

PREFACE

This report for the year ended 31 March 2007 has been prepared for submission to the President under Article 151(1) 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 reviews and appraisals of receipts under indirect taxes (Central Excise, Service Tax and Customs).

The report is arranged in three sections. While section 1 of the report contains two reviews relating to central excise receipts, section 2 has a review on service tax receipts and section 3 includes three reviews on customs receipts, under the following chapters:-

Section 1 Central Excise

Chapter I: Excise duty on aluminium, copper and articles thereof

Chapter II: Refunds

Section 2 Service Tax

Chapter III: Service tax on rent-a-cab scheme operators' services, photography services and health club and fitness centre services

Section 3 Customs

Chapter IV: Promotional measures

Chapter V: Target plus scheme (TPS)

Chapter VI: Special economic zones (SEZs)

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