



11 December 2025

To,  
Smt. Nirmala Sitharaman  
Hon'ble Minister of Finance  
North Block  
Ministry of Finance  
Government of India  
New Delhi – 110001

The Chairperson  
Central Board of Indirect Taxes & Customs (CBIC)  
North Block, Ministry of Finance  
Government of India  
New Delhi – 110001

The GST Council Secretariat  
Office of the GST Council Secretariat  
5th Floor, Tower II, Jeevan Bharti Building  
Janpath Road, Connaught Place  
New Delhi – 110001

The Principal Chief Commissioner CGST & Central Excise, Mumbai Zone  
Office of the Principal Chief Commissioner  
GST Bhavan, 115, Maharshi Karve Marg,  
Churchgate, Mumbai – 400001

**Subject: Representation highlighting key challenges in filing Annual Return (FORM GSTR-9) and Reconciliation Statement (FORM GSTR-9C), and request for an extension of the due date of filing**

Respected Madam/ Sir,

The Bombay Chartered Accountants Society (BCAS) submits this representation on behalf of our members and the broader taxpayer community.

The purpose of this representation is to draw your attention to the significant practical and technical challenges being faced by taxpayers and tax professionals in complying with the annual return requirements for the Financial Year 2024-25. These challenges stem directly from the numerous and substantial amendments recently introduced in FORM GSTR-9 (Annual Return) and FORM GSTR-9C (Reconciliation Statement), primarily through recent notifications (12/2024-CT and 13/2025-CT).

### **1. The escalating complexity of the annual compliance framework**

We appreciate the government's continuous efforts to refine the GST framework. However, the annual compliance forms, GSTR-9 and GSTR-9C, are not static requirements. They have been subject to numerous amendments by a series of notifications issued over the years (e.g., Notifications 74/2018-CT, 56/2019-CT, 79/2020-CT, 38/2023-CT, and most recently, 12/2024-CT and 13/2025-CT).



This constant evolution, while aimed at improvement, creates a moving target for compliance. It demands that taxpayers and professionals perpetually adapt their data management systems, reconciliation processes, and reporting software.

## 2. Critical challenges in filing FORM GSTR-9 of FY 2024-25

While the annual return is intended to consolidate the monthly or quarterly filings, the recent amendments represent a fundamental policy shift. They revoke long-standing practical relaxations that the industry had built processes around for several years, introducing new layers of complexity that far exceed simple aggregation.

This reversal of accepted practice, rather than an incremental change, is the primary driver of the current compliance strain, necessitating intricate data segregation, meticulous tracking of cross-period transactions, and the application of new reconciliation logic. This section deconstructs the most pressing issues encountered in FORM GSTR-9.

### 2.1. Increased Granularity and Intricacy in ITC Reporting

The amendments have altered the reporting of Input Tax Credit (ITC), increasing the time and effort required for preparation, as explained below:

Amendment/Change	Impact on Taxpayer
<b>New Table 6A1:</b> Introduction of a separate field to report ITC from the preceding financial year availed in the current year, specifically excluding ITC reclaimed under Rule 37 (non-payment to vendor) and Rule 37A (supplier's non-compliance).	This requires taxpayers to maintain a new, complex data tracker to segregate prior-period ITC from current-period ITC and further distinguish it from specific types of reclaimed credits. It breaks the traditional flow of ITC reconciliation.
<b>Mandatory Break-up in Table 7:</b> The option to report a consolidated figure for ITC reversals in Table 7H has been removed. It is now mandatory to provide a rule-wise break-up for reversals under Rules 37, 37A, 38, 42, and 43.	This change necessitates a detailed, retrospective analysis of all ITC reversals made during the year to map them to the specific rule under which they were made. For many, this data was not tracked with such granularity, requiring a significant manual effort.
<b>Segregation in Table 6H:</b> The requirement to separately report ITC that was availed, reversed, and subsequently reclaimed under the provisions of the Act, particularly credits related to Rules 37 and 37A.	This adds another layer of complexity. The lifecycle of a single credit (claim, reversal, reclaim) must now be tracked and reported across different tables (6B, 7, and 6H), increasing the risk of reporting errors and mismatches.
<b>New Table 8H1:</b> The introduction of a dedicated field to report IGST paid on imports during the current financial year, but where the credit is availed in the next financial year.	This creates an additional reconciliation point for import transactions, forcing taxpayers to meticulously track Bill of Entry dates against the period of ITC availment in FORM GSTR-3B.

### 2.2. Complications from new auto-population logic in Table 8

The data source and logic for auto-populating Table 8A have been significantly revised, creating new reconciliation challenges.



Table 8A, which contains details of ITC reflected in Table 8A, was initially auto-populated from GSTR-2A up to FY 2022-23 based on the document year (and not the supplier's filing period). In FY 2023-24, Table 8A auto-population shifted to GSTR-2B auto-populated for FY 2023-24, irrespective of the document

year. This meant that an invoice dated FY 2022-23 auto-populated in the recipient's GSTR-2B of FY 2023-24 will reflect in Table 8A of FY 2022-23 & FY 2023-24. From FY 2024-25 onwards, the auto-population of Table 8A is again shifted to document date, irrespective of the GSTR-2B period, i.e., even if they are reported by suppliers up to October of the next financial year. Further, if any documents of previous financial year is reflected in GSTR-2B of current financial year, the same is not auto-populated in Table 8A.

This change forces taxpayers to perform an entirely new, year-specific ITC reconciliation for each GSTIN. They must now filter their GSTR-2B data to exclude any prior-year invoices that may appear in the current year's statements. This change adds a significant layer of analytical work to an already complex process.

Further, the users are also experiencing the technical glitches on the GST portal as a result of which after filing the Annual Return the auto populated figures in Table 8A are captured as Nil. **Attaching herewith sample cases of the screenshots of the draft Annual Return and the Filed Annual Return in two cases.** These returns were filed on 03-12-2025 and 9-12-2025.

### 2.3. Reporting of spillover transactions

Certain disclosures, previously optional, have been made mandatory. This shift requires a level of data tracking that many taxpayers' systems are not equipped to handle without manual intervention.

- ITC reversed/availed in next financial year (Table 12/13):** Taxpayers must meticulously track all invoices from the current FY for which ITC is reversed/availed in the subsequent FY and report this figure accurately.
- Distinguishing Table 8C from Table 13:** A subtle but critical distinction now exists. Table 13 is meant to capture *all* ITC of the current FY availed in the next FY. Table 8C, which is a component of the reconciliation in Table 8, is a subset of this, capturing ITC on inward supplies received during the financial year but availed later. This nuanced difference requires careful data segregation to avoid either understating ITC availed in the subsequent year in Table 13 or creating a mismatch in the Table 8D reconciliation, which is a primary trigger for departmental scrutiny.

### 2.4. The discrepancy between Net ITC as per GSTR-3B and GSTR-9

One of the most fundamental changes is the delinking of the Net ITC figure between FORM GSTR-3B and FORM GSTR-9. Up to FY 2023-24, the Net ITC as per the consolidated GSTR-3B (Table 4C) would generally reconcile with the Net ITC available for utilization in GSTR-9 (Table 7J).

From FY 2024-25 onwards, this is no longer the case. The reconciliation now follows a new formula:  
***Net ITC as per GSTR-3B [Table 4C] = ITC of preceding FY availed in current FY [Table 6A1 of GSTR-9] + Net ITC as per GSTR-9 [Table 7J]***



This change requires a complete re-engineering of existing reconciliation workbooks and processes that have been used for years, demanding a thorough understanding of the new data flow to ensure an accurate annual return. These challenges are not limited to GSTR-9 but extend with equal, if not greater, complexity to the GSTR-9C reconciliation statement since Table 12 of GSTR-9C requires reconciliation of ITC accounted in the financial statements (which may include ITC of previous financial year) with the Net ITC as per GSTR-9 (captured in Table 7J) which does not include ITC of the previous financial year, resulting in an apparent mismatch between books and returns. **Therefore, the figures auto-populated in Table 12E of GSTR-9C from Table 7J of GSTR-9 is erroneous since the same excludes ITC of previous financial year reduced in Table 6A(1) of GSTR-9.**

### **3. Significant hurdles in preparing FORM GSTR-9C**

FORM GSTR-9C is intended to bridge the gap between GST returns and audited financial statements. However, the recent withdrawal of long-standing practical relaxations has made this reconciliation significantly more arduous and demanding.

#### **3.1. Increased Complexity in Turnover Reconciliation**

In Part II of FORM GSTR-9C, taxpayers previously had the option to report various adjustments to turnover—such as unbilled revenue, unadjusted advances, and deemed supplies—in a consolidated manner under Table 5O ("Adjustments in turnover due to reasons not listed above"). This relaxation has now been withdrawn.

For FY 2024-25 onwards, taxpayers must mandatorily report these adjustments in their respective dedicated fields (Tables 5C through 5N). This requires a much more detailed and time-consuming mapping exercise between the audited financials and the GSTR-9 turnover figures, increasing the burden on both taxpayers and their certifying professionals.

#### **3.2. Mandatory Reporting of Cross-Year ITC Reconciliation**

Similarly, in Part IV of FORM GSTR-9C, the option to not fill certain tables related to cross-year ITC has been removed. Specifically:

- **Table 12B:** ITC booked in earlier Financial Years but availed in the current Financial Year.
- **Table 12C:** ITC booked in the current Financial Year to be availed in subsequent Financial Years.

The mandatory reporting in these tables forces a complex reconciliation of ITC based on two different principles: the timing of booking in financial statements (accrual basis) and the timing of availment in GST returns (as per GST law). These timings can differ significantly, and reconciling them requires deep analysis of accounting records and GST returns, making the preparation of GSTR-9C substantially more challenging.

### **4. Clarification challenges**

To address the impact of these recent amendments, three FAQs have been issued so far, for FY 2024-25 (the latest one being issued on 4/12/2025). When significant changes are introduced late in the compliance cycle, subsequent clarifications, even those issued in rapid succession, add to the administrative burden and lead to delays as professionals and taxpayers must first absorb the new legal provisions and then interpret the clarification.



## 5. Dependency on Audited Annual Financial Statements

The process of filing GSTR-9C is fundamentally dependent on the completion and availability of the audited annual financial statements. The reconciliation statement (FORM GSTR-9C) requires reconciling the turnover declared in the Annual Return (GSTR-9) with the turnover reported in the audited annual financial statements. The preparation of GSTR-9C mandates the successful completion of other statutory audits, including the submission of the audited annual accounts. With the extension of tax audit due dates from 30<sup>th</sup> September to 10<sup>th</sup> November, the data for preparing GSTR-9/9C became available only after mid-November in many cases. This has significantly compressed the timeline available for GSTR-9/9C.

## 6. Wider Compliance Scope and Workload

The annual returns are to be filed for each registration obtained under GST. Therefore, if a taxpayer is registered in multiple states, separate compliance needs to be done for each such registration which substantially increases the scope of compliance and workload.

## 7. Cumulative Impact and the Case for an Extension

The combined effect of these numerous, intricate changes imposes a significant strain on the resources of taxpayers and professionals, thereby compelling a case for an extension of the filing deadline. These amendments represent a fundamental policy shift, moving away from practical relaxations that the industry had built processes around for several years. This reversal of accepted practice, rather than an incremental change, is the primary driver of the current compliance strain. The cumulative impact can be summarized as follows:

- Procedural Squeeze on Preparation Time:** A new pre-condition for FY 2024-25 mandates that FORM GSTR-9 can only be filed after all GSTR-1 and GSTR-3B returns for the financial year are submitted. This creates a domino effect, where any delay in monthly filings directly blocks annual compliance, significantly shrinking the effective time available for preparing these newly complex annual forms.
- Substantial Increase in Compliance Time and Effort:** The shift from optional and consolidated reporting to mandatory and granular disclosures across multiple tables in both FORM GSTR-9 and GSTR-9C requires a complete overhaul of data collation, preparation, and reconciliation processes. This cannot be achieved without a significant investment of additional time and effort.
- Heightened Risk of Inadvertent Errors:** The increased complexity, new reconciliation formulas, and nuanced reporting requirements significantly elevate the risk of unintentional errors. For instance, a failure to correctly apply the new Net ITC formula from Section 3.4 or misclassifying reclaimed credit under Rule 37 could lead to an incorrect declaration of tax liability, unfairly exposing compliant taxpayers to scrutiny, notices, and potential litigation.
- Need for System and Process Upgrades:** To comply with these changes accurately, taxpayers and their consultants need adequate time to first understand the amendments thoroughly, provide training to their teams, and subsequently update their accounting software, ERP systems, and internal processes to capture the newly required data points prospectively and retrospectively.

These impacts collectively demonstrate that the business and professional community requires a reasonable transition period to adapt to this new, more demanding compliance paradigm.



#### **8. Formal Request for Extension of Due Date**

In light of the substantial and complex amendments detailed above, and on behalf of the members of the Bombay Chartered Accountants Society and the wider taxpayer community, we formally and respectfully request a general extension for the filing of FORM GSTR-9 and FORM GSTR-9C for the Financial Year 2024-25. We propose an extension of the due date by **at least three months** for all taxpayers. Such an extension is crucial to allow taxpayers and professionals sufficient time to absorb these significant procedural changes, ensure data accuracy, undertake necessary system upgrades, and fulfill their compliance obligations correctly. Granting this request will foster a more accurate, less error-prone filing season, which is in the best interest of both the government and the taxpayers.

#### **9. About BCAS**

BCAS is a voluntary organization established on 6th July 1949. BCAS presently has more than 11500 members from all over the country. BCAS is a principle-centered and learning-oriented organization promoting quality service and excellence in the profession of Chartered Accountancy.

The organization serves as a catalyst to develop better and more effective Government policies & laws, aiming to achieve a clean & efficient administration and governance. BCAS makes representations to various authorities on different laws as well as on procedural issues, with a view to making them just and friendly to the general public. The representations include pre- and post-budget memoranda to the Ministry of Finance, the Central Board of Direct Taxes, the Central Board of Indirect Taxes, and the Ministry of Company Affairs, amongst others.

BCAS conducts various educational activities such as seminars, workshops, residential refresher courses, study circles, lecture meetings, and distant learning programs on Direct & Indirect taxes, and corporate & allied laws. BCAS also conducts free clinics, such as Accounts & Audit Clinic, Charitable Trust Clinic, and RTI Clinic to help the members & nonmembers in respective areas. Eminent experts provide free advice at these clinics on pre-fixed days. The website of BCAS viz. [www.bcasonline.org](http://www.bcasonline.org), apart from giving the latest news, circulars and notifications relevant for professionals, also serves as a "Knowledge Portal", and is an excellent source of information.

Thanking you in anticipation.

Yours Faithfully,  
For Bombay Chartered Accountants Society

**CA. Zubin F. Billimoria**  
President

**CA. Govind Goyal**  
Chairman – Indirect Tax Committee



**Annexure: Screenshot of Draft Annual Return and Final Annual Return showing Different Figures in Table 8A due to technical glitch.**

**A. Screenshot of Annual Return filed on 9/12/2025**

**Draft Return**

Pt. III	Details of ITC for the financial year				
Sr.No	Details	Central Tax(₹)	State Tax / UT Tax(₹)	Integrated Tax(₹)	Cess(₹)
	1	2	3	4	5
8	Other ITC related information				
A	ITC as per GSTR-2B [Table 3(l) thereof]	18,73,944.90	18,73,944.90	1,165.66	0.00
B	ITC as per sum total of 6(B) above	18,73,515.15	18,73,515.15	1,165.66	0.00
C	ITC on inward supplies (other than imports and inward supplies liable to reverse charge but includes services received from SEZs) received during the financial year but availed in the next financial year upto specified period	0.00	0.00	0.00	0.00
D	Difference [A-(B+C)]	429.75	429.75	0.00	0.00
E	ITC available but not availed	0.00	0.00	0.00	0.00
F	ITC available but ineligible	0.00	0.00	0.00	0.00

**Final Return**

Pt. III	Details of ITC for the financial year				
Sr.No	Details	Central Tax(₹)	State Tax / UT Tax(₹)	Integrated Tax(₹)	Cess(₹)
	1	2	3	4	5
8	Other ITC related information				
A	ITC as per GSTR-2A (Table 3 & 5 thereof)	0.00	0.00	0.00	0.00
B	ITC as per sum total of 6(B) above	18,73,515.15	18,73,515.15	1,165.66	0.00
C	ITC on inward supplies (other than imports and inward supplies liable to reverse charge but includes services received from SEZs) received during the financial year but availed in the next financial year upto specified period	0.00	0.00	0.00	0.00
D	Difference [A-(B+C)]	429.75	429.75	0.00	0.00
E	ITC available but not availed	0.00	0.00	0.00	0.00



**B. Screenshot of Annual Return filed on 9/12/2025**

**Draft Return**

Details of ITC for the financial year					
Sr.No	Details	Central Tax(₹)	State Tax / UT Tax(₹)	Integrated Tax(₹)	Cess(₹)
	1	2	3	4	5
8	Other ITC related information				
A	ITC as per GSTR-2B [Table 3(l) thereof]	9,63,059.96	9,63,059.96	1,39,11,613.06	0.00
B	ITC as per sum total of 6(B) above	9,62,111.62	9,62,111.62	1,39,11,613.06	0.00
C	ITC on inward supplies (other than imports and inward supplies liable to reverse charge but includes services received from SEZs) received during the financial year but availed in the next financial year upto specified period	0.00	0.00	0.00	0.00
D	Difference [A-(B+C)]	948.34	948.34	0.00	0.00

**Final Return**

Details of ITC for the financial year					
Sr.No	Details	Central Tax(₹)	State Tax / UT Tax(₹)	Integrated Tax(₹)	Cess(₹)
	1	2	3	4	5
8	Other ITC related information				
A	ITC as per GSTR-2A (Table 3 & 5 thereof)	0.00	0.00	0.00	0.00
B	ITC as per sum total of 6(B) above	9,62,111.62	9,62,111.62	1,39,11,613.06	0.00
C	ITC on inward supplies (other than imports and inward supplies liable to reverse charge but includes services received from SEZs) received during the financial year but availed in the next financial year upto specified period	0.00	0.00	0.00	0.00
D	Difference [A-(B+C)]	948.34	948.34	0.00	0.00