

PREFACE

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

Audit of Revenue Receipts – Indirect Taxes of the Union Government is conducted under the 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 indirect taxes (Service Tax and Customs Duties).

The Report is arranged in two sections. Section 1 of the Report contains a performance audit relating to service tax receipts and Section 2 contains a performance audit relating to customs receipts, under the following chapters:-

Section 1 Service Tax

Chapter 1.1 to 1.6: Service Tax on Banking and other Financial Services

Section 2 Customs

Chapter 2.1 to 2.4: Duty Drawback Scheme

The observations included in this Report have been selected from the findings of performance audits carried out during the year 2009-10. The results of our audit alongwith recommendations are contained in this Report.