



Date: 03rd September, 2025

To

Smt. Nirmala Sitharaman

Hon'ble Union Minister for Finance and Corporate Affairs

Government of India,

New Delhi - 110001

To

The Hon'ble Chairman

Central Board of Direct Taxes

Ministry of Finance

North Block, New Delhi – 110001

Subject: Representation Requesting Extension of Due Dates for Filing of Income Tax Returns and Audit Reports for AY 2025–26

Respected Sir,

India's tax architecture has steadily moved toward deeper digitisation and richer disclosures. This shift has improved transparency and widened the base. It has also raised the professional standard for return preparation and audit-the work is no longer a single "upload" but a multi-stage exercise involving data merges, reconciliations across systems, stringent validations, and layered attestations. In normal years, the calendar absorbs this complexity. This year, it has not.

The current compliance cycle has been defined by a late start for key utilities that govern the entire workflow for audited entities-partnerships, companies, LLPs, trusts and other assesseees who cannot commence serious work until stable schemas and utilities are available. **In practice, usable utilities for these categories landed well into July and August 2025, compressing a multi-month preparation arc into a matter of weeks.** That compression is not a mere inconvenience; it is a quality risk. Audit planning, closure of books, inter-system reconciliations (GST/TDS/SFT), director/partner confirmations, board approvals where applicable, and audit committee sign-offs cannot be executed to the expected standard if the runway is cut short at the front end.

Once work did begin, the operating environment remained volatile. Professionals report **intermittent validation changes, occasional upload errors without actionable diagnostics, and episodic slowdowns typical of peak-load periods.** Any one of these issues is manageable in isolation; taken together, under shortened timelines, they create real execution risk. The cost is either delay or a hurried filing. Neither outcome serves the Department or the taxpayer.



This year also features moving parts outside the Income-tax framework that materially affect readiness. Between August and October, businesses simultaneously face monthly/quarterly GST returns, MCA filings for corporates, sectoral submissions, and-specifically for charitable institutions-additional Income-tax compliances. The same finance and audit teams shoulder all these obligations. **Overlay the staggered regional festive calendar in this quarter and the theoretical number of “calendar days” bears little resemblance to effective working days on the ground.** Capacity constraints, not intent, become the binding constraint.

Further, the profession is transitioning **non-corporate entities to revised financial statement presentations and more granular disclosures. Re-classification, compilation of comparatives, and articulation of expanded notes require judgement time and iterative review between management and auditors.** That professional time has been crowded out by the compressed start and the overlapping statutory grid.

Against this backdrop, holding the present due dates for audit reports and audit-case returns will force a trade-off between speed and accuracy. Rushed compliance predictably yields defective returns, rectification petitions, mismatches with AIS/TIS/26AS, avoidable notices, and downstream litigation-transferring today’s time pressure into tomorrow’s administrative burden.

What we seek - simply put

We are not asking for revenue forbearance; TDS and advance tax have already secured collections, and self-assessment shortfalls carry interest. We are asking for time-time that allows quality. Specifically: keep the already-extended non-audit return date of **15 September 2025** unchanged; permit **tax audit reports and allied forms till 30 November 2025**; permit **ITRs in audit cases till 31 December 2025**; for **transfer-pricing cases (Form 3CEB)**, allow **31 January 2026**; and accept **belated/revised returns till 31 March 2026**. This staggers the load, reduces portal stress, and preserves the integrity of filings.

Why this is the prudent administrative choice

1. **Quality over throughput.** Where the start line slips by weeks, the finish line must be re-aligned if we want the same standard of compliance. Time enables full reconciliations with third-party data (AIS/TIS/26AS), tie-outs with GST and TDS systems, and internal governance checks. That reduces defective filings, limits rectifications, and narrows the funnel for disputes.
2. **Stability beats surge.** A longer runway spreads traffic and reduces peak-hour system strain. The Department benefits in real terms-fewer failed submissions, fewer grievance tickets, and a smoother close to the cycle.
3. **Inclusivity in practice.** MSMEs, trusts, and salaried taxpayers who rely on professionals (without in-house compliance benches) should not face a de facto disadvantage because capacity is finite in a compressed window.



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4. **Ease of doing business-operationalised.** Policy intent to lower compliance friction translates, on the ground, into realistic timetables aligned to the year's operational realities-especially when utility availability and schema stability arrive mid-cycle.
5. **No loss of revenue.** Collections cadence remains intact; the ask is for filing time, not tax time.

Net impact

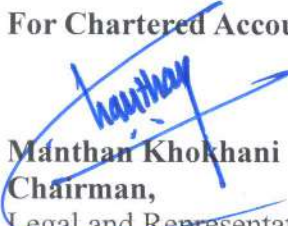
A calibrated extension squarely serves the Department's objectives: higher-fidelity data at first pass, materially fewer post-filing corrections, a decongested portal in crunch weeks, and better-directed assessment resources. It also preserves taxpayer morale-compliance done right, not simply fast.

We reiterate our appreciation for the Board's responsiveness earlier this year and respectfully submit that a measured, time-bound relaxation now will safeguard quality and predictability in the system. We remain available to support with practitioner feedback on implementation mechanics, should that be useful.

With respectful regards,

With highest regards,

For Chartered Accountants' Association, Ahmedabad


Manthan Khokhani
Chairman,
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