



GSTR-9C Late Fee Waiver: A Brief Guide

Description

Understanding GST Circular No. 246/03/2025: Implications of Late Fee on Form GSTR-9C Filing

The Central Board of Indirect Taxes and Customs (CBIC) recently issued **GST Circular No. 246/03/2025**, clarifying the applicability of **late fees on delayed filing of FORM GSTR-9C**—the reconciliation statement that must be filed along with the annual return (Form GSTR-9) by taxpayers exceeding the prescribed turnover threshold. This circular provides crucial insights into **the legal framework, compliance requirements, and relief measures** concerning late fees.

([Refer this blog](#) to know about GSTR-9 & GSTR-9C)

1. The Legal Background of FORM GSTR-9C Filing

Before August 1, 2021, GST law required taxpayers exceeding **₹2 crore** in turnover to **get their accounts audited** and submit a **certified reconciliation statement** (FORM GSTR-9C) alongside FORM GSTR-9. However, post-amendment, the mandatory audit requirement was removed, and **only taxpayers exceeding ₹5 crore in turnover** were required to **self-certify and submit FORM GSTR-9C** along with their annual return.

Thus, a key takeaway from this circular is that **if a taxpayer is obligated to file FORM GSTR-9C but submits only FORM GSTR-9, the annual return is considered incomplete**, making them liable for late fees under Section 47(2) of the CGST Act.

[Section 47\(2\)](#) states that any registered person failing to submit the return under Section 44 by the due date will incur a late fee of ₹100 per day. The total late fee is capped at a maximum of 0.25% of the person's turnover in the respective State or Union Territory.

2. Clarification on Late Fee Applicability

The circular provides a detailed explanation of how **late fees** will be calculated in different scenarios:

- **Case 1: Taxpayer Not Required to File FORM GSTR-9C**
- Only FORM GSTR-9 is needed.

- Late fee applies if it is filed after the due date.
- **Case 2: Taxpayer Required to File FORM GSTR-9C**
- The annual return is incomplete until **both FORM GSTR-9 and FORM GSTR-9C are submitted**.
- Late fees will apply **from the due date of FORM GSTR-9C submission till the actual date of submission**.
- If FORM GSTR-9 is filed first and FORM GSTR-9C is delayed, **the late fee applies till the latter is filed**.

The key point is that **late fees are not calculated separately for FORM GSTR-9 and FORM GSTR-9C**—rather, they are levied based on the overall delay in submitting the complete return package.

3. Relief Measures: Waiver of Additional Late Fees for Past Delays

One of the most significant aspects of the circular is the **partial waiver of late fees** for delayed submission of FORM GSTR-9C for financial years up to **FY 2022-23**. According to **Notification No. 08/2025-Central Tax dated 23.01.2025**, the excess late fee beyond what is applicable up to the submission date of FORM GSTR-9 has been waived—if **FORM GSTR-9C is submitted before March 31, 2025**.

This means businesses that have not yet filed their reconciliation statements for previous years have a **last opportunity to comply without incurring additional penalties**. However, **no refunds will be issued** for any late fees already paid.

4. Key Takeaways for Businesses and Taxpayers

? **Taxpayers exceeding ?5 crore turnover must ensure timely filing of both FORM GSTR-9 and FORM GSTR-9C to avoid late fees.**

? **If FORM GSTR-9C is delayed beyond the due date, the late fee applies from the due date of FORM GSTR-9 until both are filed.**

? **Businesses that have delayed FORM GSTR-9C filing for previous financial years can avoid additional late fees by submitting before March 31, 2025.**

? **No separate late fee is imposed for FORM GSTR-9C; the fee applies to the entire return submission process.**

Final Thoughts

This circular underscores the importance of **timely [GST compliance](#)**, especially for taxpayers required to file FORM GSTR-9C. The partial waiver for past delays provides relief, but businesses must take advantage of this by **filing before March 31, 2025**. Going forward, maintaining a **proactive GST filing strategy** will be crucial in avoiding penalties and ensuring seamless tax compliance.

For businesses that have faced delays, **this is the perfect opportunity to rectify past non-compliance and avoid further financial burden**.

Read the official circular by [clicking here](#)

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