

PREFACE

The Report for the year ended March 2005 has been prepared for submission to the President under Article 151(1) of the Constitution of India.

The 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 reviews and appraisals of receipts under direct taxes. This Report is arranged in the following order:-

- (i) Chapter 1 is a broad based review on the efficiency of the summary assessment scheme and the process of selection of cases for scrutiny.
- (ii) Chapter 2 discusses the extent to which provisions relating to search and seizure have been effective.

The observations included in this Report have been selected from the findings of test audit conducted during 2004-2005.