

EXECUTIVE SUMMARY

This Report contains 55 paragraphs, with a revenue implication of ₹ 250.71 crore. We had issued another 95 paragraphs involving money value of ₹ 77.06 crore to the department/Ministry on which rectificatory action was taken in the form of issuing of show cause notices, adjudicating of show cause notices and recovery of ₹ 29.12 crore. A few significant findings included in this Report are mentioned in the following paragraphs:-

Chapter I: Central Excise Receipts

- In the last five audit reports (including the current year's report), we had included 664 audit paragraphs involving ₹ 3,807.85 crore. Of these, the Government had accepted audit observations in 481 audit paragraphs involving ₹ 2,687.21 crore and had recovered ₹ 187.48 crore.

{Paragraph 1.10.1}

Chapter II: Valuation of excisable goods

- Instances of undervaluation due to non-inclusion of additional consideration in the value, incorrect determination of cost of excisable goods, valuation on the basis of retail sale price, excisable goods not being fully valued, non-inclusion of freight and other charges, etc., were noticed. Duty levied short in these cases amounted to ₹ 101.86 crore.

{Paragraphs 2.1 to 2.6}

Chapter III: Cenvat credit

- Cases of separate accounts for common inputs used in dutiable/exempted goods not maintained, availing of cenvat credit on ineligible capital goods, availing of cenvat credit on inadmissible input services, availing of cenvat credit for service tax paid on non-taxable services, availing of credit on the basis of invalid documents, availing of credit on goods not received back from job workers, suo-moto availing of cenvat credit etc., were noticed in audit. Duty involved in these cases was ₹ 91.45 crore.

{Paragraphs 3.1 to 3.16}

Chapter IV: Exemptions

- **Duty of ₹ 3.23 crore was not levied due to incorrect grant of exemptions.**

{Paragraphs 4.1 to 4.3}

Chapter V: Non-levy of interest

- **Interest of ₹ 3.08 crore was not levied in a few cases of delayed payment of duty.**

{Paragraphs 5.1 to 5.3}

Chapter VI: Non-levy/short levy of duty

- **Duty of ₹ 1.04 crore was not levied on aluminium dross, on delayed payment of duty on due dates and duty not paid on goods cleared for remaking.**

{Paragraphs 6.1 to 6.3}

Chapter VII: Miscellaneous topics of interest

- **Cases of incorrect determination of assessable value on petroleum products, Non-levy/payment of cess on cement and demands not raised were noticed in audit. Duty implication in these cases was ₹ 50.05 crore.**

{Paragraphs 7.1 to 7.3}