

GST Assessment

The Goods and Services Tax (GST) system in India includes various assessment and audit procedures to ensure proper tax compliance. This presentation covers key aspects of GST assessment, including self-assessment, provisional assessment, scrutiny of returns, assessment of non-filers and unregistered persons, and summary assessment in special cases. We'll examine the relevant sections of the CGST Act, associated rules and forms, and important notifications and circulars related to these procedures.

CMA Bhogavalli Mallikarjuna Gupta



Assessment

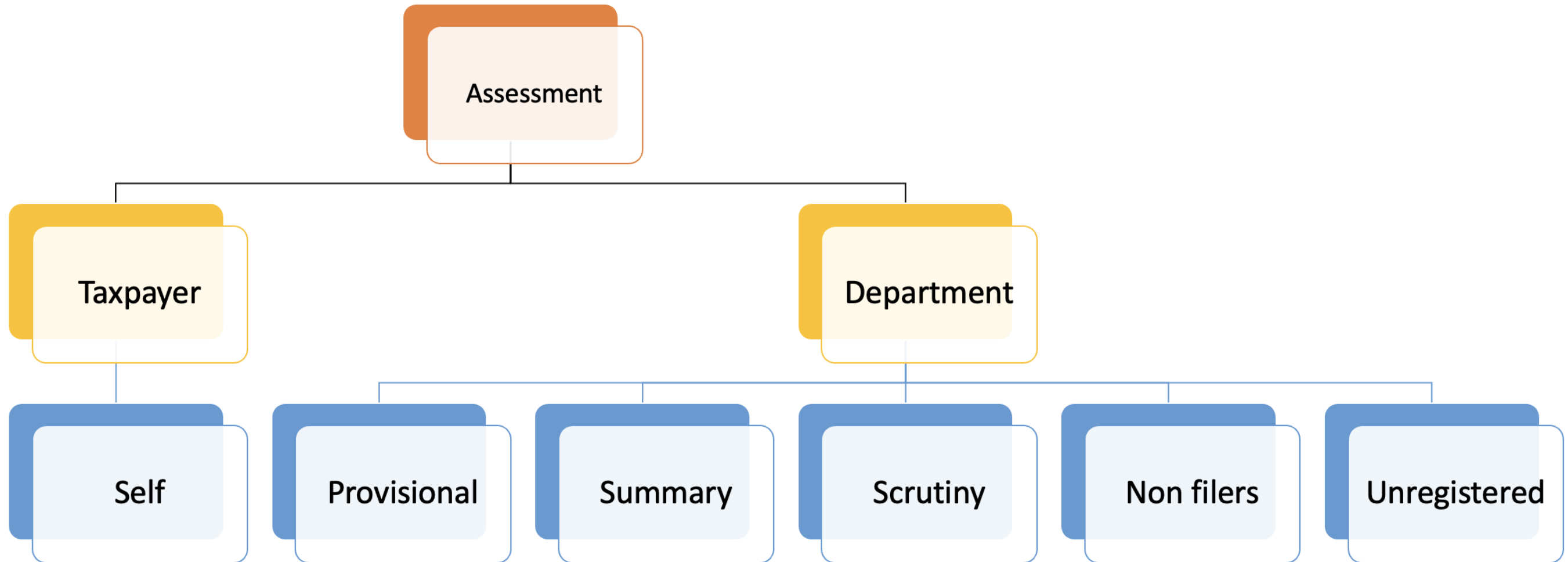
Provisions

Act
Section 59 to 64

Rules
Rule – 98 to 100

Forms
Form GST ASMT 01 to 18

Assessment



Self-Assessment Under Section 59

1

Requirement

Every registered person must self-assess taxes payable under the GST Act.

2

Return Filing

A return must be furnished for each tax period as specified under section 39.

3

Implementation

Section 59 was brought into force on July 1, 2017 via Notification 09/2017-CT.



Provisional Assessment Under Section 60

Request Process

Taxable person unable to determine value or tax rate may request provisional assessment in writing.

Officer's Order

Proper officer to pass order within 90 days allowing payment at specified rate or value.

Bond Requirement

Taxable person must execute bond with surety/security for payment difference.

Final Assessment

Final order to be passed within 6 months, extendable up to 4 years.



A photograph of a desk setup. In the foreground, there is a stack of GST Provisional Assessment forms. The top form is clearly visible, showing the title 'GST Provisional Assessment Forms' and a circular GST logo. The desk also features a pen holder with several pens, a small cup, and a small potted plant. The background shows a window with blinds.

Provisional Assessment Rules and Forms

1

Rule 98

Outlines the procedure for provisional assessment under GST.

2

Forms

GST ASMT-01 to ASMT-09 are used for various aspects of provisional assessment.

3

Notification

Rule 98 was inserted via CGST (Second Amendment) Rules, 2017 on June 28, 2017.

Provisional Assessment Procedure - Part 1

1

Application

Registered person submits application in FORM GST ASMT-01 electronically with supporting documents.

2

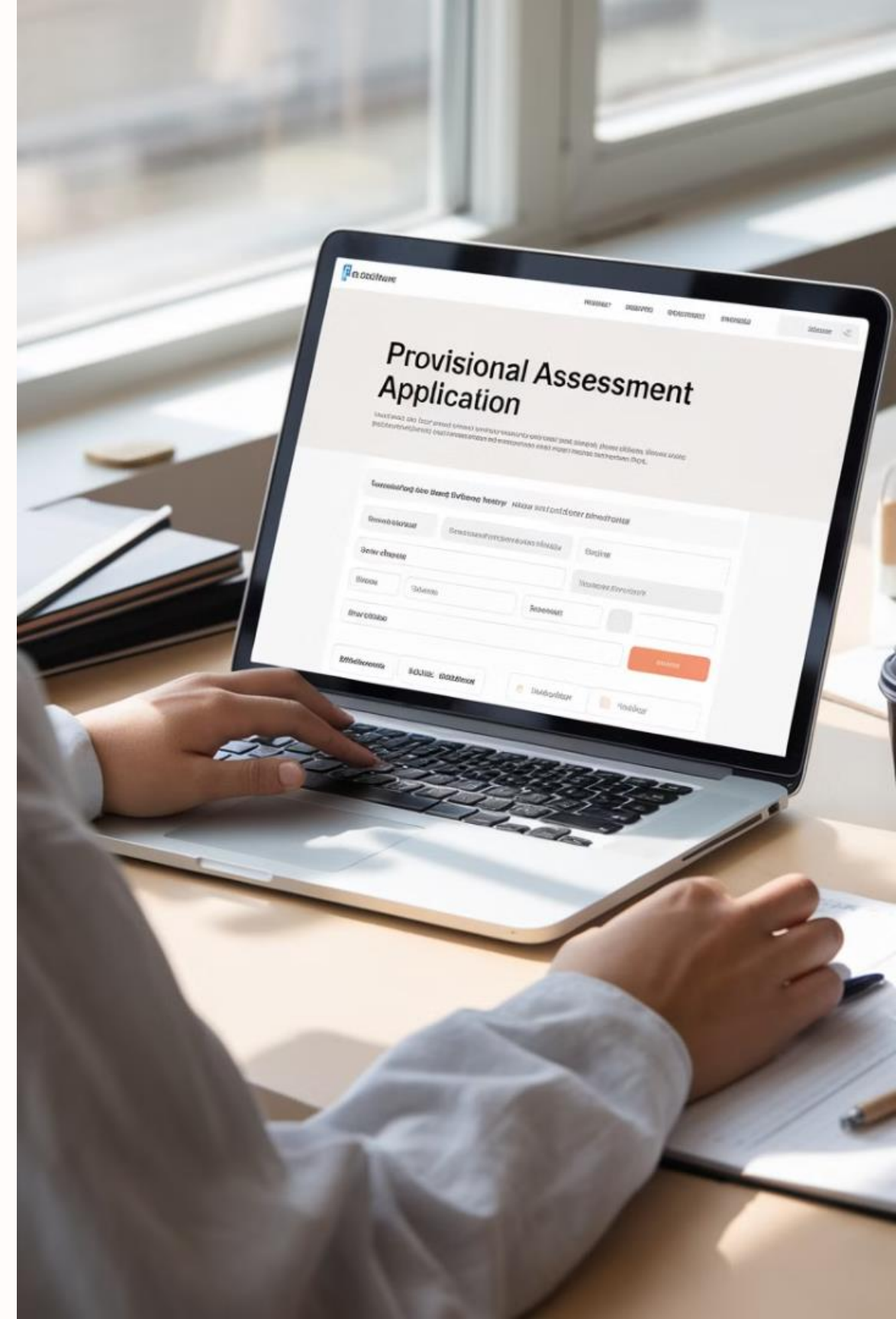
Additional Information

Proper officer may issue notice in FORM GST ASMT-02 seeking additional information or documents.

3

Reply

Applicant files reply in FORM GST ASMT-03 and may appear in person if desired.



Provisional Assessment Procedure - Part 2

1

Order Issuance

Proper officer issues order in FORM GST ASMT-04 allowing provisional payment of tax.

2

Bond Execution

Registered person executes bond in FORM GST ASMT-05 with security as bank guarantee.

3

Final Assessment

Officer issues notice in FORM GST ASMT-06 for information needed to finalize assessment.

4

Final Order

Final assessment order issued in FORM GST ASMT-07 specifying amount payable or refundable.



Provisional Assessment Procedure - Part 3

Security Release Application

Applicant files for release of security in FORM GST ASMT-08 after final order.

Verification

Proper officer ensures applicant has paid amount specified in final order.

Release Order

Officer issues order in FORM GST ASMT-09 to release security within 7 working days.

Completion

Provisional assessment process concludes with release of security.



Scrutiny of Returns Under Section 61

1

Selection

Proper officer may select returns for scrutiny to verify correctness.

2

Discrepancy Notice

Officer informs of discrepancies and seeks explanation from taxpayer.

3

Explanation

If explanation acceptable, taxpayer informed; otherwise, further action initiated.





Scrutiny of Returns Procedure - Part 1

1

Selection

Proper officer selects returns for scrutiny based on risk parameters.

2

Examination

Officer scrutinizes return with reference to information available.

3

Discrepancy Notice

If discrepancy found, notice issued in FORM GST ASMT-10 seeking explanation.



Scrutiny of Returns Procedure - Part 2

1

Response Time

Taxpayer given 30 days or permitted extended period to respond to notice.

2

Taxpayer Response

Registered person may accept discrepancy and pay tax or furnish explanation in FORM GST ASMT-11.

3

Acceptance

If explanation acceptable, officer informs taxpayer in FORM GST ASMT-12.

4

Further Action

If unsatisfactory, officer may initiate audit, inspection, or determination of tax liability.

Scrutiny of Returns Rules and Forms

Rule 99

Outlines the procedure for scrutiny of returns under GST.

Forms

GST ASMT-10, ASMT-11, and ASMT-12 are used for scrutiny procedures.

Notifications

Rule 99 was inserted via CGST (Second Amendment) Rules, 2017 on June 28, 2017.



Assessment of Non-Filers Under Section 62

Applicability

Applies when registered person fails to furnish return under section 39 or 45.

Best Judgment

Officer may assess tax liability to best of judgment using available material.

Time Limit

Assessment order to be issued within 5 years from due date of annual return.

Withdrawal

Order deemed withdrawn if valid return furnished within 60 days of service.



Assessment of Non-Filers Rules and Forms

1

Rule 100

Outlines the procedure for assessment in certain cases, including non-filers.

2

Forms

GST ASMT-13 to ASMT-18, DRC-01, and DRC-07 are used for assessment procedures.

3

Notifications

Rule 100 has been amended multiple times, with recent changes in 2019 and 2021.



Assessment of Non-Filers Procedure - Part 1

Identification

System identifies registered persons who fail to file returns under section 39 or 45.

Notice

Notice under section 46 issued to non-filer to furnish return.

Best Judgment

If return not filed, officer proceeds with best judgment assessment.

Order

Assessment order issued in FORM GST ASMT-13 within 5 years from annual return due date.

Assessment of Non-Filers Procedure - Part 2

1

Late Return

Non-filer may furnish valid return within 60 days of assessment order service.

2

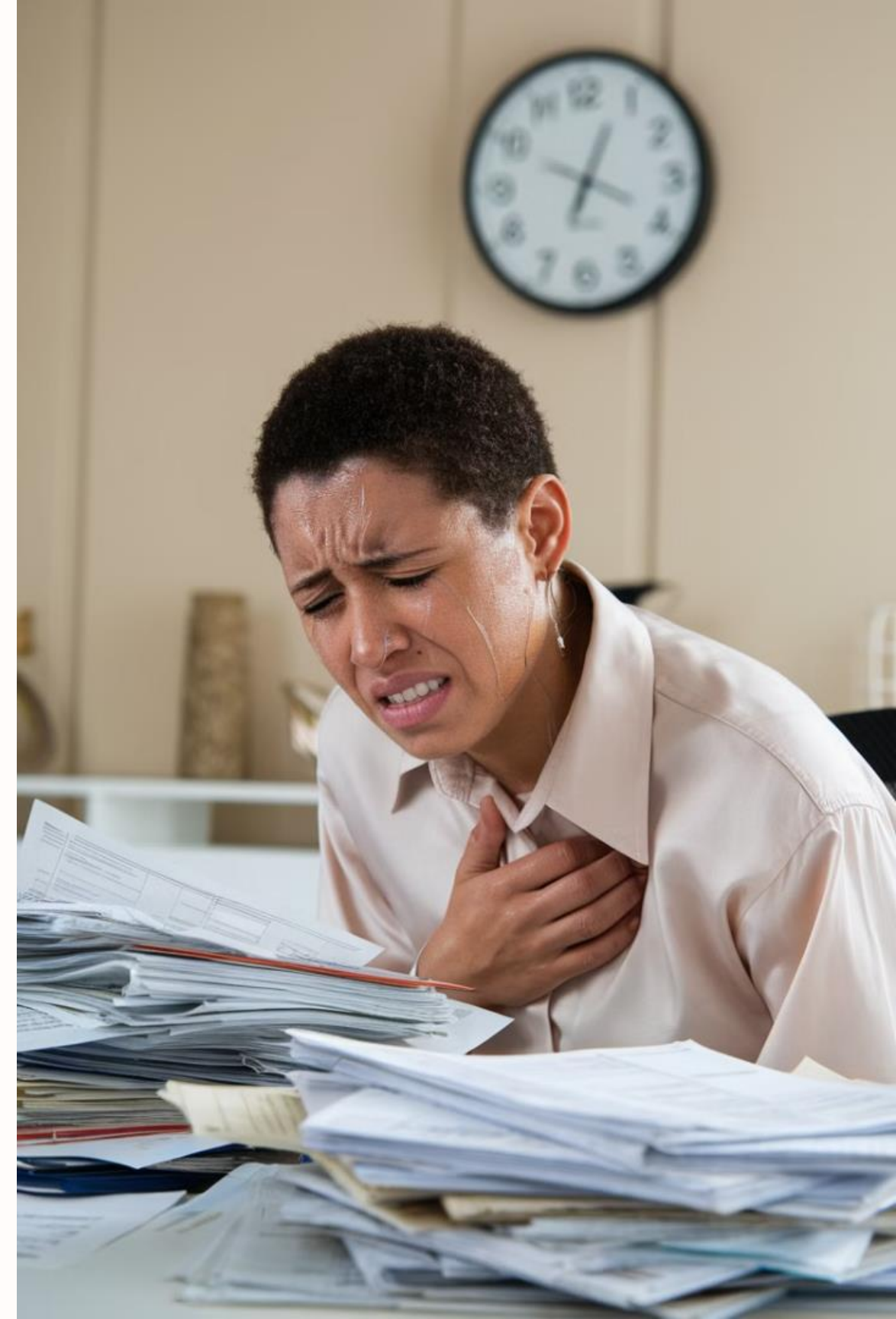
Order Withdrawal

Assessment order deemed withdrawn if valid return furnished within 60 days.

3

Liabilities

Liability for interest and late fee continues despite order withdrawal.



Assessment of Non-Filers Procedure - Part 3

1 Extended Period

Non-filer may furnish return within additional 60 days after initial 60-day period.

2 Additional Late Fee

Rs. 100 per day late fee for filing return in extended period.

3 Order Withdrawal

Assessment order deemed withdrawn if valid return furnished in extended period.

4 Continuing Liabilities

Interest and late fee liabilities continue despite order withdrawal.



Assessment of Unregistered Persons Under Section 63

1

Applicability

Applies to taxable persons who fail to obtain registration or whose registration is cancelled.

2

Assessment

Officer may assess tax liability to best of judgment for relevant tax periods.

3

Time Limit

Assessment order to be issued within 5 years from due date of annual return.

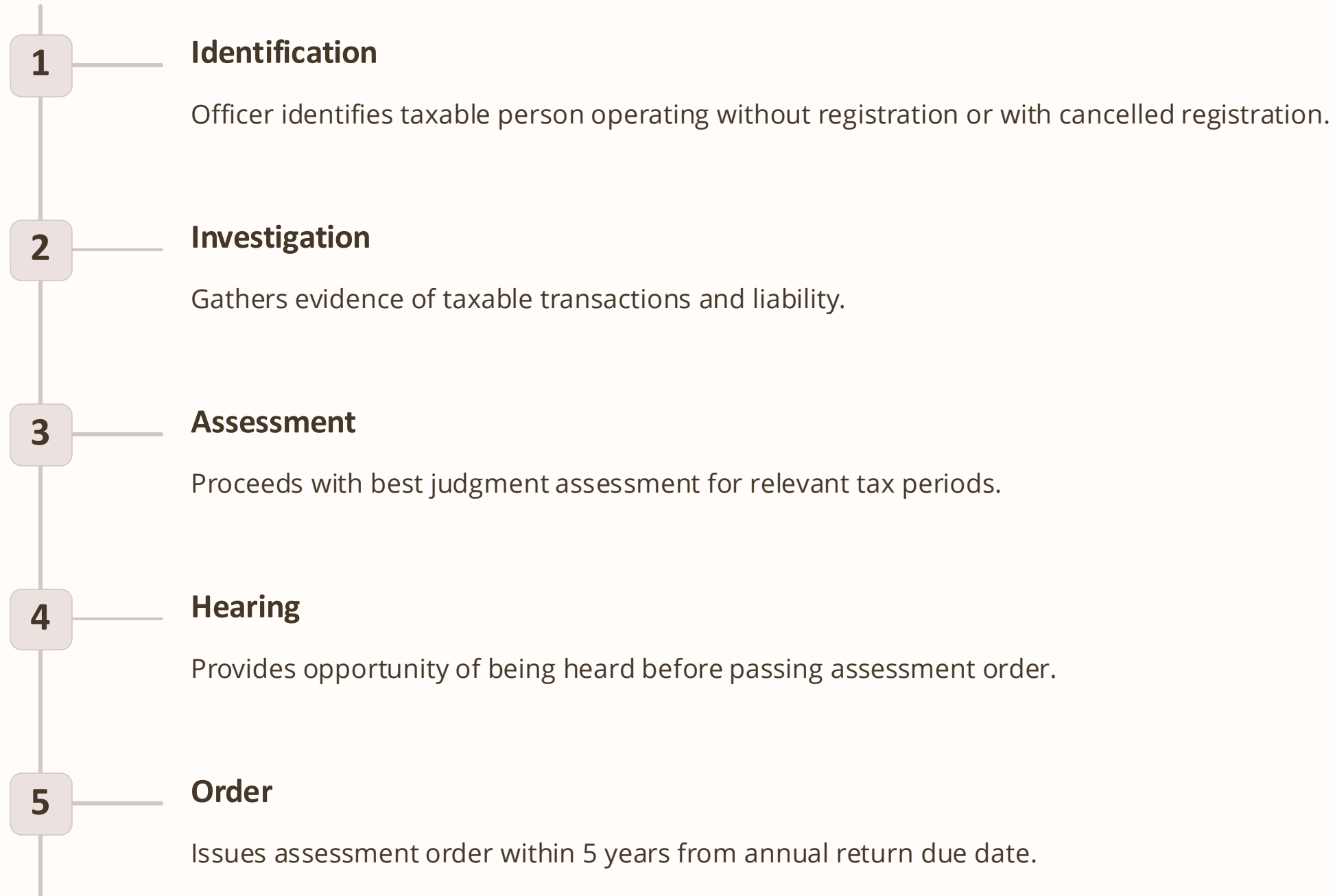
4

Hearing

Person must be given opportunity of being heard before passing order.



Assessment of Unregistered Persons Procedure





Summary Assessment Under Section 64

Applicability

Officer may assess tax liability to protect revenue interest in special cases.

Permission

Requires previous permission of Additional/Joint Commissioner.

Unascertainable Person

Person in charge of goods deemed liable if taxable person not ascertainable.

Withdrawal

Order may be withdrawn if found erroneous by Additional/Joint Commissioner.

Summary Assessment Procedure - Part 1

Evidence

Officer notices evidence of tax liability requiring immediate action.

Permission

Seeks permission from Additional/Joint Commissioner to proceed.

Grounds

Establishes sufficient grounds that delay may adversely affect revenue.

Order

Issues summary assessment order to protect revenue interest.





Summary Assessment Procedure - Part 2



Application

Taxable person may apply for withdrawal within 30 days of order receipt.

Review

Additional/Joint Commissioner reviews order and application.

Decision

May withdraw order if found erroneous or reject application.

Follow-up

If withdrawn, follows procedure under section 73 or 74 for regular assessment.



Assessment

Forms for Assessment Procedures

Form	Purpose
GST ASMT-1	To request Provisional Assessment
GST ASMT-2	To get additional information by officer
GST ASMT-3	To submit additional information
GST ASMT-4	To issue an Order to pay tax on provisional basis
GST ASMT-5	To Execute a Bond assessment
GST ASMT-6	To get additional information for final assessment



Assessment

Forms for Assessment Procedures

Form	Purpose
GST ASMT-7	To Issue final assessment Order
GST ASMT-8	To get release of Security furnished
GST ASMT-9	To release of Security as furnished
GST ASMT-10	To seek explanation from Registered Person under Scrutiny assessment
GST ASMT-11	To comply or furnish an explanation under scrutiny assessment
GST ASMT-12	To convey acceptance of explanation of Registered Peron



Assessment

Forms for Assessment Procedures

Form	Purpose
GST ASMT-13	Assessment order for non-filers
GST ASMT-14	Notice for assessment of unregistered persons
GST ASMT-15	Assessment order for unregistered persons
GST ASMT-16	Summary assessment order
GST ASMT-17	Application for withdrawal of summary assessment
GST ASMT-18	Acceptance/Rejection of withdrawal application

Key Notifications Related to Assessment

1 Notification 09/2017-CT

Brought sections 59 to 64 of CGST Act into force from July 1, 2017.

2 Notification 10/2017-CT

Inserted Rules 98 to 100 in CGST Rules, 2017 on June 28, 2017.

3 Notification 16/2019-CT

Amended Rule 100 and related forms on March 29, 2019.

4 Notification 32/2021-CT

Further amended Form ASMT-14 on August 29, 2021.



Circulars and Instructions on Assessment

Circular 03/2017-GST

Clarified proper officer for various provisions including assessment.

Circular 129/2019-GST

Provided standard operating procedure for non-filers of returns.

Instruction 02/2022-GST

Outlined standard operating procedure for scrutiny of returns for FY 2017-18 and 2018-19.

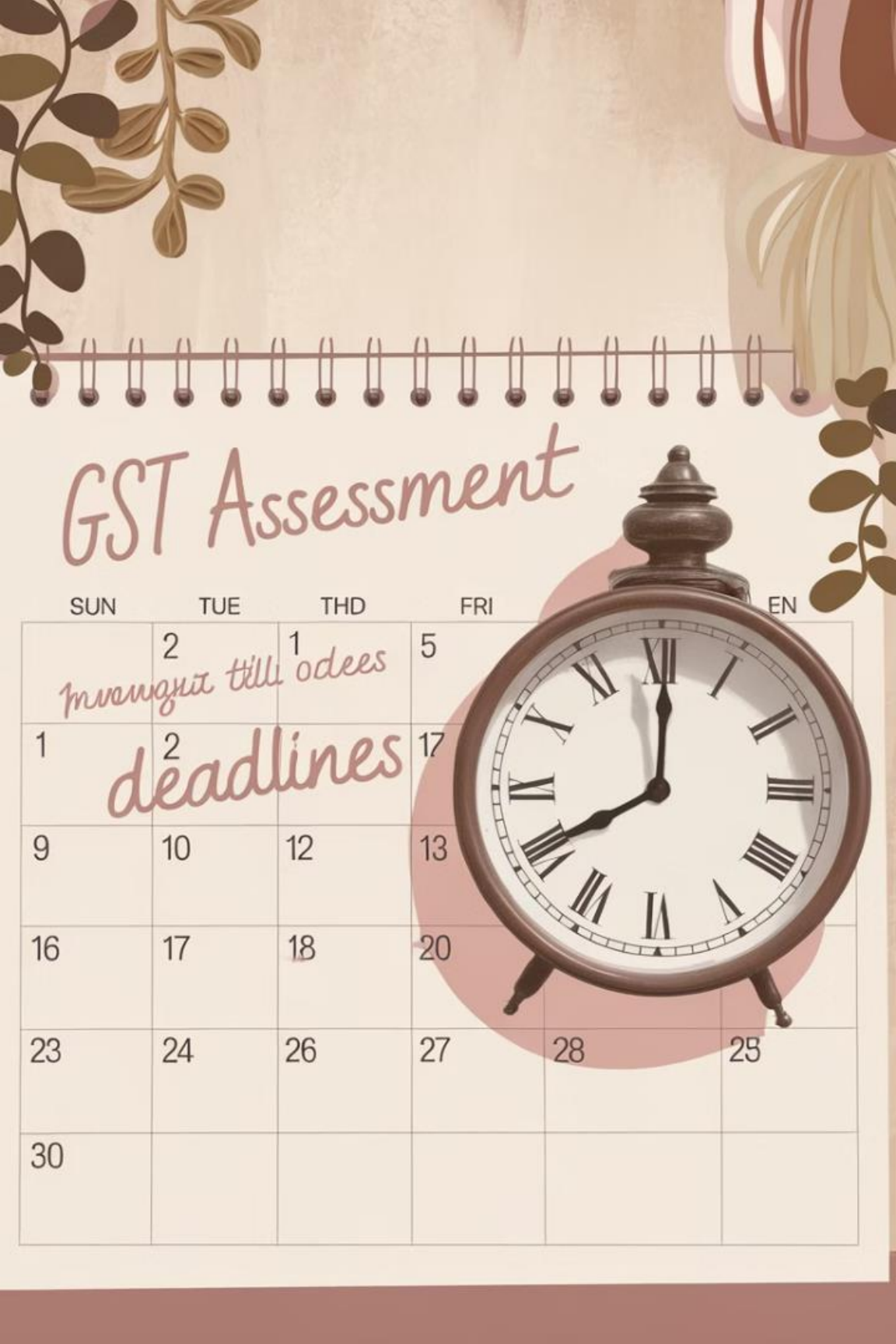
Time Limits for Assessment Orders

- 1

Non-filers and Unregistered Persons
5 years from due date of annual return for relevant financial year.
- 2

Provisional Assessment
6 months from date of communication of provisional order, extendable up to 4 years.
- 3

Summary Assessment
No specific time limit, but should be done promptly to protect revenue interest.





Interest and Late Fee Implications

Provisional Assessment

Interest payable on tax due but not paid by due date, even if paid before final order.

Non-filers

Liable for interest and late fee even if assessment order withdrawn after late filing.

Extended Period Filing

Additional late fee of Rs. 100 per day for filing in extended 60-day period.

Refund Interest

Interest payable on refund arising from final assessment order.



Rights of Taxable Persons

1

Provisional Assessment

Right to request provisional assessment if unable to determine value or tax rate.

2

Explanation Opportunity

Right to provide explanation for discrepancies noticed during scrutiny.

3

Hearing

Right to be heard before passing assessment order for unregistered persons.

4

Withdrawal Application

Right to apply for withdrawal of summary assessment order within 30 days.



Best Practices for Taxpayers



Timely Filing

File returns and respond to notices within prescribed time limits to avoid best judgment assessments.



Record Keeping

Maintain proper books of accounts and supporting documents to facilitate smooth assessments.



Prompt Communication

Respond promptly to notices and provide clear explanations for any discrepancies noticed.



Seek Expert Advice

Consult tax professionals when facing complex assessment situations or disputes.

Challenges in GST Assessment

Valuation Issues

Determining correct value of supply in complex transactions or related party deals.

Classification Disputes

Proper classification of goods or services affecting applicable tax rate.

Input Tax Credit

Verifying eligibility and correctness of input tax credit claims during scrutiny.

Future Outlook on GST Assessments

1

Data Analytics

Increased use of data analytics for risk-based selection of cases for scrutiny.

2

Automation

Greater automation in assessment procedures to improve efficiency.

3

E-assessments

Move towards faceless e-assessments to reduce physical interface.

4

Simplified Compliance

Continuous efforts to simplify compliance and reduce assessment burden on honest taxpayers.



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B. Com, ACMA, MFM, M.IOD, PGDCS

Certified Product Manager from Indian School of Business



With over 24 years of experience in Taxation, Product and Brand Management, Finance, Accounting, Sales, Operations, Marketing, Project Accounting, and ERP & BI Implementation, I have worked with leading organizations like Oracle, Infor, Logo, Systime, and the Dempo Group. Currently, I specialize in Indirect Tax & Technology Litigation, Advisory, and Advocacy.

Director – Indirect Taxation, Manohar Chowdhary & Associates, Chartered Accountants

COO – Nextgen Learning And Consulting Private Limited

Founder – India-gst.in

Awards/Recognitions

- Conferred the Indian Achievers' Award 2021 - In Recognition of Outstanding Professional Achievement & Contribution in Nation Building
- GUINNESS WORLD RECORDS title holder as a team member for the "Most people running up a single mountain."
- Selected one among the 100 Digital Influences for 2020 by YourStory
- His podcasts find place in the top 10 Taxation podcasts in India for 2021
- Recognized by the Cyberabad Police for Traffic Volunteering for 100 hours & for conducting the drunken drive.

Member of

- GST Grievance Redressal Committee – Hyderabad Zone
- Co-opted Member – Indirect Tax Committee at Institute of Cost Accountants of India, Kolkata
- Co-Chair – GST & Customs Committee, Federation of Telangana Chambers of Commerce and Industry
- Member - Regional Advisory Committee, Dattopanth Thengadi National Board for Workers Education and Development, Ministry of Labour and Employment, Govt. of India.
- Member – MSME & Startups Promotion Board at Institute of Cost Accountants of India, Kolkata for 2022-23
- Resource Person/Faculty - Institute of Cost Accountants of India, Regional Training Institute (CAG Auditors), National Academy of Customs, Indirect Taxes & Narcotics, Indian Navy, and National Institute for Micro Small and Medium Enterprises (NI-MSME)
- Served as a Member of National Council for Indirect Taxes at ASSOCHAM, Co-Chair for GST & Customs Committee at the Federation of Telangana Chambers of Commerce & Industry and at the Institute of Cost Accountants of India at the Central Council Level & Chapter Level

Achievements

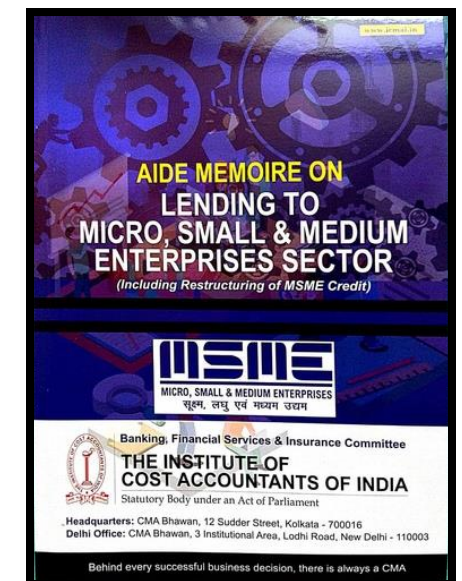
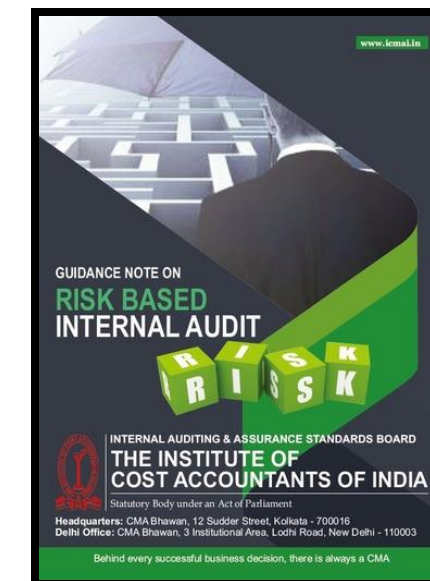
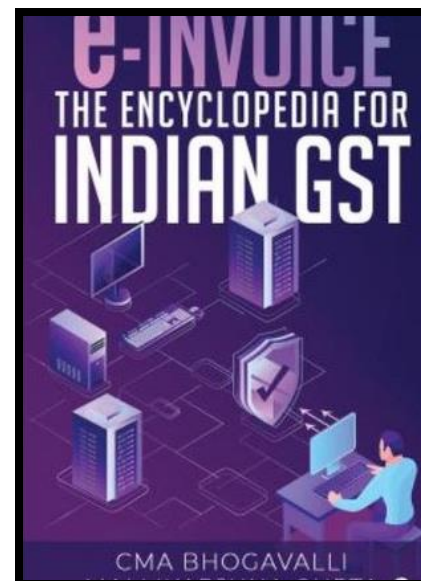
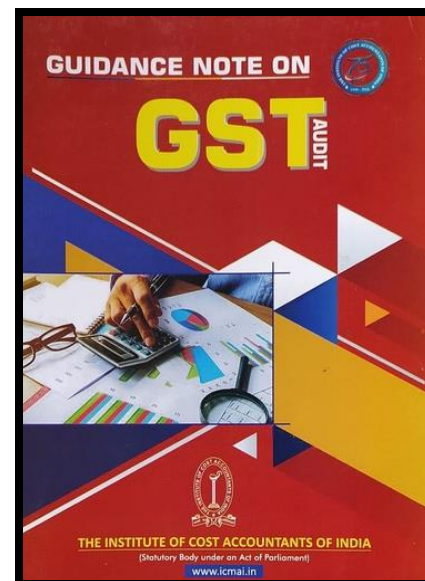
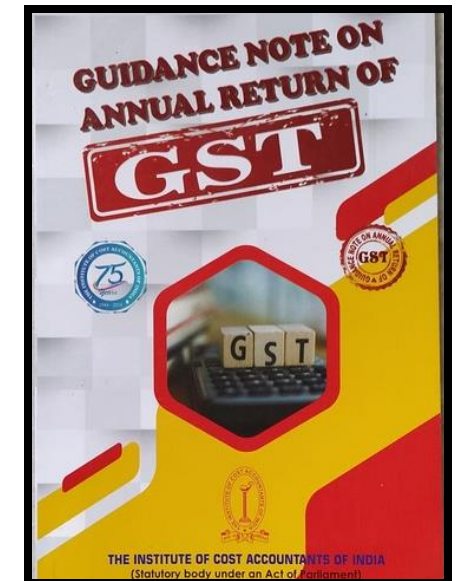
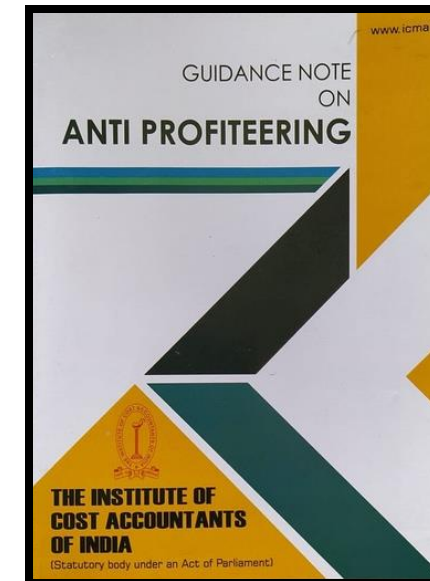
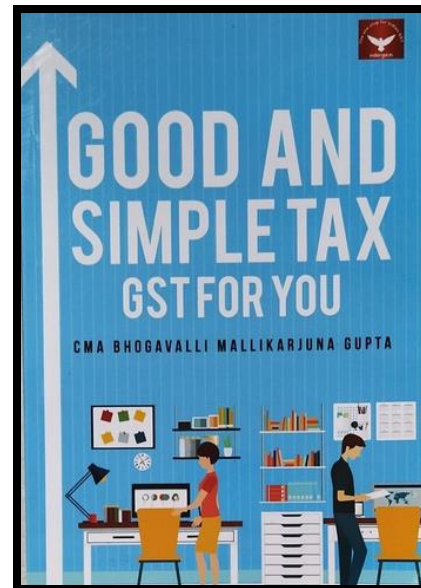
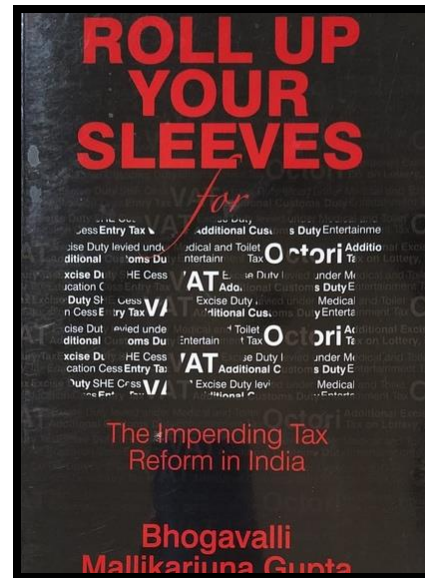


- **Litigation Success in GST and Service Tax:** Successfully represented clients in GST and Service Tax litigations before various authorities across India, including tribunals. Achieved landmark orders favorable to clients, demonstrating effective legal representation and advocacy in tax-related disputes.
- **Comprehensive Advisory Experience:** Advised numerous corporate houses, PSUs, product companies, and startups on various matters, providing guidance on internal audit, EPR & BI implementations & development, product management, costing, funding, cash management, internal controls, compliance management, and go-to-market (GTM) strategies.
- **Policy Advocacy:** Actively engaged in policy advocacy, working closely with the Government to implement taxpayer-friendly measures in GST. Collaborated on various initiatives to simplify tax processes and improve compliance, contributing to a more efficient and equitable tax system.
- **Innovative Tax Solutions:** Configured and developed a user-configurable tax engine for one of India's major ERPs for GST before its rollout. This solution continues to be used and highly praised by customers.
- **Prolific Authorship:** Authored/Co-authored 13 books on vivid topics including 10 on Indian GST. Authored over 120 articles and blogs on GST, MSMEs, finance, and the economy, published in leading newspapers, magazines, the ICAI Tax Bulletin, and various online portals.
- **Extensive Training and Outreach:** Led outreach programs and continuing education initiatives on GST, costing, internal audit, MSME survival strategies, and other critical topics for department officers, defense officials, traders, professionals, corporates, and students. Delivered over 48,000+ man-hours of training across 500+ sessions.
- **Costing Systems Implementation:** Implemented and computerized costing systems for a BOPP plant and an upholstery plant in 1999, leading to significant utility consumption reductions through the integration of hot oil boilers. Developed a costing system for a pig iron plant, analyzing profitability based on detailed raw material consumption from vendors, batches, regions, dealers, and grades.
- **Master Class Leadership:** Conducted a Master Class on GST, launched by the Late Shri Konijeti Rosaiah, former Chief Minister of Andhra Pradesh and Governor of Tamil Nadu.

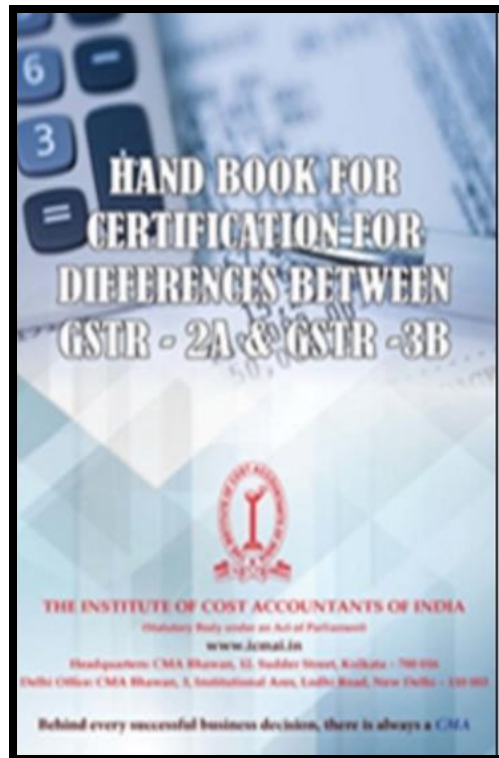
Educational Qualifications

- Indian School Of Business – Certification in Product Management
- Associate Member Institute of Cost Accountants of India
- Certificate Course on Credit Management of Banks conducted by the Institute of Cost Accountants of India
- Masters in Financial Management from Pondicherry University
- Post Graduate Diploma in Foreign Trade from World Trade Center Mumbai
- Qualified Online proficiency exam for Independent Directors from the Indian Institute of Corporate Affairs
- Associate Member of the Institute of Directors
- Bachelor of Commerce from Acharya Nagarjuna University
- Post Graduate Diploma in Computer Sciences from Software Solutions Integrated Limited

Books – Authored/Co Authored



Books – Authored/Co Authored



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