PETPOOJA

CHECKLIST

GSTR-9 Annual Return Preparation Checklist for FY 2025-26

Everything you need to close FY 2025-26 correctly: who has to file, the reconciliations to finish before you open the form, how the 22 September 2025 rate change splits your year in two, table-by-table ITC reporting straight from GSTN's own guidance, and exactly how the late fee is calculated on GSTR-9 and GSTR-9C separately.

Updated August 2026 15 Pages FY 2025-26

31 Dec 2026
Filing Deadline
GSTR-9 and GSTR-9C, FY 2025-26

30 Nov 2026
The Earlier Deadline
ITC cut-off, or the date you file, whichever is first

₹2 crore
GSTR-9 Exemption
At or below this, filing is optional

₹5 crore
GSTR-9C Trigger
Above this, reconciliation is mandatory

22 Sep 2025
The Rate Split
FY 2025-26 spans two rate structures

What's Inside

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01 GSTR-9 and GSTR-9C Quick Reference

Pin this page. It settles the questions that come up every December.

Question	Answer	Reference
When is it due?	31 December 2026 for FY 2025-26. GSTR-9C is due the same day and is filed along with the annual return.	Rule 80(1) and Rule 80(3), CGST Rules 2017
Who is exempt from GSTR-9?	Aggregate turnover up to ₹2 crore. This now applies to FY 2024-25 and onwards, so no fresh notification is needed for FY 2025-26.	Notification 15/2025-Central Tax, 17-Sep-2025
Who must file GSTR-9C?	Aggregate turnover exceeding ₹5 crore. It is self-certified, no CA audit certificate is required.	Rule 80(3), CGST Rules 2017
Can I revise it?	No. GSTR-9 and GSTR-9C cannot be revised once filed. Reconcile before you submit, not after.	Section 44, CGST Act
Why is the form not opening?	GSTR-9 is not enabled until every GSTR-1 and GSTR-3B for FY 2025-26 has been filed.	GSTN FAQ on GSTR-9/9C
What is the late fee?	₹50 to ₹200 per day depending on turnover, charged separately on GSTR-9 and on GSTR-9C.	Section 47(2) read with Notification 07/2023-CT
Is turnover PAN-level or GSTIN-level?	Applicability is tested on all-India PAN-level aggregate turnover. The return itself is filed GSTIN by GSTIN.	Section 2(6), CGST Act
What if I registered mid-year?	You file for the part of the year you were registered. The exemption test still uses full-year aggregate turnover.	Section 44, CGST Act
Nil return still needed?	Yes, if you were registered and are above the exemption. A year with no supplies is still a year to report.	Section 44, CGST Act

One caveat before you start

The table-by-table guidance in this checklist reflects the GSTR-9 form as notified for FY 2024-25, which is the most recent version GSTN has published detailed guidance on. GSTN's own FAQ notes that reporting for FY 2025-26 may change if the form is amended before the utility opens. Nothing in the law below changes, but confirm the form layout on gst.gov.in when the FY 2025-26 utility goes live, usually around the middle of the year.

02

Step 1: Confirm Whether You Have to File

Two different thresholds, tested on two different things. Get this wrong and you either file needlessly or miss a deadline.

₹2 crore
GSTR-9 Exemption Limit
Notification 15/2025-Central Tax, dated 17-Sep-2025

₹5 crore
GSTR-9C Threshold
Rule 80(3), CGST Rules 2017

1.51 crore
GST Taxpayers in India (2025)
PIB, GST Reforms 2025, 04-Sep-2025

Work Out Your Aggregate Turnover First

✓ **Add taxable supplies, exempt supplies, exports and inter-state supplies, all-India, under one PAN** — Do this first
Aggregate turnover is computed across every GSTIN registered under the same PAN, not per branch and not per state. It excludes GST itself, and excludes inward supplies on which you paid tax under reverse charge. A business with ₹1.4 crore in Gujarat and ₹1.1 crore in Maharashtra has ₹2.5 crore aggregate turnover and is not exempt.
Section 2(6), CGST Act

✓ **Test the ₹2 crore exemption on the full financial year**
The exemption is tested on turnover for the whole of FY 2025-26, even if you registered partway through the year. Turnover before registration still counts towards the aggregate.
First proviso to Section 44(1), CGST Act

✓ **Test the ₹5 crore GSTR-9C threshold on the same aggregate turnover** — Commonly missed
If PAN-level aggregate turnover exceeds ₹5 crore, GSTR-9C is required for every GSTIN under that PAN, including a small branch registration that on its own would be nowhere near the limit.
Rule 80(3), CGST Rules 2017

Then Check Where You Land

✓ **Up to ₹2 crore: GSTR-9 is optional, GSTR-9C not required** — Optional
You may still file voluntarily. Some businesses do, because a filed annual return is a clean record when applying for credit or during due diligence. If you do not file, no late fee arises.
Notification 15/2025-Central Tax

✓ **Above ₹2 crore and up to ₹5 crore: GSTR-9 mandatory, GSTR-9C not required** — GSTR-9 only
This is where most growing SMEs sit. One return, one deadline, one late fee exposure.
Section 44 read with Rule 80

✓ **Above ₹5 crore: both GSTR-9 and GSTR-9C, self-certified** — Both returns
GSTR-9C reconciles your audited financial statements to the annual return. Since FY 2020-21 it is self-certified by the taxpayer, with no CA or CMA certificate. That removed a cost but moved the responsibility onto you.
Rule 80(3), CGST Rules 2017

Registrations That Never File GSTR-9

✓ **Input Service Distributors, TDS deductors, TCS collectors, casual and non-resident taxable persons**
These categories are carved out of the annual return requirement regardless of turnover. An e-commerce operator collecting tax at source under Section 52 furnishes an annual statement in FORM GSTR-9B instead. A composition taxpayer does not file GSTR-9 either: GSTR-9A has not applied since FY 2019-20, and the annual return for composition dealers is FORM GSTR-4.
Rule 80(1) and Rule 80(2), CGST Rules 2017

03 Step 2: Close the Year Before You Open the Form

GSTR-9 is a summary, not a fresh return. Almost every problem people hit in December was created in a monthly return months earlier.

Filings That Must Be Complete

- ✓ **Every GSTR-1 and GSTR-3B for April 2025 to March 2026 is filed** — Blocks filing
  GSTN will not enable GSTR-9 while any monthly or quarterly return for the year is pending. If you are chasing one missing GSTR-3B in November, that is your first job, because everything downstream auto-populates from these.
  GSTN FAQ on GSTR-9/9C

- ✓ **Any GSTR-1A amendments are filed and accounted for**
  From FY 2024-25 onwards, supplies added or amended through GSTR-1A feed into the auto-population of Tables 4 and 5 alongside GSTR-1 and IFF. If you used GSTR-1A during the year, check that those corrections are reflected in your books too.
  GSTN FAQ on GSTR-9/9C

- ✓ **All ITC for FY 2025-26 is claimed on or before 30 November 2026** — Money at stake
  This is the deadline that actually costs money, and it falls a month before the return is due. Input tax credit for FY 2025-26 cannot be claimed after the earlier of 30 November 2026 or the date you file the annual return. Miss it and the credit is gone permanently, not deferred.
  Section 16(4), CGST Act

Reconciliations to Finish

- ✓ **Books turnover reconciled to GSTR-1, and GSTR-1 reconciled to GSTR-3B** — Do this first
  Run both directions. Sales recorded in books but never reported in GSTR-1, and sales in GSTR-1 that never made it into GSTR-3B, are the two most common gaps. Both surface in the annual return where they are far more visible to the department.
  Section 44, CGST Act

- ✓ **ITC in books reconciled to GSTR-3B, and GSTR-3B reconciled to GSTR-2B**
  Credit sitting in your books that never appeared in GSTR-2B usually means a supplier did not file. Chase it before 30 November 2026, because after that you cannot claim it whatever the supplier does.
  Section 16(2)(aa), CGST Act

- ✓ **Credit and debit notes for FY 2025-26 are issued and reported** — Deadline
  The window for reporting a credit note against a FY 2025-26 supply closes on the earlier of 30 November 2026 or the date you file the annual return. A credit note issued in December for a March sale cannot reduce your FY 2025-26 liability.
  Section 34(2), CGST Act

- ✓ **Reverse charge liability is fully paid and separately identified** — Commonly missed
  Goods transport, legal services, director sitting fees, sponsorship and imports of service are the usual suspects. RCM paid late attracts interest, and RCM never paid at all is the single most common finding when a small business is scrutinised.
  Section 9(3) and 9(4), CGST Act

- ✓ **Rule 42 and 43 reversals for exempt supplies and capital goods are computed for the full year**
  The monthly reversal is provisional. The annual recomputation must be done and any shortfall paid with interest, and any excess reclaimed, by the return for September of the following year.
  Rule 42(2) and Rule 43, CGST Rules 2017

- ✓ **Rule 37 reversals for invoices unpaid beyond 180 days are checked**
  Credit taken on a supplier invoice you have not paid within 180 days must be reversed. It can be reclaimed once you pay, with no time limit, and that reclaim is reported separately from ordinary credit.
  Rule 37, CGST Rules 2017

04

Step 3: Handle the FY 2025-26 Rate Split

This is what makes FY 2025-26 harder than any year before it. Your financial year contains more than one GST rate structure, and the annual return has to show both.

22 Sep 2025
New GST Rates Took Effect
PIB, GST Reforms 2025, 04-Sep-2025

12% and 28%
Slabs Abolished
56th GST Council, effective 22-Sep-2025

1 Feb 2026
Tobacco Moved to 40%
Separate date, notified later

What Changed and When

✓ **1 April 2025 to 21 September 2025: the old four-slab structure**
Supplies in this period carry 5%, 12%, 18% or 28%, plus compensation cess where it applied. Nearly six months of FY 2025-26 sits here.
Rates in force before 22-Sep-2025

✓ **22 September 2025 onwards: two slabs of 5% and 18%, plus 40% on sin and luxury goods** — The main split
The 12% and 28% slabs were abolished. Most goods that were at 12% moved to 5%, and most at 28% moved to 18%. For service businesses, hotel stays up to ₹7,500 per day dropped from 12% to 5%, and gyms, salons, barbers and yoga services dropped from 18% to 5%.
PIB, GST Reforms 2025, 04-Sep-2025

✓ **1 February 2026 onwards: tobacco and pan masala move to 40%** — Only if you sell tobacco
Cigarettes, chewing tobacco, zarda, unmanufactured tobacco and beedi were deliberately left out of the September change and continued on the old rates plus compensation cess. They moved with effect from 1 February 2026, with beedi at 18%. If you sell these, your year has three rate periods, not two.
Carve-out confirmed in PIB, GST Reforms 2025

What This Means for the Return

✓ **Tables 9, 10 and 11 must carry both the old and new rates** — Watch out
Rate-wise tax paid and the amendments tables need rows for rates that existed for only part of the year. A 12% row and an 18% row can both be correct for the same HSN in FY 2025-26. Do not collapse them.
FORM GSTR-9, Part IV and Part V

✓ **Table 17 HSN summary needs the same HSN at two different rates**
The HSN-wise summary of outward supplies is reported rate-wise. An item that moved from 12% to 5% on 22 September appears twice, once for each period, with the quantities and values split at that date.
FORM GSTR-9, Table 17

✓ **Check whether your billing system dated its rate change or overwrote it** — Check this now
This is the practical failure. If your software let you edit the GST rate on a product master without an effective-from date, every historical invoice may now show the new rate, and your Table 17 will never tie to your GSTR-1. Compare a September invoice printed today against the one issued then.
Reconcile against filed GSTR-1

✓ **Credit notes issued after 22 September against pre-change invoices carry the original rate**
A credit note follows the rate of the supply it adjusts, not the rate on the day it is issued. A November credit note against an August 12% invoice is a 12% credit note.
Section 34, CGST Act

✓ **Transitional supplies need the time of supply tested, not the invoice date alone** — Commonly missed
Where goods were supplied before the change but invoiced after, or payment was received before and invoiced after, Section 14 decides which rate applies. Most businesses have a handful of these around 22 September and they are worth checking individually.
Section 14, CGST Act

A five-minute test that saves a week

Pick any three invoices issued between 15 and 21 September 2025 and reprint them from your billing system today. If the GST rate on the reprint does not match the rate on the copy you gave the customer, your rate master was overwritten rather than date-versioned. Fix the reporting approach now, in August, rather than discovering it in the last week of December when the reconciliation will not close and nobody can explain why.

05

Step 4: Get the ITC Tables Right

Part III is where annual returns go wrong. The rules below come from GSTN's own published guidance, not from interpretation.

Table 6: What You Actually Claimed

✓ **Table 6A auto-fills from GSTR-3B and is not editable**
It is the sum of Table 4A of every GSTR-3B from April 2025 to March 2026. If you claimed, reversed and reclaimed the same credit during the year, it appears in 6A twice. That is expected, not an error.
FORM GSTR-9, Table 6A

✓ **Table 6A1 holds last year's credit that you claimed this year** — Newer table
Credit relating to FY 2024-25 that you first availed during FY 2025-26 goes here, and it is already included in 6A. Credit reclaimed under Rule 37 or 37A is the exception and does not belong in 6A1.
GSTN FAQ on GSTR-9/9C

✓ **Table 6A2 is 6A minus 6A1, and it is what you bifurcate**
This is the current year's own credit. Split it across 6B to 6H. Because the prior year's credit has already been removed through 6A1, Table 6J should come to nil without the difference that used to appear in earlier years.
GSTN FAQ on GSTR-9/9C

✓ **Table 6H is only for Rule 37 and 37A reclaims** — Easy to confuse
Credit reversed for non-payment within 180 days, or because the supplier did not pay tax, and later reclaimed. GSTN treats such a reclaim as credit of the year in which it is reclaimed, always. Other reclaims, for example under Circular 170/02/2022-GST, do not go here.
GSTN FAQ on GSTR-9/9C

✓ **Table 6M is for credit taken through ITC-01, ITC-02 and ITC-02A**
Credit on becoming liable to register, on transfer of business, and on a new place of business. The label changed but the reporting did not.
GSTN FAQ on GSTR-9/9C

Table 8: The Reconciliation With GSTR-2B

✓ **Table 8A now auto-fills from GSTR-2B, not GSTR-2A** — Changed source
It picks up documents for FY 2025-26 appearing in your GSTR-2B for the year, plus FY 2025-26 invoices your suppliers reported late that appear in GSTR-2B between April and October 2026. It excludes FY 2024-25 invoices that landed in your GSTR-2B during April to October 2025.
GSTN FAQ on GSTR-9/9C

✓ **Download the Table 8A document details Excel and use it** — Do this
GSTR-9 dashboard offers an invoice-wise download behind Table 8A. Use it to find which supplier caused a difference instead of arguing with a single consolidated figure.
GSTN FAQ on GSTR-9/9C

✓ **Expect the Excel and the online Table 8A to differ, legitimately**
The Excel can carry records the online table does not: outward supplies under reverse charge, invoices amended from normal to reverse charge, place-of-supply amendments that made credit ineligible, and invoices amended across financial years. GSTN's position is that the online figure is the correct one.
GSTN FAQ on GSTR-9/9C

✓ **Table 8B now comes only from Table 6B**
Table 6H was delinked from 8B. Reclaimed credit does not reappear in GSTR-2B, so including it in 8B used to create a phantom difference in Table 8D. That is now resolved and you should not force a match by adding it back.
GSTN FAQ on GSTR-9/9C

✓ **Table 8C is only for credit you genuinely missed** — Most common error
It covers FY 2025-26 credit claimed for the first time in a GSTR-3B of FY 2026-27, up to 30 November 2026. Credit you claimed, reversed and then reclaimed does not belong here, and putting it in creates a difference in Table 8D that you will not be able to explain.
GSTN FAQ on GSTR-9/9C

- **Table 8H1 covers import credit taken in the following year** — Newer row
  Where IGST on imported goods was paid in FY 2025-26 but the credit was availed in FY 2026-27, report the IGST in 8G and the credit in 8H1, not in Table 6E. Done correctly, Table 8I comes to nil.
  GSTN FAQ on GSTR-9/9C

Tables 7, 12 and 13: Reversals and Cross-Year Movement

- **Table 7 captures every reversal, by reason**
  Rule 37 goes in 7A, Rule 37A in 7A1, Rules 42 and 43 in their own rows, and anything else in 7H. Using 7H for everything because it is quicker removes the department's ability to see why credit moved, and invites a question.
  FORM GSTR-9, Table 7

- **Table 12 is FY 2025-26 credit reversed during FY 2026-27**
  Reversals made in the next year up to the cut-off, relating to this year's credit.
  FORM GSTR-9, Table 12

- **Table 13 is FY 2025-26 credit availed during FY 2026-27** — Easy to confuse
  The mirror of Table 12. Note that credit reclaimed under Rule 37 or 37A does not go in Table 13, because it counts as credit of the year in which it was reclaimed.
  GSTN FAQ on GSTR-9/9C

The one rule that resolves most Table 8 confusion

Ask whether the credit ever left your books and came back. If you claimed it, reversed it, and reclaimed it, that is a Table 6 and Table 7 story, and it must not touch Table 8C. If you simply never claimed it in the year and picked it up later, that is Table 8C and Table 13. Almost every unexplained difference in Table 8D comes from mixing these two up.

06 Step 5: Outward Supplies, Tax Paid and HSN

Parts II, IV and V. Less technical than ITC, but this is where the rate split bites hardest.

Tables 4 and 5: What You Supplied

- ✓ **Table 4 is supplies on which tax is payable, Table 5 is everything else**
  Exempt, nil-rated, non-GST supplies and zero-rated supplies without payment of tax sit in Table 5. Putting an exempt supply in Table 4 overstates your liability and creates a difference in Table 9 you will then try to explain away.
  FORM GSTR-9, Part II

- ✓ **Amendments, credit notes and debit notes go in their own rows, not netted off**
  Report gross values and show the adjustments separately. Netting a credit note against the original sale hides the transaction and breaks the tie-up with GSTR-1.
  FORM GSTR-9, Tables 4I to 4L

- ✓ **Advances received but not invoiced by 31 March 2026 are reported**
  Applies to advances against services where tax was paid on receipt. If the invoice followed in the next year, the advance still belongs in this year's return.
  FORM GSTR-9, Table 4F

Tables 9, 10 and 11: Tax Paid and Later Corrections

- ✓ **Table 9 auto-fills tax payable from your GSTR-3B net liability, and stays editable** — Check, do not trust
  It is taken from the net figure in Table 6.1 of GSTR-3B. If that net was negative in any period, nothing auto-populates for it. Because the column is editable, check it rather than trusting it.
  GSTN FAQ on GSTR-9/9C

- ✓ **Tables 10 and 11 capture FY 2025-26 supplies declared in FY 2026-27**
  Anything for this year that you corrected or added in a return filed between April and November 2026. Table 10 for additions, Table 11 for reductions.
  FORM GSTR-9, Part V

- ✓ **Any additional liability found here is paid through DRC-03** — Cash only
  You cannot pay extra tax through GSTR-9 itself. If the reconciliation throws up a shortfall, pay it in cash through FORM DRC-03 before filing, and keep the reference. Additional liability declared here is payable through the electronic cash ledger only, so it cannot be settled using input tax credit.
  Instruction 9 to FORM GSTR-9

Table 17: HSN Summary of Outward Supplies

- ✓ **Use the HSN download GSTN provides instead of rebuilding it** — Do this
  The GSTR-9 dashboard offers a download of consolidated Table 12 data from GSTR-1 and GSTR-1A, including a sheet already laid out in Table 17 format. It is the fastest way to get a defensible starting point.
  GSTN FAQ on GSTR-9/9C

- ✓ **Report rate-wise, which means splitting at 22 September 2025** — The rate split
  The same HSN at 12% until 21 September and 5% from 22 September is two rows, not one. Quantities and values split at that date.
  FORM GSTR-9, Table 17

- ✓ **The 65% concessional rate checkbox is gone**
  Removed from Tables 17 and 18 from FY 2024-25 onwards, and disabled in the offline utility, because the concession no longer applies. If your working papers still carry it, drop it.
  GSTN FAQ on GSTR-9/9C

07

Step 6: GSTR-9C, If Your Turnover Exceeds ₹5 Crore

The reconciliation between your audited accounts and your annual return. Self-certified, which means the responsibility is yours.

What GSTR-9C Has to Reconcile

✓ **Turnover in the audited financial statements to turnover declared in GSTR-9** — Part II

Start from the audited figure and work down through the standard adjustments: unbilled revenue, deemed supplies, credit notes issued after year end, trade discounts not permitted under Section 15(3), and any supply recognised in a different period for accounting than for GST.

FORM GSTR-9C, Part II

✓ **Tax paid rate-wise, reconciled to what was actually declared**

For FY 2025-26 this table has to accommodate the pre and post 22 September rates for the same line of business. Build the working paper by period first, then summarise.

FORM GSTR-9C, Part III

✓ **Input tax credit in the books reconciled to credit claimed**

Expense-head-wise ITC reconciliation is where differences usually surface: credit booked on ineligible expenses under Section 17(5), credit on personal expenditure, and credit claimed on an invoice that was never received.

FORM GSTR-9C, Part IV

✓ **Every unreconciled difference needs a written reason** — Do not skip

The form asks for reasons, and a blank or generic reason is worse than a small difference honestly explained. Write the reason as though someone will read it two years from now, because they might.

FORM GSTR-9C, Parts II to IV

The Late Fee Table That Catches People Out

✓ **GSTR-9C now has its own late fee table, Table 17 'Late Fee Payable and Paid'** — Newer table

Inserted below Part V to capture late fee payable under Section 47(2). It was introduced after CBIC clarified that the annual return under Section 44 is complete only when GSTR-9C is filed too, where applicable.

Circular 246/03/2025-GST, dated 30-Jan-2025

✓ **Filing GSTR-9 on time does not stop the clock if GSTR-9C is late** — Most expensive mistake

The GSTR-9C late fee runs from the later of the annual return due date or the date you filed GSTR-9, until the day you file GSTR-9C. File GSTR-9 on 31 December and GSTR-9C on 7 January, and you owe seven days of late fee even though GSTR-9 was on time.

Circular 246/03/2025-GST, via GSTN FAQ

✓ **Both fees are auto-calculated by the portal**

The system works out the split from your two filing dates. Where GSTR-9 was itself late, part of the total is charged in GSTR-9 and the balance in GSTR-9C, so the days are not counted twice.

GSTN FAQ on GSTR-9/9C

Do not file GSTR-9 and leave GSTR-9C for January

This is the single most common and most avoidable cost in the whole process. Many businesses file the annual return comfortably before 31 December, then treat the reconciliation statement as a follow-up task. Under Circular 246/03/2025-GST the late fee under Section 47(2) applies to the complete annual return, and GSTR-9C is part of it. Every day between the two filings is chargeable. Prepare them together and file them together.

08 Step 7: Deadlines and What Delay Actually Costs

The numbers below are the combined CGST and SGST amounts, which is what you actually pay.

₹50/day
Late Fee up to ₹5 Crore Turnover
Notification 07/2023-CT, CGST + SGST combined

₹200/day
Late Fee above ₹20 Crore Turnover
Section 47(2), CGST Act, CGST + SGST combined

0.5%
Maximum Cap, Large Taxpayers
Of turnover in the State or Union territory

Aggregate turnover	Late fee per day (CGST + SGST)	Maximum cap	Basis
Up to ₹5 crore	₹50 (₹25 + ₹25)	0.04% of turnover in the State or UT	Notification 07/2023-Central Tax
Above ₹5 crore, up to ₹20 crore	₹100 (₹50 + ₹50)	0.04% of turnover in the State or UT	Notification 07/2023-Central Tax
Above ₹20 crore	₹200 (₹100 + ₹100)	0.5% of turnover in the State or UT	Section 47(2), CGST Act

Dates for FY 2025-26

✓ **30 November 2026: last date to claim FY 2025-26 input tax credit** — The real deadline
Also the last date to issue and report a credit note against a FY 2025-26 supply, and the practical cut-off for suppliers to report missing invoices so they reach your GSTR-2B. Treat this, not December, as the real deadline.
Section 16(4) and Section 34(2), CGST Act

✓ **Filing GSTR-9 early closes your ITC window early** — Counter-intuitive
Both Section 16(4) and Section 34(2) set the cut-off as the earlier of 30 November 2026 or the date you furnish the annual return. File GSTR-9 in October and you lose the November window for credit and for credit notes. Finish the ITC reconciliation before you file, not after, and never file the annual return early just to get it off the list.
Section 16(4) and Section 34(2), CGST Act

✓ **31 December 2026: GSTR-9 and GSTR-9C due** — Deadline
Both on the same day, and both should be filed on the same day. The date is set by rule, not by notification, so plan for it rather than waiting to see whether an extension arrives.
Rule 80(1) and 80(3), CGST Rules 2017

✓ **If an extension is announced, it will come late and it may not come at all**
Extensions have been granted in some past years and not in others, often within days of the deadline. Building a filing plan around one is how businesses end up paying late fee on a return that was ready in November.
Confirm on gst.gov.in

How the Late Fee Works

✓ **It runs per day, per GSTIN, from 1 January** — Per registration
A group with four state registrations that files a month late pays the daily fee four times over. The turnover slab is decided by aggregate turnover, but the fee itself lands on each registration.
Section 47(2), CGST Act

✓ **The cap is a percentage of state turnover, not of the total**
For a business with turnover concentrated in one state and small registrations elsewhere, the caps in the smaller states are correspondingly small. It is genuine relief for the branches, not for the main entity.
Notification 07/2023-Central Tax

✓ **The late fee is separate from interest on unpaid tax**

If the reconciliation shows tax short-paid during the year, interest under Section 50 runs from the original due date of that tax, independently of anything to do with the annual return.

Section 50, CGST Act

✓ **There is no revision, so a rushed filing is not a cheap filing**

Weigh a few days of late fee against filing something you know is wrong. A late but correct return costs a known amount. An incorrect one that cannot be revised costs an unknown amount later.

Section 44, CGST Act

09 Mistakes That Cost the Most

Drawn from where the rules are hardest to follow, not from generic advice.

Before Filing

- ✓ **Treating 31 December as the deadline and missing 30 November** — Costs real money
  By the time most businesses sit down with the annual return in December, the door on claiming FY 2025-26 credit has already closed. Missing credit found in December is a loss, not a correction. Do the ITC reconciliation in October.
- ✓ **Assuming the ₹2 crore exemption applies per GSTIN** — Watch out
  It is tested on all-India PAN-level aggregate turnover. Two ₹1.5 crore registrations under one PAN mean ₹3 crore and no exemption for either.
- ✓ **Not checking whether the billing system date-versioned the September rate change** — FY 2025-26 specific
  If old invoices reprint at new rates, nothing in the return will reconcile and the cause is very hard to find in December. Test it now.

While Filling the Form

- ✓ **Putting claim-reverse-reclaim credit into Table 8C**
  It belongs in Tables 6B, 7 and 6H. Adding it to 8C manufactures a difference in Table 8D that cannot be explained.
- ✓ **Forcing Table 8D to nil by adjusting numbers until it balances**
  A genuine difference, usually a supplier who never filed, is expected and can be explained. A balanced table built from adjusted figures cannot be, and it is exactly what a scrutiny notice asks about.
- ✓ **Reporting everything in Table 7H because the reason is unclear**
  Reversals reported by reason tell a coherent story. Reversals dumped into other reversals do not, and they draw questions that a correctly split table would have answered.
- ✓ **Netting credit notes against sales instead of reporting both**
  Breaks the tie-up with GSTR-1 and understates turnover in a way that is immediately visible when the two are compared.
- ✓ **Paying additional liability with input tax credit** — Cash only
  Liability declared through the annual return is payable in cash through DRC-03. Attempting to set it off against credit leaves the liability outstanding.

At Filing

- ✓ **Filing GSTR-9 in December and GSTR-9C in January** — Most expensive
  Late fee runs on the gap. File them together.
- ✓ **Waiting for an extension that may not be notified**
  Some years it comes, some years it does not, and when it comes it is usually announced within days of the deadline.
- ✓ **Not keeping the working papers**
  The reconciliation you built to file is the evidence you will need if the return is picked up for scrutiny two years later. Save the workings, the DRC-03 reference and the Table 8A download alongside the filed return.

A sensible timeline for FY 2025-26

September and October 2026: reconcile ITC and chase suppliers for missing invoices. By 30 November 2026: claim every remaining credit, issue every pending credit note, and pay any reverse charge shortfall. December 2026: build the GSTR-9C reconciliation, split the rate periods, and file GSTR-9 and GSTR-9C together well before the 31st. Working backwards from December is how businesses end up paying for credit they were entitled to.

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AUTOMATE THIS

The annual return is only as good as the *year's billing*

Most GSTR-9 pain starts twelve months earlier, in messy invoices and rate masters that were never dated. Petpooja Invoice keeps GST invoices, e-invoices, e-way bills and rate-wise reports clean all year, so December is a review, not a reconstruction.

Book a Free Demo

Talk to us: +91-92279 80766 | getinvoice@petpooja.com