

PREFACE

This Report for the year ended March 2007 has been prepared for submission to the President under Article 151 of the Constitution of India.

Audit of Revenue Receipts – Indirect 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 indirect taxes comprising central excise, service tax, customs etc., and is arranged in the following order:-

- (i) Section 1 depicts issues arising out of the test check of assessments of central excise
- (ii) Section 2 deals with the results of test check of service tax assessments
- (iii) Section 3 comprises issues arising out of the test check of assessments of customs

The observations included in this report have been selected from the findings of the test check conducted during 2006-07, as well as those which came to notice in earlier years but were not included in the previous reports.