

PREFACE

This Report for the year ended March 2010 has been prepared for submission to the President under Article 151(1) of the Constitution of India.

Audit of Revenue Receipts – Direct Taxes of the Union Government is conducted under section 16 of the Comptroller and Auditor General of India (Duties, Powers and Conditions of Service) Act, 1971.

The Report presents the results of audit of receipts under direct taxes comprising Corporation Tax, Income Tax, Fringe Benefit Tax and Wealth Tax and is arranged in the following order: -

- (i) Chapter I: on tax administration;
- (ii) Chapter II: on audit impact of direct taxes and mentions the results thereof;
- (iii) Chapter III: on our findings on assessments of Corporation Tax;
- (iv) Chapter IV: on our findings on assessments of Income Tax in Part A, Fringe Benefit Tax in Part B and Wealth Tax in Part C.

The cases included in this Report are the results of audit conducted during 2009-10 and in earlier years which could not be covered in the previous reports.