST ADT-03 to the taxable person.
- The special audit will be carried out by a chartered accountant or a cost accountant nominated by the Commissioner, and they are required to submit a report, signed and certified by them, to the Assistant Commissioner within a period of 90 days.
- This period may be further extended by the Assistant Commissioner by another 90 days (if requested by the taxpayer or the Chartered Accountant/Cost Accountant in writing).
- The expenses of examination and audit, including the auditor's remuneration, will be determined and paid by the Commissioner.
- A special audit can be conducted even if the taxpayer's books have already been audited before.

### **Findings of the Audit**

On conclusion of the special audit, the taxpayer will be informed of the findings of the special audit in FORM GST ADT-04. Further, they will be given an opportunity of being heard. If the audit results in detection of unpaid/short paid tax or wrong refund or input tax credit wrongly availed then demand and recovery actions will be initiated.

**For further understanding, read our articles on GST audit:**

clear



## Audit by Tax Authorities under Section 65 ▾

The

## Frequently Asked Questions

What is meant by GST audit?



Is GST audit compulsory?



Who requires GST audit?



What are the types of GST audits?



What documents are required for a GST audit?



What happens if discrepancies are found during a GST audit?



**Annapoorna**

Assistant Manager - Content

I preach the words, “Learning never exhausts the mind.” An aspiring CA and a passionate content writer having 4+ years of hands-on experience in deciphering jargon in Indian GST, Income Tax, off late also into the much larger Indian finance ecosystem, I love curating content in various forms to the interest of tax professionals, and enterprises, both big and small. While not writing, you can catch me singing Shāstriya Sangeetha and tuning my violin ;). **Read more**

**clear****Audit by Tax Authorities under Section 65** [GST Registration](#)[Input Tax Credit \(ITC\)](#)[e-Invoicing](#)[e-Way Bill](#)[GST Returns](#)[TDS](#)[Enterprise Compliance](#)[Invoice Discounting \(ID\)](#)[Vendor Management](#)[Accounts Payable \(AP\)](#)[Supply Chain](#)**Related articles**[What is Invoice Management System \(IMS\) under GST: Key Features, Benefits & How Does It Work](#)[What is B2C e-Invoicing: Applicability, Date, Requirements, Limit, Examples](#)[Impact of GST on Rent: GST on House Rent and Commercial Property Rent](#)[GST on Gold: GST Rate on Gold Purchase, Jewellery, Coins, Biscuit & Bar](#)[GST on Laptops: Applicability, HSN Code and GST Rate](#)[GST on Mobile Phones: Applicability, HSN Code and GST Rate](#)[GST on TV in India: HSN Code and GST Rate for LED Televisions](#)[GST on Health Insurance: Applicability, HSN Code and GST Rate](#)[GST on Construction Services and Materials: Applicability, GST Rate and HSN Code](#)

**clear****Audit by Tax Authorities under Section 65** **Popular articles**

[Goods and Services Tax: What is GST in India? Indirect Tax Law Explained](#)

[GST Rates in India 2024 - List of Goods and Service Tax Rates, Slab & Revision](#)

[All about Reverse Charge Mechanism \(RCM\) under GST](#)

[GST State Code List and Jurisdiction](#)

[Section 17\(5\) of CGST Act - Blocked Credit Under GST](#)

[Late Fees and Interest on GST Returns](#)

[What is SGST, CGST, IGST and UTGST?](#)

[GST Registration Online: Documents Required, Limit, Fees, Process, Penalty](#)

[GST Return - What is GST Return? Who Should File, Due Dates & Types of GST Returns](#)

[GSTR-1 Filing: Due Date, Format, Late Fees, Eligibility & Rules](#)

[GSTR-3B: Due Date, Late Fee, Format, Return Filing, Eligibility, Rules](#)

[GSTR-9 Annual Return: Due Date, Applicability, Turnover Limit, Format, Eligibility, Rules](#)

[GST Login – How to login GST portal \(www.gst.gov.in\) online in India](#)

[GST Composition Scheme: Rules, Turnover Limit, Rate, Benefits](#)

[Goods Transport Agency under GST](#)

[Time, Place and Value of Supply in GST](#)

[GST Penalties and Appeals](#)

[Important GST Dates and GST Calendar 2024-25](#)

[Invoicing Under GST](#)

**You might be interested in**

[GST Number Search Online - Taxpayer GSTIN/UIN Verification](#)

**clear****Audit by Tax Authorities under Section 65** [Print GST Distance](#) [How to Calculate Distance Between Two PIN Codes for e Way Bill](#)[GST Calculator Online](#)**Follow us on****Have a query?**[Support](#)**COMPANY**[About us](#)[Contact us](#)[Careers](#)[Media & Press](#)[User reviews](#)[Engineering blog](#)[Clear Library](#)[FinTech glossary](#)[ClearTax Chronicles](#)[GST Product Guides](#)[Trust & Safety](#)[Cleartax\(Saudi Arabia\)](#)**PRODUCTS**

---

**Individuals**[Income Tax e Filing](#)[Tax Planning](#)**ClearGST**[GST](#)[GST Login](#)[GST software](#)**Income Tax Filing**[Income Tax App android](#)[Income Tax](#)[Secion 80 Deductions](#)[Income tax for NRI](#)**Enterprises**[ClearGST](#)[ClearE-Waybill](#)[e-Invoicing Software](#)

**clear**

input tax credit

**Audit by Tax Authorities under Section 65** **CAs**

CA partner program  
ClearGST  
ClearTDS  
ClearTaxCloud  
ClearPro App

**SMEs**

ClearGST  
ClearOne  
Billing Software  
Invoicing Software  
Services for businesses  
ClearOne App

**ClearServices**

Tax filing for professionals  
Tax filing for traders  
Clear Launchpad  
Trademark Registration  
Company Registration  
TDS returns  
MSME Registration

**HSN Lookup**

HSN Code Finder  
Cement HSN Code  
Transport HSN Code  
Plastic HSN Code  
Cloth GST Rate  
Books GST Rate

**RESOURCES & GUIDES**

---

**GST Resources**

GST Registration  
GST Returns  
GST Procedure  
GST News & Announcement  
GSTR 9 Annual Returns  
GST Payments & Refunds  
Invoicing Under GST  
GSTR-2B  
GSTR-3B

**ITR Resources**

Income Tax Slab  
Form 26AS  
What is Form 16  
Salary Income  
How to File TDS Returns  
New Income Tax Portal  
Incometax.gov.in  
Income from Selling Shares  
Income Tax Due Dates

**Mutual Fund Resources**

How to Invest in Mutual Funds  
Mutual fund Types  
ELSS  
SIP Mutual Funds

**Business Resources**

Memorandum of Understanding (MoU)  
Mudra Yojana  
Inflation & Deflation  
Loan Agreement



clear



INFO

Debt Settlement Agreement

**Audit by Tax Authorities under Section 65** ▾

What is NAV

Letters Of Credit

**TOOLS**

Income tax calculator

PPF Calculator

EMI Calculator

GST number search

Mutual fund calculator

IFSC Code Search

HSN Code Finder

Generate rent receipts

SIP calculator

Home Loan EMI Calculator

GST calculator

NPS Calculator

HRA calculator

Find HSN code

RD Calculator

Tax Saving Calculator

FD Calculator

Get IT refund status

Gold Rates Today

Salary Calculator

Currency Converter

EPF Calculator

Compound Interest Calculator

GST Number Search by Name

**TRENDING MUTUAL FUNDS**

ICICI Prudential Technology Fund Direct Plan Growth

Tata Digital India Fund Direct Growth

Axis Bluechip Fund Growth

ICICI Prudential Technology Fund Growth

Aditya Birla Sun Life Tax Relief 96 Growth

Aditya Birla Sun Life Digital India Fund Direct Plan Growth

Quant Tax Plan Growth Option Direct Plan

SBI Technology Opportunities Fund Direct Growth

Axis Long Term Equity Fund Growth

**TOP AMCS**

SBI Mutual Fund

Nippon India mutual fund

HDFC Mutual Fund

UTI mutual fund

Kotak Mahindra Mutual Fund

ICICI Prudential Mutual Fund

Aditya Birla Mutual Fund

clear

**Audit by Tax Authorities under Section 65**

ITC Share Price

TCS Share Price

Tata Motors Share Price

Infosys Share Price

Idea Share Price

HDFC Bank Share Price

**BEST FUNDS**

Best Mutual Funds

Best Tax Savings Mutual Funds

Best Index Funds

Best Equity Mutual Funds

Clear offers taxation & financial solutions to individuals, businesses, organizations & chartered accountants in India. Clear serves 1.5+ Million happy customers, 20000+ CAs & tax experts & 10000+ businesses across India.

Efiling Income Tax Returns(ITR) is made easy with Clear platform. Just upload your form 16, claim your deductions and get your acknowledgment number online. You can efile income tax return on your income from salary, house property, capital gains, business & profession and income from other sources. Further you can also file TDS returns, generate Form-16, use our Tax Calculator software, claim HRA, check refund status and generate rent receipts for Income Tax Filing.

CAs, experts and businesses can get GST ready with Clear GST software & certification course. Our GST Software helps CAs, tax experts & business to manage returns & invoices in an easy manner. Our Goods & Services Tax course includes tutorial videos, guides and expert assistance to help you in mastering Goods and Services Tax. Clear can also help you in getting your business registered for Goods & Services Tax Law.

Save taxes with Clear by investing in tax saving mutual funds (ELSS) online. Our experts suggest the best funds and you can get high returns by investing directly or through SIP. Download Black by ClearTax App to file returns from your mobile phone.

Office Address - Defmacro Software Private Limited, C 245A, Ground floor, Room No 1, Vikas Puri, West Delhi, New Delhi, Delhi 110018, India

**CLEARTAX IS A PRODUCT BY DEFMACRO SOFTWARE PVT. LTD.**[Privacy Policy](#)   [Terms of use](#)

ISO 27001  
Data Center



SSL Certified Site  
128-bit encryption