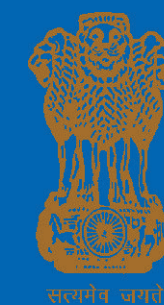


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Annual Report 2011 - 2012



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Directorate General of Central Excise Intelligence
Central Board of Excise & Customs
Department of Revenue
Ministry of Finance
Government of India

Annual Report

2011-12

**Directorate General of Central Excise Intelligence
Central Board of Excise & Customs
Department of Revenue
Ministry of Finance
Government of India**



**Department of Revenue
Central Board of Excise & Customs
Directorate General of Central Excise Intelligence**

PREFACE

Annual Report is not expected to be a mere narration of events. It is designed to contribute to the understanding of the whole gamut of anti-evasion structure and areas of operation, to point towards possible areas for plugging loopholes, lacunae in law and procedure, if any, and to look for fields for expertise development and better coordination between cross-disciplines.

The Central Excise Commissionerates and DGCEI are partners in the fight against evasion of Central Excise duty and Service Tax. While the Commissionerates, with their extensive database of units in their jurisdiction and presence in the field are the first line of defence against duty evasion, DGCEI specialises in collecting specific intelligence and works as a sentinel against evasion of substantial revenue. The intelligence, so collected is shared with the Commissionerates and in deserving cases especially those having all India ramifications, investigation are undertaken by DGCEI.

The report has identified the commodities/ services prone to evasion and major *modus operandi* used by tax evaders.

The purpose of this annual report is to understand the past, to plan the future, explore areas for emphasis and create abilities to counter the nefarious design of tax evaders. It is hoped that it shall encourage to have a more sensitive understanding of the past, for preparing roadmap for future.

Opinions may differ. Alternatives and suggestions are welcome for improvement.

**New Delhi
April 16, 2013**



(J. Chaturvedi)
Director General

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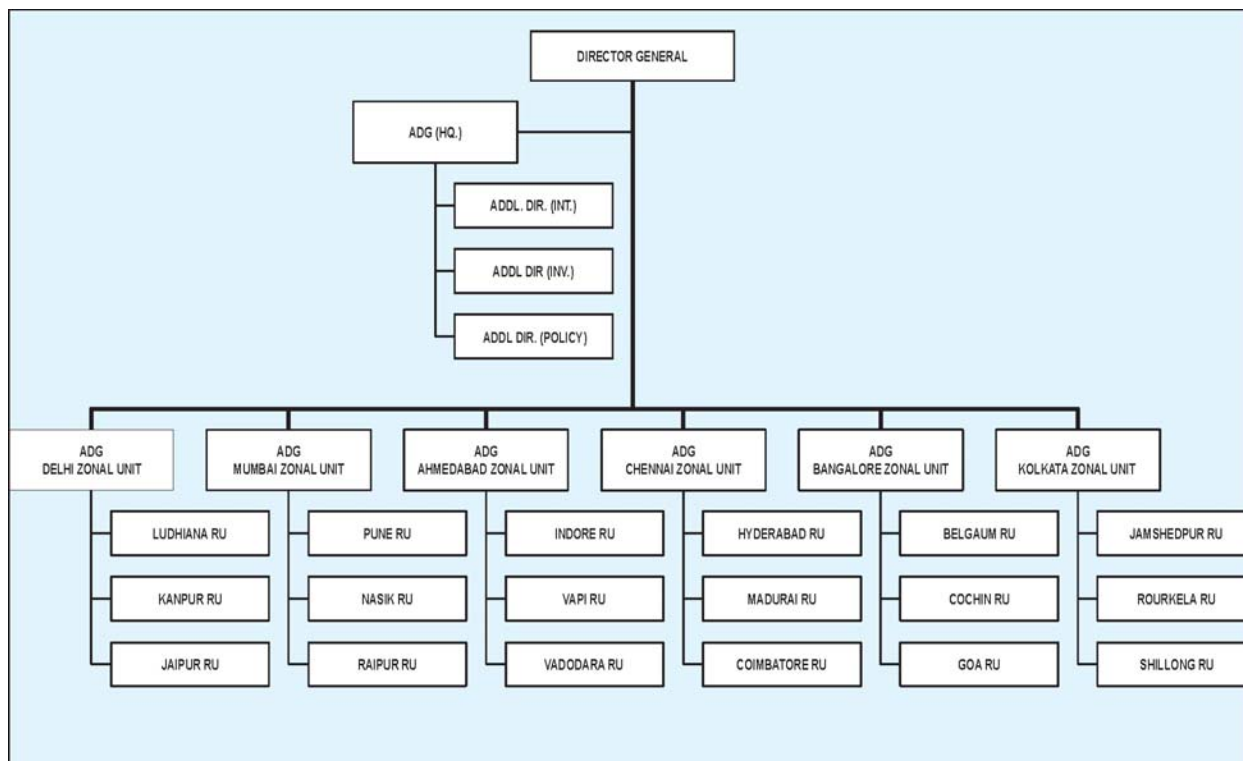
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1. Introduction

1.1 Directorate General of Central Excise Intelligence (DGCEI), earlier known as Directorate General of Anti-Evasion (DGAE) was established in the year 1979 as an independent wing under the control of Directorate of Revenue Intelligence, New Delhi. It had four regional units located at Chennai, Delhi, Kolkata and Mumbai. It became a full-fledged Directorate in 1983 headed by a Director. In 1988, the Directorate was upgraded to Directorate General under a Director General.

1.2 The Directorate General was expanded in the year 2000 with the setting up of a number of Regional Units under the respective Zonal Units and was renamed as DGCEI. DGCEI was re-strengthened in the year 2002 with the addition of two more Zonal units at Ahmedabad and Bangalore. At present DGCEI, with its Headquarters at New Delhi, has 6 Zonal Units each headed by an Additional Director General and 18 Regional Units.

1.3 The organizational structure of the DGCEI is as under:-



1.4 Charter of Functions of DGCEI

Directorate General of Central Excise Intelligence (DGCEI) is an apex intelligence organization functioning under the Central Board of Excise & Customs, Department of Revenue, and Ministry of Finance, entrusted with collection and developing of intelligence on the basis of which cases of duty evasion are booked by the Directorate. In 2004, the Directorate's scope was further broadened to include Service Tax within its ambit.

The Directorate General is headed by a Director General. The role of the Directorate General in tackling the menace of duty evasion is manifold. It develops intelligence, especially in new areas of tax evasion, through its intelligence network across the country and disseminates information in this respect, by issuing *Modus Operandi* Circulars and Alert Circulars to apprise field formations of the latest trends in duty evasion. Wherever found necessary, the Directorate General on its own, or in co-ordination with field formations, organises operations to unearth evasion of Central Excise duty and Service Tax.

The detailed charter of functions of DGCEI is as follows: -

- i. Collection, collation and dissemination of intelligence relating to evasion of Central Excise Duties and Service Tax on all India basis.
- ii. Studying the *modus operandi* of evasion peculiar to excisable commodities and taxable services and to alert the Commissionerates about it.
- iii. Studying the price structure, marketing patterns and classification of commodities in respect of which possibilities of evasion are likely with a view to advising the Commissionerates for plugging loopholes.
- iv. Supplementing and co-coordinating the efforts of the field formations in investigation of cases of evasion, wherever necessary.
- v. Coordinating with other enforcement agencies like Central Economic Intelligence Bureau (CEIB), Income Tax, Sales Tax, Enforcement Directorate etc., in respect of cases in which Central Excise duty evasion has come to notice.
- vi. Investigating offences involving evasion of Central Excise duty and Service Tax having ramifications in more than one Commissionerate including investigation of complicated cases selected by the Directorate General or entrusted to it by the Ministry.
- vii. Having at all times, a complete, detailed & up-to-date study of the Taxation Laws & Implementation machinery and to have proper appreciation and assessment of possibilities of tax evasion.
- viii. Assisting in advisory capacity, in proper deployment of the Central Excise anti-evasion staff in the Central Excise Commissionerates for effective anti-evasion measures.
- ix. Examining and studying the effects and implementation of various tax concessions, exemptions and relaxations in controls and to make recommendations to the Government from time to time, to ensure that they do not become a source of evasion.
- x. Maintaining liaison with other Central & State agencies in all matters pertaining to tax evasion.

- 1.5 The principal resource of the Directorate General is a set of officers carefully selected to meet the high standards of the organisation. The use of modern techniques and technologies including information technology, extensive research and co-ordinated and speedy action contribute to making the Directorate General a highly effective organisation for tackling the tax-evaders. The officers of DGCEI put full-fledged efforts toward taking the cases to their logical end.

STAFF POSITION OF DGCEI AS ON 31.03.2012

DESIGNATION	SANCTIONED	WORKING	VACANCY
Director General	01	01	00
Addl. Directors General	07	07	00
Advisor (Cost)	01	01	00
Addl./ Jt. Director	14	13	01
Dy. / Astt. Director	35	31	04
Chief Accounts Officer	01	00	01
Private Secretary	06	08	02
Sr. Intelligence Officer	101	95	06
Intelligence Officer	105	89	16
Adm. Officer	09	09	00
DOS – L	02	00	02
Steno - Gr. I	04	05	01
Steno - Gr. II	08	00	08
Steno - Gr. III	04	00	04
Junior Hindi Translator	02	00	02
Sr. Tax Assistant	22	21	01
Tax Assistant	27	13	14
Lower Division Clerk	04	04	00
Driver – Special Gr.	01	01	00
Driver - Gr. - I	17	04	13
Driver - Gr. - II	15	10	05
Driver (Ordinary Gr.)	16	04	12
Record Keeper	02	02	00
Head Havaladar	06	05	01
Havaladar	14	13	01
Sepoy	15	06	09
Gestetner Operator	01	01	00
Farash	07	01	06
Safaiwala	04	01	03
Daftary	04	03	01
Peon	06	04	02
TOTAL	462	353	112

2. Evasion of Revenue Trends:

2.1 General Profile

2.1.1 The tax structure has seen a plethora of changes over the past years including rationalization of tariffs and easing of procedures. The evasion of Central Excise duties is still prevalent despite reduction in duties over the last decade. The manufacturers and service providers adopt various modus operandi to evade Central Excise duty and Service Tax. In cases where CENVAT is not available to end user, clandestine clearance without payment of duty is the preferred mode of evasion. Instances have come to notice where even the reputed manufacturers indulge in under valuation, particularly in case of consumer products or goods meant for mass consumption. Tobacco products such as Gutkha and Khaini, attracting rates of high duty, have traditionally been highly susceptible to evasion. The use of sophisticated tools and techniques by tax evaders has made the task of detection of evasion even more complicated and challenging.

2.1.2 Analysis of the intelligence and performance reports received by the DGCEI from its Zonal and Regional Units as well as the Central Excise Commissionerates, indicate that iron and steel, gutkha/ pan masala, khaini, copper and articles thereof, cement and pharmaceuticals are the major evasion prone commodities. Further, the manufacturing units availing area based exemption notifications were also found to be prone to evasion. The CENVAT credit related fraud, wherein only duty paying documents changed hands between the parties for availing irregular and undue CENVAT credit without any movement of goods is other major category of duty evasion. Based on an analysis of the major cases (cases involving duty of

Rs.10 lakh and above) the details of the common *modus operandi* adopted by evaders is as under:

MODUS OPERANDI ANALYSIS OF CENTRAL EXCISE CASES OF EVASION OF DUTY (2011-12) (CASES INVOLVING DUTY OF Rs. 10 LAKH AND ABOVE DETECTED BY DGCEI and COMMISSIONERATES)

S.No.	Modus Operandi	No. of cases	Amount (Rs. in crores)	% of total duty Evasion detected
1.	Misuse of Cenvat Scheme	666	1750.15	32.81
2.	Misuse of Duty Exemption Notification	188	1675.53	31.43
3.	Clandestine Removal	633	815.79	15.30
4.	Misclassification	40	383.68	7.20
5.	Undervaluation	99	158.69	2.98
6.	Others	414	547.93	10.28
	Total	2040	5331.77	100%

The above figures show that clandestine removal, misuse of Cenvat Scheme, Misuse of Duty Exemption Notification, Misclassification and Undervaluation are the most favoured *modus operandi*, adopted for evasion of duty by tax-evaders. The various *modus operandi* detected in the cases booked by DGCEI are briefly discussed below.

2.2 Clandestine Removal

Analysis of intelligence inputs collected by the Directorate General relating to evasion of Central Excise duty indicates that clandestine removal continues to be among the most favored *modus operandi*. Relaxations in controls and procedures and the facility of monthly payment of duty have prompted the evaders to resort to clandestine removal which has been reported in all sectors, though the method and sophistication for indulging in evasion varies from sector to sector. Increasingly, meticulous planning is being done by tax evaders to cover up clandestine removal by resorting to various techniques like parallel invoicing, wrong description on the invoices, recovery of sales proceeds under the garb of other charges/ commission, creation of dummy/ fictitious sellers/ buyers, use of trading bills for sale etc. Evaders are also increasingly making use of electronic devices like pen drives to store data of unaccounted purchase of raw materials, finished products and sale proceeds accrued on account of clandestinely cleared goods. Clandestine removal was detected mainly in commodities like iron & steel, gutkha, chewing tobacco, ceramic frit, machinery and machinery parts and cement.

2.3 Misuse of Duty Exemption Notifications

Several cases of misuse of duty exemption notifications were detected during the year. These include misuse of exemption notifications by certain sectors like export oriented units and units availing benefits under area-based exemption notifications. In one detection it was found that M/s R P Infosys Ltd., Parwanoo, manufacturer of computers, were wrongly availing exemption notification number 49-50/2003-CE dated 10/06/2003. The amount of duty involved in this case was Rs.21.16 crore. In another case M/s Maa Durga Industries, Udhampur, manufacturer of Menthol Flakes/ DMO, were misusing exemption notification no. 56/2002-CE dated 14/11/2002 and the amount of duty involved in this case was Rs. 12.36 crore. Similarly M/s JMW, Jammu, manufacturer of copper rods; and M/s Natural Herbal products, Kathua, manufacturer of Menthol Flakes/ DMO were misusing exemption notification no. 56/2002-CE dated 14/11/2002 and the amount of duty evasion was Rs.15.52 crore and Rs.8.06 crore, respectively. M/s Cadbury India Ltd., Baddi (HP), manufacturer of Chocolate Coco/ Malt were also misusing area based exemption notification and the duty involved in this case was more than Rs. 250 crore.

2.4 Misuse of CENVAT

Misuse of CENVAT continues to be one of the favoured modes of evasion. Various *modus* of misuse which have surfaced during the investigations include availment of CENVAT without receipt of goods by purchasing cenvatable excise documents on

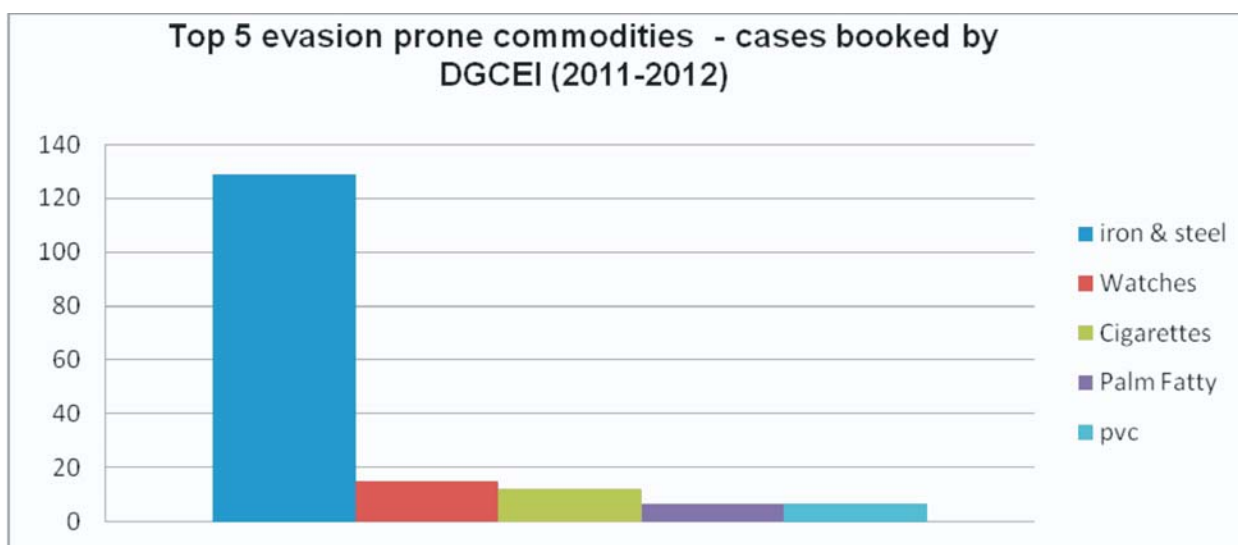
payment of premium. In order to make the transactions look genuine, the manufacturer availing cenvat credit arranges for payment of invoice amount by cheques. These cheques are encashed and the amount involved is remitted back to the manufacturer in cash after withdrawal of the same from the bank account. Major commodities in which such cases were detected include iron and steel, capital goods and non-ferrous metals. Utilizing cenvat credit on common inputs for manufacture of dutiable as well as exempted final products, wrong availment of cenvat credit on input service attributable to trading activities and availment of cenvat credit wrongly on inputs not used in or in relation to manufacture of final products have also been used as a *modus operandi* towards evasion of duty. In a case detected it was found that M/s Aadi Industries, Silvassa, manufacturer of plastic granules, were wrongly availing Cenvat Credit and the amount of duty involved in this case was Rs. 10 crore.

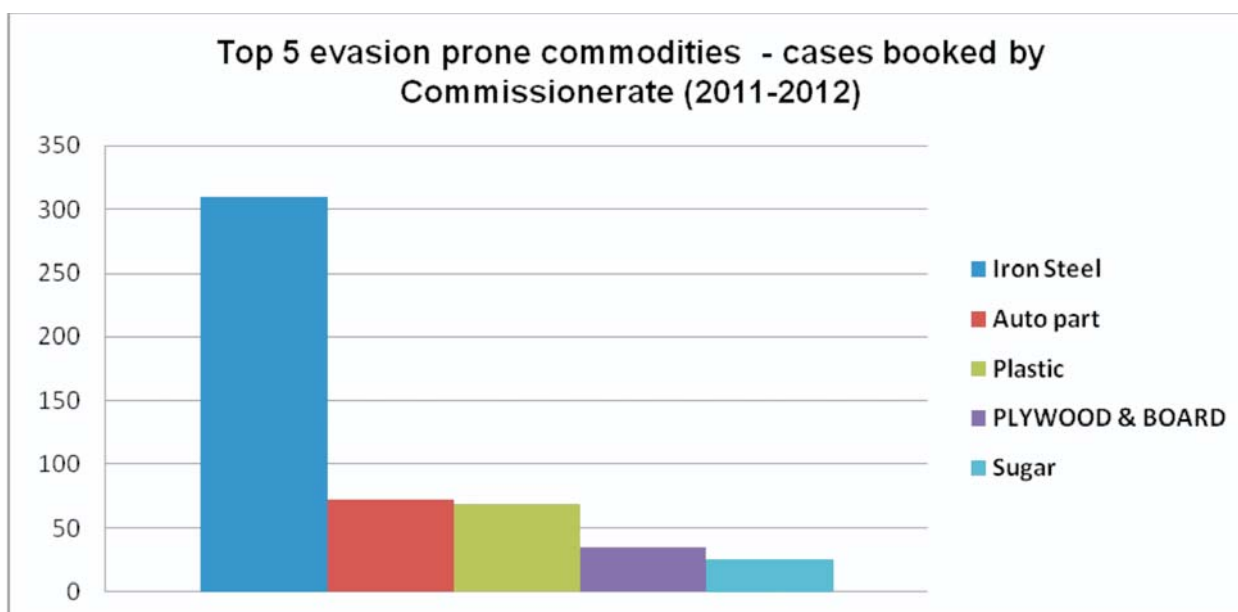
2.5 Misclassification and Undervaluation

Several cases of undervaluation have been detected during the year. In a case of undervaluation, M/s Shri Maral Seashram, Hatod, Indore, a manufacturer of pain relief oil, was found undervaluing clearances, the duty involved in this case was Rs. 5 crore.

2.6 Evasion Prone Commodities

2.6.1 Iron and Steel products, Watches, Cigarettes, Fatty Palm, PVC, Auto Parts, Plywood and Board and Sugar products are some of the commodities prone to massive evasion. During the last three financial years the number of cases booked against Iron & Steel companies increased from 303 in 2009-10 and 423 in 2010-2011 to 456 in 2011-12 involving evasion of Rs.445.31 crore, Rs.646.27 crore and 1172.29 crore, respectively.



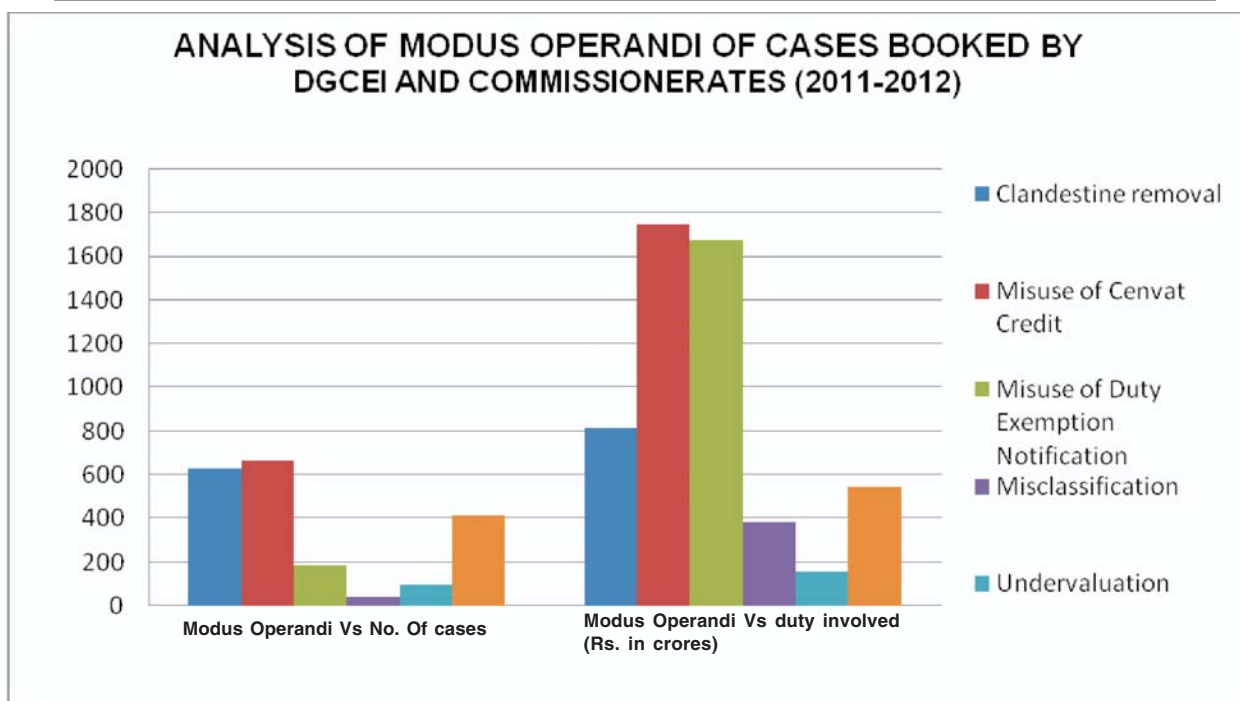
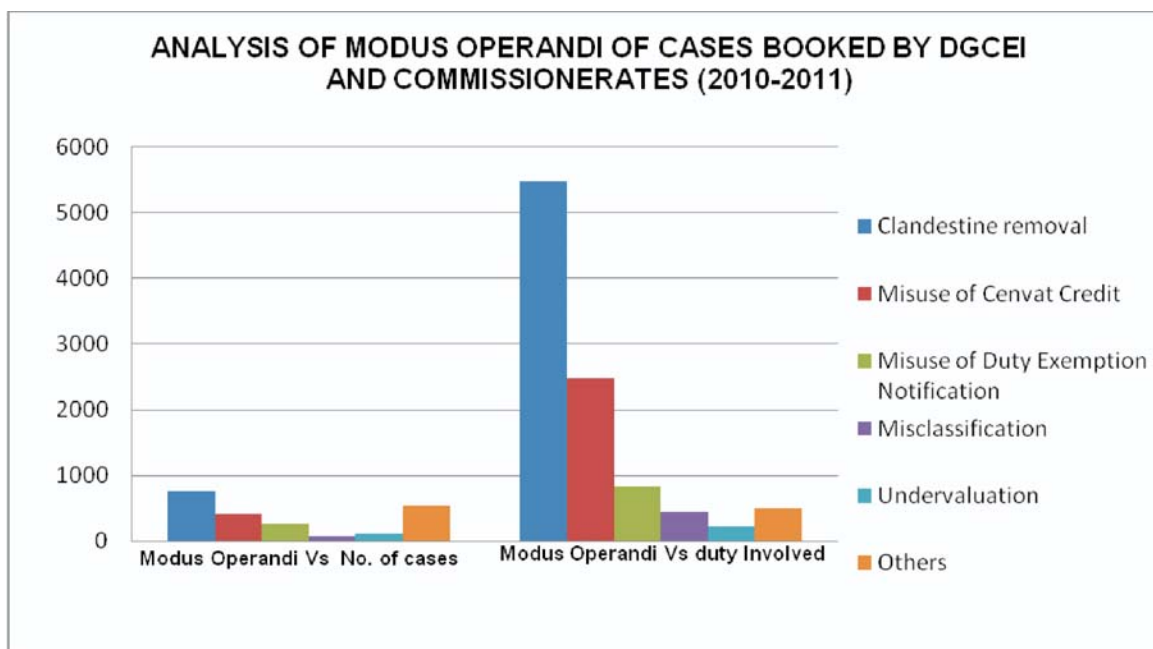


MODUS OPERANDI ANALYSIS OF DGCEI AND COMMISSIONERATES

2.7. A comparative Modus Operandi wise trend analysis for the last two years is given below:-

(CASES INVOLVING DUTY OF Rs.10 LAKHS AND ABOVE)

Modus Operandi	2010-11		2011-12		2010-11		2011-12		% Change Over last year	
					% of Total		% of Total			
	Cases	Duty (in Rs. crores)	Cases	Duty (in Rs. crores)	Case	Duty	Case	Duty	Case	Duty
Clandestine Removal	1043	1733.15	633	815.79	42.23	35.95	31.03	15.30	-11.20	-20.65
Misuse of Cenvat Credit	523	981.97	666	1750.15	21.17	20.37	32.65	32.82	11.48	12.45
Misuse of Duty Exemption Notification	280	857.78	188	1675.53	11.34	17.79	9.22	31.43	-2.12	13.64
Misclassification	64	468.62	40	383.68	2.59	9.72	1.96	7.20	-0.63	-2.52
Undervaluation	120	379.56	99	158.69	4.86	7.87	4.85	2.98	-0.01	-4.89
Others	440	400.18	414	547.93	17.81	8.30	20.29	10.28	2.48	1.98
Total	2470	4821.26	2040	5331.77	100	100	100	100		



3. Service Tax (CASES BOOKED BY DGCEI):

3.1. By virtue of Notification No. 07/2004-CE (N.T.), dated 11/03/2004, DGCEI was empowered to book cases of evasion of Service Tax. In a short span, the DGCEI geared itself and made all out efforts to make an impact in detecting evasion of Service Tax. A comparative performance chart for the last five years is as under:-

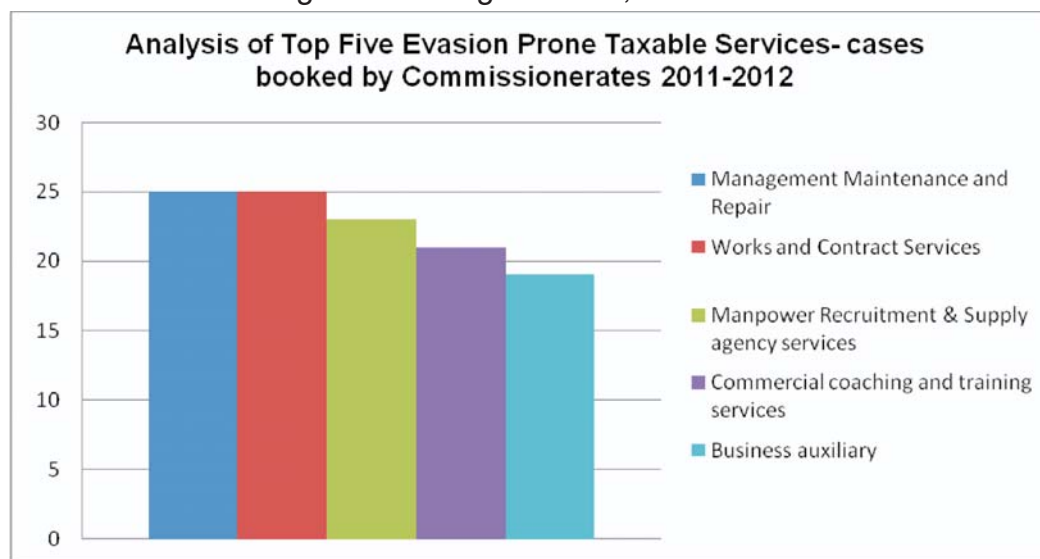
Cases booked by DGCEI

Year	No. of Cases	Tax Evasion (Rs. In Crores)	% increase / decrease	
			No. of cases	Tax evasion
2007-2008	538	3492.86	0.55	218.03
2008-2009	364	2638.99	-32.34	-24.45
2009-2010	487	4239.13	33.80	60.63
2010-2011	458	4401.32	-5.95	3.83
2011-2012	444	4959.68	-3.06	12.69

Cases booked by Commissionerates

Year	No. of Cases	Tax Evasion (Rs. In Crores)	% increase / decrease	
			No. of cases	Tax evasion
2007-2008	3682	1785.55	+24.88	-34.36
2008-2009	3767	4420.90	+2.31	+147.59
2009-2010	3482	4492.12	-7.56	+1.61
2010-2011	3665	3255.95	5.25	-27.51
2011-2012	4185	5739.84	14.19	76.29

3.2. The extent of evasion in Service Tax can be estimated by the fact that the number of cases detected by DGCEI constitutes approximately 9.59 % of total detections made by DGCEI and Commissionerates and 46.35 % of total amount of detected evasion. The services where Service Tax evasion was detected are Business Auxilliary Service, Management, Maintenance or Repair Service, Construction of Residential Complex Service, Commercial or Industrial Construction Service, Renting of Immovable Property, Works and Contract Services, Manpower Recruitment and Supply Agency Services, Commercial Coaching and Training Services, etc.



4. Anti Evasion Performance:

4.1 General Analysis

4.1.1 The Central Excise Commissionerates and DGCEI are partners in the fight against evasion of Central Excise duty and Service Tax. While the Commissionerates, with their extensive database about units in their jurisdiction and presence in the field are the first line of defence against duty evasion, DGCEI specialises in collecting specific intelligence, works as a sentinel against evasion of substantial revenue. The intelligence so collected is shared with the Commissionerates and investigations are also undertaken by DGCEI in cases having all India ramification.

4.1.2 DGCEI and Commissionerates put together, detected Central Excise duty evasion of Rs. 2885.98 crore in 2265 cases during 2011-2012. The share of evasion detected by DGCEI was Rs. 1072.87 crore in 455 cases, which represents 37.17 % of the total duty evasion detected and 20.09 % of the total number of cases. The evasion of Service Tax detected during this period comes to Rs. 10699.52 crore in 4629 cases out of which DGCEI detected Service Tax evasion of Rs. 4959.68 crore in 444 cases, which represents 46.35 % of the total tax evasion detected and 9.59 % of the total number of cases.

Analysis of Central Excise cases booked by Commissionerates in 2011-2012				
Duty Involved	No. of Cases	Total Duty Evasion Detected (Rs. In Crores)	% of Total Cases	% of Total Duty Evasion Detected
Over Rs. 1 crore	241	1711.48	13.31	94.39
Less than Rs. 1 crore	1569	101.63	86.69	5.61
Total	1810	1813.11		

Analysis of Service Tax cases booked by Commissionerates In 2011-2012				
Duty Involved	No. of Cases	Total Tax Evasion Detected (Rs. In Crores)	% of Total Cases	% of Total tax Evasion
Over Rs. 1 crore	531	5547.30	12.68	96.65
Less than Rs. 1 crore	3654	192.54	87.31	3.35
Total	4185	5739.84		

Analysis of Central Excise cases booked by DGCEI in 2011-2012				
Duty Involved	No. of Cases	Total Duty Evasion Detected (Rs. In Crores)	% of Total Cases	% of Total Duty Evasion
Over Rs.1 crore	88	716.94	19.34	66.82
Less than Rs. 1 crore	367	355.93	80.66	33.18
Total	455	1072.87		

Analysis of Service Tax cases booked by DGCEI in 2011-2012				
Tax Involved	No. of Cases	Total Tax Evasion Detected (Rs. In Crores)	% of Total Cases	% of Total Tax Evasion
Over Rs.1 crore	172	3822.04	38.74	77.06
Less than Rs. 1 crore	272	1137.64	61.26	22.94
Total	444	4959.68		

Total no. of cases of Central Excise & Service Tax booked by DGCEI & Commissionerates (2011-12)				
Duty / Tax Involved	No. of Cases	Total Duty / Tax Evasion Detected (Rs. In Crores)	% of Total Cases	% of Total Duty / Tax Evasion
Over Rs.1 crore	1032	11797.76	14.97	86.84
Less than Rs. 1 crore	5862	1787.74	85.03	13.16
Total	6894	13585.50		

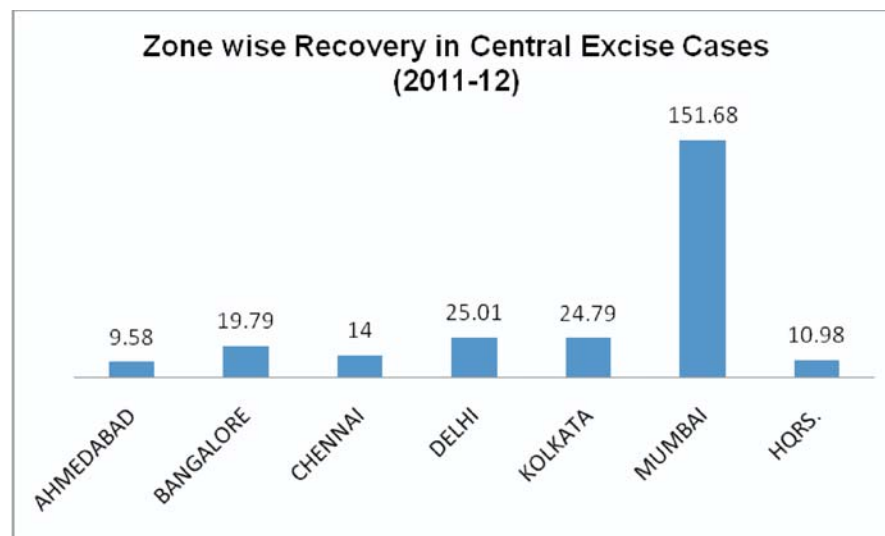
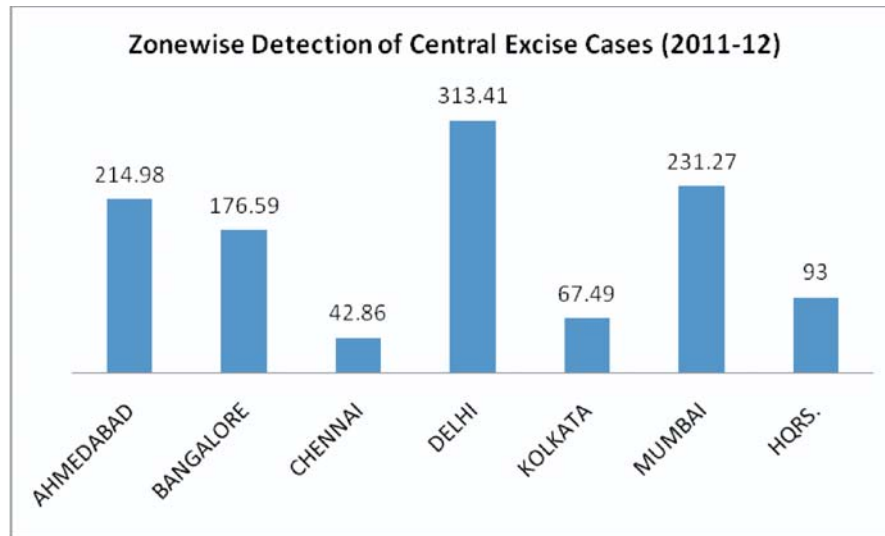
4.2 DGCEI

4.2.1 The Zone wise performance of DGCEI in the year 2011-2012 is as shown in the chart below: -

CENTRAL EXCISE ANTI - EVASION PERFORMANCE OF DGCEI DURING 2011-12

(Rs. In Crores)

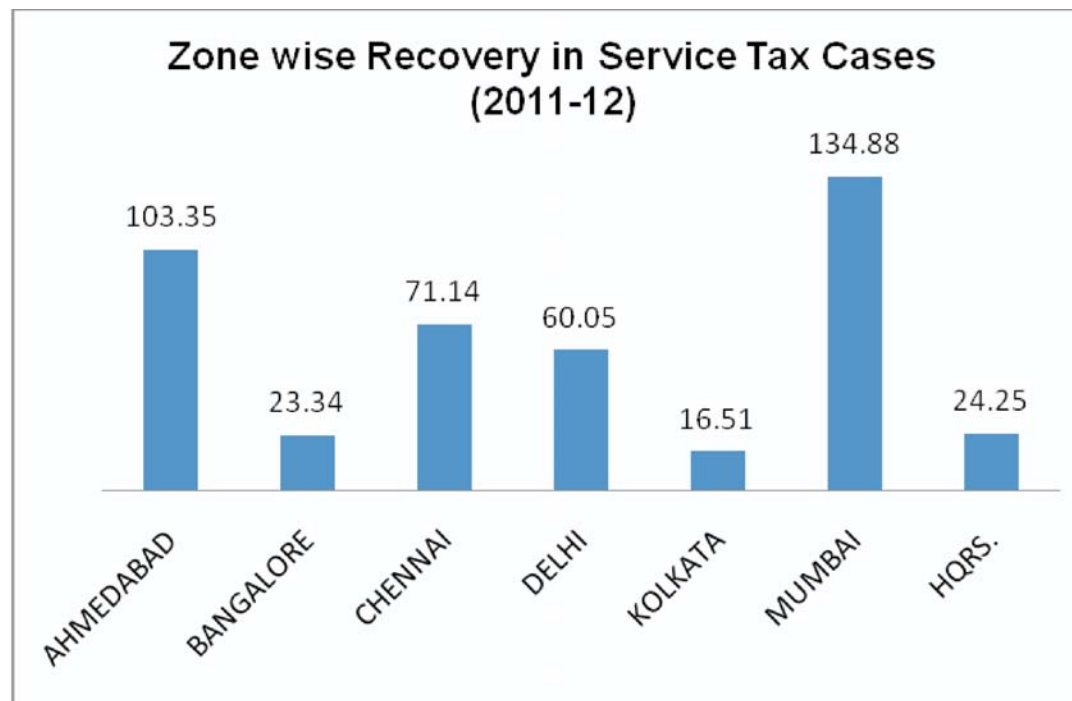
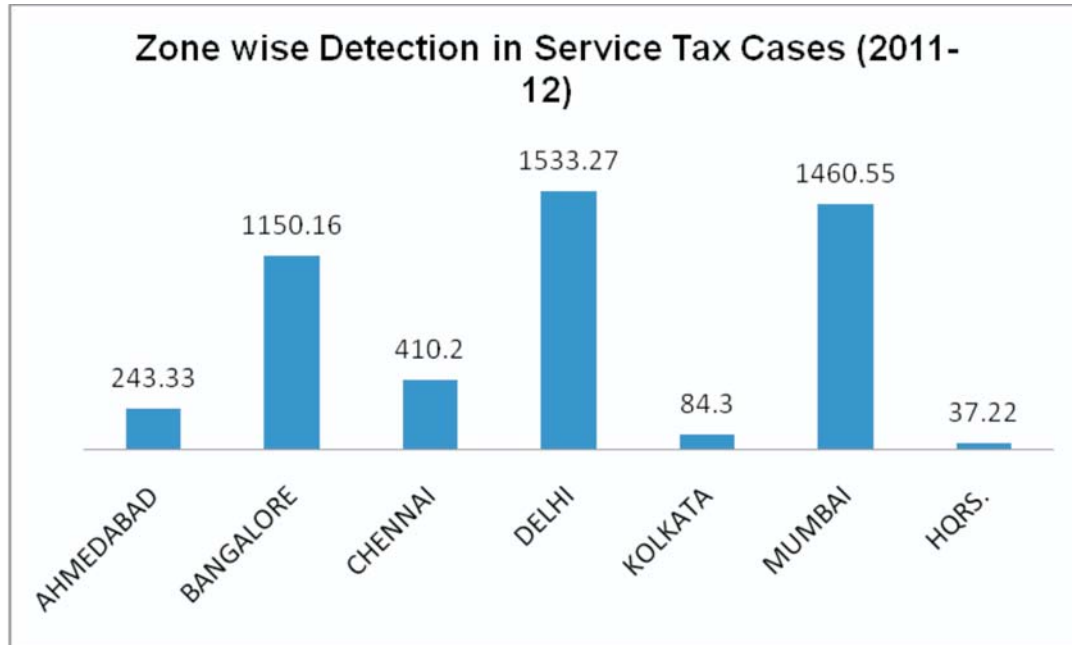
ZONAL UNITS / HQRS.	DETECTIONS		REALISATION	
	2011-2012		2011-2012	
	No. of cases	Amount	No. of cases	Amount
AHMEDABAD	148	214.98	42	9.58
BANGALORE	20	176.59	18	19.79
CHENNAI	51	42.86	64	14
DELHI	71	313.41	58	25.01
KOLKATA	32	67.49	34	24.79
MUMBAI	120	231.27	89	151.68
HQRS.	8	93.00	12	10.98
TOTAL	450	1139.60	317	255.83



SERVICE TAX ANTI- EVASION PERFORMANCE OF DGCEI DURING 2011-12

(Rs. In Crores)

ZONAL UNITS / HQRS.	DETECTIONS		REALISATION	
	2011-2012		2011-2012	
	No. of cases	Amount	No. of cases	Amount
AHMEDABAD	95	243.33	106	103.35
BANGALORE	58	1150.16	118	23.34
CHENNAI	77	410.20	134	71.14
DELHI	78	1533.27	45	60.05
KOLKATA	37	84.30	37	16.51
MUMBAI	96	1460.55	60	134.88
HQRS.	11	37.22	10	24.25
TOTAL	452	4919.03	510	433.52



4.3 CENTRAL EXCISE ZONES

4.3.1 The overall anti-evasion performance of Central Excise Zones has declined during 2011-2012 in terms of Central Excise cases and duty detected; however there has been increase in Service Tax evasion cases and tax detected. The decline in detection of Central Excise was 44.35% and increase in Service Tax evasion was 88.21 % as compared to the previous year, i.e. 2010-2011.

4.3.2 Central Excise Zones that improved performance in the Anti evasion field in detection of amount of duty evaded during the year as compared to previous year were Bangalore (+378.39%), Vadodara (+345.39%), Lucknow (+198.58%), Mumbai-I (+188.47%) and Nagpur (+40.54%).

More cases of Service Tax evasion were detected by Bhubaneswar (+1003.47%), Chennai (+373.09%), Cochin (+85.14%), Delhi (+3288.39%), Hyderabad (+25.64%), Jaipur (+13.05%), Lucknow (+56.67%), Meerut (+65.70%), Mumbai-I (+179.64%), Pune (+39.12%), Ranchi (+98.09%) and Vadodara (+44.62%) during the year as compared to previous year.

Central Excise

(Rs. in crores)

S. No.	Zone	2010-11		2011-12	
		No. of Cases	Amount of Duty	No. of Cases	Amount of Duty
1	Ahmedabad	110	215.12	111	66.69
2	Bangalore	44	33.59	48	160.69
3	Bhopal	164	334.12	173	148.81
4	Bhubaneswar	36	23.95	18	13.16
5	Chandigarh	152	579.07	130	162.15
6	Chennai	72	96.99	52	68.99
7	Cochin	31	50.53	25	12.52
8	Coimbatore	50	429.12	78	128.41
9	Delhi	357	703.73	252	305.51
10	Hyderabad	45	66.45	44	17.36
11	Jaipur	112	94.41	77	54.33
12	Kolkata	21	53.84	44	17.36
13	Lucknow	108	28.95	124	86.44
14	Meerut	143	184.56	110	131.79
15	Mumbai - I	54	11.1	94	32.02
16	Mumbai - II	75	234.51	89	45.67
17	Mysore	57	22.02	41	18.58
18	Nagpur	72	85.47	36	120.12
19	Pune	113	273.9	57	47.99
20	Ranchi	33	82.74	34	69.35
21	Shillong	29	75.44	39	24.65
22	Vadodara	90	83.81	112	373.29
23	Vishakhapatnam	23	33.43	22	6.97
	Total	1991	3796.85	1810	2112.85

Service Tax

(Rs. in crores)

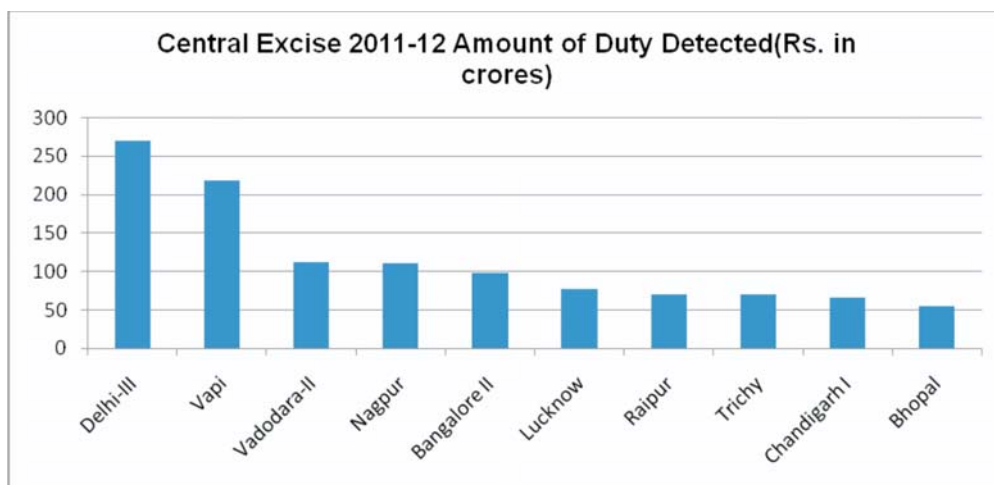
S. No.	Zone	2010-11		2011-12	
		No. of Cases	Amount of Duty	No. of Cases	Amount of Duty
1	Ahmedabad	106	247.26	147	120.07
2	Bangalore	74	335.36	80	139.15
3	Bhopal	171	117.37	185	83.75
4	Bhubaneswar	27	14.12	69	155.81
5	Chandigarh	210	86.62	204	82.88
6	Chennai	183	47.23	117	223.44
7	Cochin	183	47.23	188	87.44
8	Coimbatore	552	281.32	300	82.165
9	Delhi	170	47.04	601	1594.70
10	Hyderabad	174	170.38	157	214.07
11	Jaipur	207	152.3	295	172.18
12	Kolkata	76	48.83	2	39.74
13	Lucknow	157	24.23	80	37.96
14	Meerut	86	56.79	75	94.10
15	Mumbai - I	362	684.52	427	1914.20
16	Mumbai - II	17	124.91	116	103.15
17	Mysore	167	57.39	120	44.344
18	Nagpur	149	101.3	167	81.17
19	Pune	217	104.72	371	145.69
20	Ranchi	55	59.19	53	117.25
21	Shillong	128	99.07	171	50.79
22	Vadodara	86	72.77	147	105.24
23	Vishakhapatnam	125	69.72	113	51.43
	Total	3682	3049.67	4185	5740.72

4.3.3 Commissionerates

4.4.1 During the year 2011-12, out of a total of 104 Commissionerates (in 23 Chief Commissionerate Zones) the top ten performers in terms of Central Excise duty detection were:-

Central Excise 2011-12

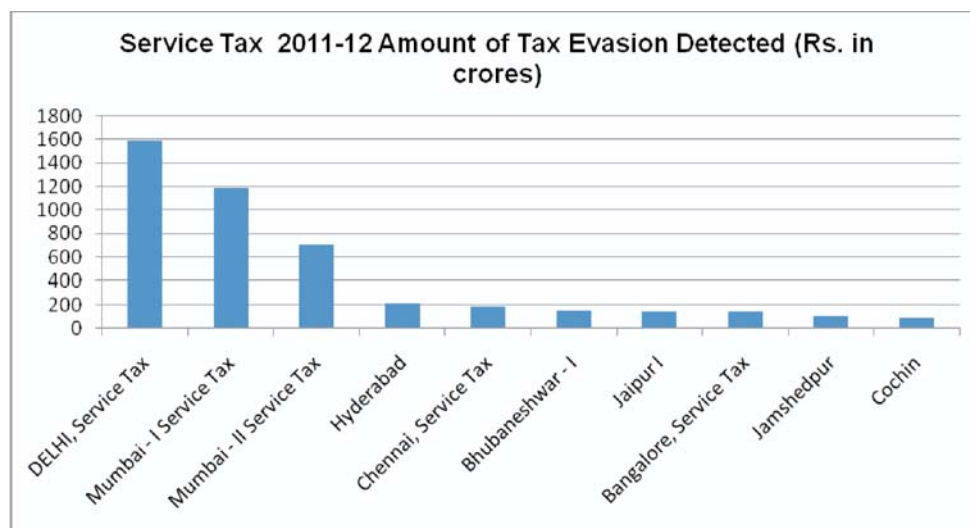
Commissionerates	Amount of Duty Detected (Rs. in crores)
Delhi-III	268.89
Vapi	217.31
Vadodara-II	112
Nagpur	110.33
Bangalore II	98.15
Lucknow	76.48
Raipur	69.81
Trichy	69.32
Chandigarh I	65.47
Bhopal	54.46



Similarly during the year 2011-12, out of a total of 104 Commissionerates (in 23 Chief Commissionerate Zones) the top ten performers in terms of detection of Service Tax evasion were:-

Service Tax 2011-12

Commissionerates	Amount of Tax Evasion Detected (Rs. in crores)
DELHI	1586.64
Mumbai - I	1189.2
Mumbai - II	705.07
Hyderabad	214.07
Chennai	186.1
Bhubaneswar - I	148.16
Jaipur I	140.33
Bangalore	139.08
Jamshedpur	104.74
Cochin	87.44



5. Show Cause Notices Issued:

During the year 2011-2012, DGCEI has issued 571 show cause notices in respect of Central Excise and 395 show cause notices in respect of Service Tax evasion amounting to Rs. 1261.36 crores and Rs. 4480.96 crores respectively. Similarly Central Excise Zones have issued 3392 and 4668 show cause notices demanding Central Excise duty of Rs. 3399.97 crore and Service Tax of Rs. 9009.01 crore respectively. Performance of DGCEI and Central Excise Zones is as under:-

A-Show Cause Notices issued by DGCEI during 2011-2012

DGCEI Zone	Central Excise No. of Cases	(Rs. in crores) Amount	Service Tax No. of Cases	(Rs. in crores) Amount
AHMEDABAD	207	158.40	47	116.87
BANGALORE	27	246.71	83	2271.14
CHENNAI	55	57.35	68	408.83
DELHI	91	231.56	54	753.09
KOLKATA	65	98.03	37	231.65
MUMBAI	111	188.51	104	692.91
HQRS.	15	280.80	2	6.47
TOTAL	571	1261.36	395	4480.96

B-Show Cause Notices issued by Chief Commissioners Zone during 2011-2012

DGCEI Zone	Central Excise No. of Cases	(Rs. in crores) Amount	Service Tax No. of Cases	(Rs. in crores) Amount
Ahmadabad	98	51.79	64	255.53
Bangalore	14	127.51	21	372.88
Bhopal	489	312.72	305	76.02
Bhubaneswar	17	10.17	19	145.63
Chandigarh	91	120.90	150	35.69
Chennai	25	19.817	1113	1542.29
Cochin	82	92.93	279	100.29
Coimbatore	42	36.05	159	46.59
Delhi	456	614.37	167	1535.98
Hyderabad	36	18.87	159	385.59
Jaipur	1390	830.91	782	236.08
Kolkata	22	11.76	3	0.13
Lucknow	55	40.93	83	37.72
Meerut	31	155.26	33	34.12
Mumbai - I	26	29.20	201	1602.68
Mumbai - II	55	116.93	224	1706.25
Mysore	40	13.33	61	14.64
Nagpur	13	5.46	34	39.16
Pune	15	32.52	96	58.34
Ranchi	52	248.82	156	159.44
Shillong	20	21.58	133	31.45
Vadodara	111	412.41	114	108.51
Vishakhapatnam	212	75.73	312	484.00
Total	3392	3399.97	4668	9009.01

6. Intelligence Gathering and Co-ordination:

6.1 The most important function of the Directorate General is collection, collation and dissemination of intelligence relating to evasion of Central Excise duty & Service Tax. For this purpose, DGCEI maintains a close liaison with the field formations, i.e., the Commissionerates. The DGCEI disseminates the intelligence reports, alert circulars, *modus operandi* circulars etc. to the Commissionerates at regular intervals. This interaction and dissemination of information is not a one-way traffic. The Directorate General receives critical inputs from the Commissionerates in the form of AE-2 reports, audit reports and other special reports which are examined and circulated to field formations.

7. Realization of Central Excise Duty and Service Tax by DGCEI:

7.1 Rs. 688.78 crore were recovered as the Central Excise duties and Service Tax short levied during the course of investigations in 2011-12 as compared to Rs. 431.53 crore realized during the previous year. Thus there is an increase of 59.61 % during 2011-2012 as compared to previous year.

Central Excise Realisation

ZONAL UNITS / HQRS	2010-11		2011-12	
	No. of Cases	Amount (Rs. in Crores)	No. of Cases	Amount (Rs. in Crores)
AHMEDABAD	178	23.43	42	9.58
BANGALORE	11	2.53	18	19.79
CHENNAI	69	23.20	64	14
DELHI	41	24.60	58	24.61
KOLKATA	37	10.05	34	24.79
MUMBAI	121	30.98	89	151.68
HQRS.	20	22.39	12	10.98
TOTAL	477	137.18	317	255.26

Service Tax Realisation

ZONAL UNITS / HQRS	2010-11		2011-12	
	No. of Cases	Amount (Rs. in Crores)	No. of Cases	Amount (Rs. in Crores)
AHMEDABAD	67	23.24	106	103.35
BANGALORE	77	10.92	118	23.34
CHENNAI	124	49.65	134	71.14
DELHI	10	4.29	45	60.05
KOLKATA	42	65.55	37	16.51
MUMBAI	81	128.40	60	134.88
HQRS.	9	11.90	10	24.25
TOTAL	410	293.95	510	433.52

8. Arrests

- 8.1 13 persons were arrested by DGCEI during 2011-12 for being involved in evasion of Central Excise duty. During this period the number of persons arrested by the Commissionerates was 23.

9. Prosecution:

- 9.1 In 34 cases prosecution was sanctioned against 95 companies/ persons by DGCEI during 2011-12 for being involved in evasion of Central Excise duty with *malafide* intent.

10. Rewards to Informers and Departmental Officers

- 10.1 DGCEI and Central Excise Zones reward the informers and the officers, commensurate with the quality and specificity of intelligence, efforts put in and the results achieved. During 2011-2012, Rs.16.12 crore was sanctioned as reward to the informers in 62 cases and Rs.14.17 crore was sanctioned as reward to the departmental officers in 242 cases.

11. Presidential awards

- 11.1 On the occasion of Republic Day, 2012, 05 officers of DGCEI were selected for the Presidential Award for "Specially Distinguished Record of Service". They are:-
- (i) Shri Gurusharan Singh, Additional Director, DGCEI Regional Unit, Ludhiana
 - (ii) Shri H.S. Hariprasad, Intelligence Officer, DGCEI Zonal Unit, Bangalore
 - (iii) Shri Kajal Chaudhuri, Intelligence Officer, DGCEI Zonal Unit, Kolkata
 - (iv) Shri Mahesh Krishna Parnerkar, Intelligence Officer, DGCEI Zonal Unit, Mumbai
 - (v) Shri Manoj Kumar Mishra, Intelligence Officer, DGCEI Regional Unit, Indore

12. Major detections during 2011-2012

- 12.1 The details of some of the important cases booked during the year are as below:-

(A) CENTRAL EXCISE

List of Cases booked by the DGCEI where Central Excise duty involved is Rs. 5 crore and above:

Sl. No.	Name of the Company (M/s)	Commodity	Amount of duty (Rs. In crore)	Modus Operandi	ZONE/HQ
1	Cadbury India Ltd, Baddi (Hp)	Coco/ Malt	250.00	Misuse of Area Based Exemption Notification	DGCEI HQ
2	K.K.Sales, New Delhi	Gutkha	58.14	Clandestine Removal	Delhi
3	Elora Tobacco Co. Ltd, Indore	Cigarette	43.00	Clandestine Removal	Delhi
4	Kenzo International	Red Lead And Grey Oxide/ Lead Sub Oxide	23.00	Misuse of Area Based Exemption Notification	Delhi
5	Super Smelter Ltd.	Iron & Steel	20.00	Clandestine Removal	DGCEI HQ
6	Indian Steel Corporation, Delhi	Lead Products	17.29	Clandestine Removal	DGCEI HQ
7	Shri Meenakshi Foods	Gutkha	15.20	Clandestine Removal	DGCEI HQ
8	Conros Steel P. Limited, Khopoli	M S Pipes	13.44	Clandestine Removal	Mumbai
9	S.K. Products, Hardoi	Gutkha	12.92	Clandestine Removal	Delhi
10	Jalram Steel Furniture P Ltd	Steel Furniture	12.00	Wrong Availment of SSI Exemption	Delhi
11	Saint Gobain Gyproc India Limited, Wada	Gypsum Plaster	12.00	Misclassification	Mumbai
12	Greenply Industries, Solan	Resin	11.39	Misuse of Area Based Exemption Notification	Delhi
13	Kay Pan Masala P Ltd, Ghaziabad	Gutkha	10.37	Clandestine Removal	DGCEI HQ
14	Aadi Industries, Silvassa	Plastic Granules	10.00	Wrong Availment of Cenvat Credit	Ahmedabad
15	Bhushan Power & Steel Limited, Chandigarh	Iron & Steel	10.00	Clandestine Removal	Delhi
16	Rutuja Ispat Pvt. Limited, Jalna	TMT Bars	9.35	Clandestine Removal	Mumbai
17	Hindalco Industries Ltd.	Silver	8.78	Misuse of Area Based Exemption Notification	Ahmedabad
18	Suraj Impex (India) Ltd., Indore	Oil Products	8.40	Irregular Availment of Duty Drawback Scheme	Ahmedabad
19	HVR Enterprises, Saidpur, Sonapat	Lead Products	6.37	Clandestine Removal	DGCEI HQ

Sl. No.	Name of the Company (M/s)	Commodity	Amount of duty (Rs. In crore)	Modus Operandi	ZONE/HQ
20	Sunox International, Solan	Battery	6.00	Misuse of Area Based Exemption Notification	Delhi
21	Vishal Engineering, Daman	Iron & Steel	5.86	Clandestine Removal	Ahmedabad
22	Shree Madurai Meenakshi Amman Steel Re Rolling Mill India (P) Ltd. Group of Companies	Iron And Steel	5.00	Clandestine Removal And Fraudulent Availment of Cenvat Credit	Ahmedabad
23	Shri Marwal Sewashram, Hatod, Indore	Pain Relief Oil	5.00	Undervaluation	Ahmedabad
24	Hind Metals Inds. Delhi	Copper	5.00	Clandestine Removal	Delhi
25	Eminence Equipments Pvt. Limited, Khed, Pune	Conveyer Systems	5.00	Mis-Classification	Mumbai
26	Consupac Private Ltd, Bangalore	Instant Coffee Powder	20.89	Mis-Classification	Bangalore
27	Blend Pack, Bangalore	Instant Coffee Powder	14.63	Mis-Classification	Bangalore
28	BEML, Mysore & KGF	Automobile Spares	25.00	Non Payment of Central Excise Duty	Bangalore

List of cases booked by the Commissionerates where Central Excise duty involved is Rs. 5 crore and above:

Sl. No.	Name of the Company (M/s)	Commodity	Amount of duty (Rs. In crore)	Modus Operandi	Cc ZONE
1	GAIL, Gandhar	Natural Gasoline Liquid	83.52	Mis-Declaration	Vadodara
2	GAIL, Waghodia	Natural Gasoline Liquid	20.12	Mis-Declaration	Vadodara
3	IOL Limited	Aviation Turbine Fuel	12.74	Mis-Declaration	Vadodara
4	Chandra Proteco Limited (100% EOU), Silvassa	Copper Products	10.18	Wrong Availment of EOU Notification.	Vadodara
5	Darshan Boardlam	Particle Board	5.33	Wrong Availment of Notification Benefit.	Vadodara
6	J.Marks Industries	Motor Vehicles	5.67	Non Payment of Appropriate Central Excise Duty	Pune
7	Shree Venkateshwara Pan Masala Industries Pvt. Limited	Gutkha	8.75	Clandestine Removal	Pune
8	V.G.Quenim	Iron Ore	16.19	Misuse of Exemption Notification	Pune
9	Neel Metal Product Pvt Limited	Sheet Metal Components	98.42	Wrong Availment of Cenvat Credit	Delhi
10	Ganpati Auto Limited	Motorcycles & Scooters	7.75	Non Payment of Central Excise Duty	Delhi
11	Jay Bharat Maruti, Unit-I	MV Parts	19.96	Wrong Availment of Cenvat Credit	Delhi
12	Jay Bharat Maruti, Unit-Ii	MV Parts	114.32	Wrong Availment of Cenvat Credit	Delhi
13	Jay Bharat Maruti, Unit-Iii	MV Parts	11.96	Wrong Availment of Cenvat Credit	Delhi
14	Ayucee Fragrances	Perfumery Compound	6.67	Undervaluation of Final Products Cleared To Interconnected Units	Delhi
15	Gazania Fragrance	Perfumery Compound	5.54	Undervaluation of Final Products Cleared To Interconnected Units	Delhi
16	Hmm Clutches, Ambala	Bodies of Motor Vehicle Chassis	6.15	Non Payment of Appropriate Central Excise Duty	Delhi
17	Shri Sai Enterprises, Baddi	Packing of Soap	39.45	Wrong Availment of Exemption Notification	Chandigarh

Sl. No.	Name of the Company (M/s)	Commodity	Amount of duty (Rs. In crore)	Modus Operandi	Cc ZONE
18	Amrit Packaging, Nalagarh	Packing of Soap	6.00	Wrong Availment of Exemption Notification	Chandigarh
19	RP Infosys Limited, Parwanoo	Computers	21.16	Wrong Availment of Exemption Notification	Chandigarh
20	Surya Pharmaceuticals Limited, Banur	Bulk Drugs	12.11	Wrong Availment of Cenvat Credit	Chandigarh
21	Rail Coach Factory, Kapurthala	Rail Coaches	18.72	Clandestine Removal	Chandigarh
22	Maa Durga Industries, Udhampur	Menthol Flakes/ DMO	12.36	Misuse of Exemption Notification	Chandigarh
23	JMW, Jammu	Copper Rods	15.52	Misuse of Exemption Notification	Chandigarh
24	Natural Herbal Products, Kathua	Menthol Flakes/ DMO	8.06	Misuse of Exemption Notification	Chandigarh
25	Kamal Sponge Steels & Power Limited, Jaipur	CTD Bars/ Ingots	7.61	Clandestine Removal	Jaipur
26	Dabour India Limited, Alwar	Shampoo, Hair Oil.	6.85	Wrong Availment of Cenvat Credit	Jaipur
27	Cimmco Limited, Bharatpur	Railway Wagon	10.15	Wrong Availment of Notification	Jaipur
28	Mahi Cement, Banswara	Cement	9.51	Wrong Availment of Cenvat Credit	Jaipur
29	Hari Trading Company, Porsa, Morena	Gutkha	7.43	Clandestine Removal	Bhopal
30	Sahu Traders, Nowgong	Gutkha, Pan Masala	6.71	Clandestine Removal	Bhopal
31	Kaipan Pan Masala, Govindpura, Bhopal	Gutkha, Pan Masala	8.55	Clandestine Removal	Bhopal
32	Kalindi Steels Limited, Bilaspur	Iron & Steel	10.11	Clandestine Removal	Bhopal
33	Sarveshwar Alloys Pvt Limited, Raipur	Iron & Steel	10.16	Clandestine Removal	Bhopal
34	Shyama Rama Structural & Power Pvt Limited, Raipur	Iron & Steel	8.68	Clandestine Removal	Bhopal
35	Alok Ferro Alloys Limited	Iron & Steel	8.27	Clandestine Removal	Bhopal
36	Ghankun Steel Pvt Limited	Iron & Steel	5.44	Clandestine Removal	Bhopal
37	SKS Ispat Pvt Limited, Raipur	Iron & Steel	8.89	Clandestine Removal	Bhopal
38	Strides Arcolab Limited	Pharmaceutical	32.71	Wrong Availment of EOU Notification	Bangalore

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Sl. No.	Name of the Company (M/s)	Commodity	Amount of duty (Rs. In crore)	Modus Operandi	Cc ZONE
39	Remidex Pharma Pvt Limited	Medicines	5.00	Wrong Availment of Cenvat Credit	Bangalore
40	Rail Wheel Factory	Wheel & Axles	83.8	Misuse of Exemption Notification	Bangalore
41	Multiplex Bio-Tech Limited	Plant Growth Regulators	6.00	Clandestine Removal	Bangalore
42	Godfrey Philips India Limited	Cigarette & Cut-Tobacco	10.00	Wrong Availment of Cenvat Credit	Mumbai-I
43	Deccan Mining Syndicate, Bellary	Iron Ore	5.36	Clandestine Removal	Mysore
44	P. D. Conduction	Cooper Wire & Ms Wire Mesh	6.00	Wrong Availment of Cenvat Credit	Mumbai-I
45	Rashmi Metallics Ltd..	Pig Iron & TMT Bar	892.99	Wrong Cenvat Credit Taken On Inputs	Kolkata
46	Madras Cement Ltd	Cement	600.00	Irregular Availment of Cenvat Credit	Kolkata
47	IOCL, Mathura Refinery, Mathura	Petroleum Product	43.18	Wrong Availment of Cenvat Credit	Lucknow
48	Riga Sugar Co. Ltd	Sugar	6.44	Wrong Availment of Cenvat Credit	Lucknow
49	New Swadeshi Sugar Mills	Sugar	14.85	Wrong Availment of Cenvat Credit	Ranchi
50	Tramco Coaches (Pvt) Ltd	Body Building	13.23	Undervaluation	Ranchi
51	Orissa Manganeze & Mineral	Iron Ore Pallets	8.41	Wrong Availment of Cenvat Credit	Ranchi
52	Electrotherm India Ltd, Rajkot	Ms Billets, TMT Bars, Stainless Steel Billets	22.41	Wrong Availment of Cenvat Credit	Ahmedabad
53	Shree Meenakshi Foods Products Pvt. Ltd., Ahmedabad-ii	Pan Masala, Gutkha	11.58	Clandestine Removal	Ahmedabad
54	Vaidyanath SSK Ltd., Beed	Sugar, Molasses, Rectified Spirit	8.58	Wrong Availment of Cenvat Credit	Mumbai-li
55	L & T, Nagpur	Parts of Automobiles	71.00	Non Payment of Appropriate Central Excise Duty	Mumbai-li
56	Telcon Construction Equipment Ltd.	Parts of Construction Equipments	30.71	Non Payment of Appropriate Central Excise Duty	Mumbai-li

Sl. No.	Name of the Company (M/s)	Commodity	Amount of duty (Rs. In crore)	Modus Operandi	Cc ZONE
57	Komatsu India Pvt Ltd	Parts of Automobiles	5.00	Non Payment of Appropriate Central Excise Duty	Mumbai-li
58	Kothari Petrochemicals Ltd.	Poly Isobutylene	5.00	Wrong Availment of Cenvat Credit	Mumbai-li
59	Integral Coach Factory, Perambur	Railways Coaches	14.24	Non Payment of Appropriate Central Excise Duty	Chennai
60	BMW India Ltd	Cars	7.00	Undervaluation	Chennai
61	BMW India Ltd	Cars	6.24	Wrong Availment of Cenvat Credit	Chennai
62	Rajshree Sugars And Chemicals, Unit - Iii	Sugar	5.81	Wrong Availment of Cenvat Credit	Chennai
63	JSW Steel Ltd, Pottaneri	Steel	7.92	Wrong Availment of Cenvat Credit	Coimbatore
64	Krishna Smelters Ltd., Sankari Durg	Steel	8.11	Clandestine Removal	Coimbatore
65	Tamilnadu Newsprint And Paper Ltd, Karur	Effluent Sludge Grade (Filter Cakes) & Fly Ash	15.11	Wrong Availment of Cenvat Credit	Coimbatore
66	Bharat Heavy Electrical Ltd, Trichy	Boiler And Parts of Boiler	40.20	Wrong Availment of Exemption Notification	Coimbatore
67	Madras Cements Ltd, Govindapuram.	Cement And Clinker	9.87	Wrong Availment of Cenvat Credit	Coimbatore
68	Indian Rare Earths Ltd, Manavalakurchi	Limonite	12.34	Misclassification	Coimbatore
69	Vaibhav Ispat Ltd.	Ms Bars	5.28	Wrong Availment of Area Based Exemption Notification	Delhi
70	Doaba Rolling Mill	Ms Ingot	14.75	Clandestine Removal	Delhi
71	Indo Solar	Solar Cells / Equipments	20.00	Non Payment of Appropriate Central Excise Duty	Delhi

(B) SERVICE TAX

List of cases booked by DGCEI where Service Tax involved is Rs.5 crore or more:

Sl. No.	Name of the Company (M/s)	Commodity	Amount of duty (Rs. In crore)	Modus Operandi	DGCEI ZONE
1	BGR Energy Systems	Works Contract Service	10.70	Non Payment of Service Tax	Chennai
2	Teledata Informatics	Development And Supply of Contents Service	52.83	Non Payment of Service Tax	Chennai
3	Indian Meteorological Department	Airport Services	21.00	Non Payment of Service Tax	Chennai
4	Infra Dredging	Dredging, Supply of Tangible Goods Services	21.00	Non Payment of Service Tax	Chennai
5	Cognizant Technologies	Business Auxiliary Service	7.00	Availment of Ineligible Credit On Inputs Used For Providing Exempted Service Sale To Sez	Chennai
6	Renault Nissan	Intellectual Property Rights Services	6.21	Non Payment of Service Tax	Chennai
7	Nuclear Power Corporation of India Ltd., Kudungulam Power Project	Consulting Engineering Services Reverse Charge	6.00	Non Payment of Service Tax	Chennai
8	Nav Bharat Ventures	Airport Services	5.84	Non Payment of Service Tax	Chennai
9	Karnataka Housing Board, Bangalore	Renting of Immovable Property Service/ Business Support Service	547.71	Non Registration And Non Payment of Service Tax	Bangalore
10	Everon Group	Commercial Coaching Services	5.00	Non Payment of Service Tax	Chennai
11	Dell International Services India Pvt Limited, Bangalore	Technical Testing And Analysis Services	256.88	Non Payment of Service Tax	Bangalore
12	Reliance Communications Limited, Navi Mumbai	Telecommunication	137.00	Non Payment of Service Tax Under Reverse Charge	Mumbai

Sl. No.	Name of the Company (M/s)	Commodity	Amount of duty (Rs. In crore)	Modus Operandi	DGCEI ZONE
13	Go Airlines (I) Pvt Limited, Mumbai	Business Support, Commercial Training Or Coaching, Management & Business Consultancy, Management, Maintenance Or Repair	106.35	Non Payment of Service Tax	Mumbai
14	Kingfisher Airlines Limited (Now M/s KTASL), Mumbai	Business Support, Event Management, Online Information, And Database Access Or Retrieval Services	103.23	Non Payment of Service Tax	Mumbai
15	Reliance Industries Ltd.	Business Auxiliary Service	75.78	Non-Payment of Service Tax On Service Received From The Service Providers Located Outside India.	Ahmedabad
16	Kingfisher Airlines Limited (Now M/S Kingfisher Training And Aviation Services Limited), Mumbai.	Business Auxiliary Service, Commercial Training Or Coaching, Management Or Business Consultant, Management, Maintenance Or Repair	60.78	Non Payment of Service Tax Under Reverse Charge Mechanism	Mumbai
17	Ambience Developers & Infrastructure Limited	Renting of Immovable Property	56.00	Clandestinely Providing The Taxable Service	Delhi
18	Vodafone Essar South Mumbai	Telecommunications	55.52	Non Payment of Service Tax Under Reverse Charge Mechanism	Mumbai
19	Power Infrastructure Ltd, Mumbai	Works Contract Service	41.11	Non-Payment of Service On The Value of Taxable Services Provided	Mumbai
20	Texas Instruments (I) Pvt Limited, Bangalore	Business Auxiliary Service	39.88	Non Payment of Taxable Services Under Reverse Charge	Bangalore
21	Karnataka State Cricket Association	Event Management Service/ Club Or Association Service	22.73	Non Payment of Service Tax	Bangalore

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Sl. No.	Name of the Company (M/s)	Commodity	Amount of duty (Rs. In crore)	Modus Operandi	DGCEI ZONE
22	Kolkata Municipal Corporation	Sale of Space & Time, Renting of Immovable Property	18.32	Non Payment of Service Tax	Kolkata
23	Girdhari Lal Construction Pvt Limited	Construction of Residential Complex	17.00	Clandestinely Providing The Taxable Service.	Delhi
24	Birla Sun Life Insurance	Insurance Auxiliary Service	16.02	Non-Payment of Service Tax.	DGCEI HQ
25	Super Tech Limited	Construction of Residential Complex	15.00	Clandestine Providing The Taxable Service	Delhi
26	Mannapuram Finance Limited	Banking And Other Financial Services	15.00	Undervaluation	Bangalore
27	Muthoot Finance Limited, Kochi	Banking And Other Financial Services/ Business Auxiliary Services	1500.00	Non Payment of Service Tax	Bangalore
28	Bharat Mines And Minerals Ispat Limited, Bellary	Mining of Mineral Oil Or Gas Services	14.67	Undervaluation (Consideration In Lieu of Money)	Bangalore
29	Centrodorstray (I) Pvt. Limited, New Delhi	Management Maintenance & Repair Service	13.68	Clandestinely Providing The Taxable Service	Delhi
30	GVPR Engineers Limited, Hyderabad (Branch Offices At Bidar, Bellary, Gadag, Bijapur, Shimoga, And Belgaum)	Mining of Mineral Oil Or Gas Services	13.05	Non Payment of Service Tax	Bangalore
31	Gammon India Ltd.	Works Contract Service	10.50	Non-Payment of Service Tax	Ahmedabad
32	Greater Noida Development Authority, Gautam Budh Nagar, Noida	Renting of Immovable Property	10.00	Clandestinely Providing The Taxable Service	Delhi
33	Future Value Retail Limited, Mumbai	Renting of Immovable Property	10.00	Clandestinely Providing The Taxable Service	Delhi
34	Bharat Oman Refinery Ltd., Beona	Management, Maintenance & Repair Service	10.00	Non-Payment of Service Tax	Ahmedabad
35	National Stock Exchange of India Limited (NSE), Mumbai	Commercial Training Or Coaching Services	10.00	Non Payment of Service Tax	Mumbai

Sl. No.	Name of the Company (M/s)	Commodity	Amount of duty (Rs. In crore)	Modus Operandi	DGCEI ZONE
36	Skylark Securitas Pvt. Ltd., Delhi	Manpower/ Security Services	10.00	Non-Payment of Service Tax	DGCEI HQ
37	Essar Logistics Ltd., Hazira	Cargo Handling Service	9.29	Non-Payment of Service Tax	Ahmedabad
38	C. Prakashan & Co., New Delhi	Management Maintenance & Repair Service	9.06	Clandestinely Providing The Taxable Service	Delhi
39	Sree Minerals	Mining of Mineral Oil Or Gas Services	9.00	Non Registration And Non Payment of Service Tax	Bangalore
40	Aakash Educational Services Limited, New Delhi	Commercial Training And Coaching Services	8.40	Clandestinely Providing The Taxable Service	Delhi
41	Fiitjee Limited, Delhi	Renting of Immovable Property	8.20	Clandestinely Providing The Taxable Service	Delhi
42	Future Value Retail Limited, Mumbai	Renting of Immovable Property	8.00	Clandestinely Providing The Taxable Service	Delhi
43	Indu Projects Ltd	Works Contract Service	7.80	Non-Payment of Service Tax	Ahmedabad
44	Asian Resurfacing of Road Agency Pvt. Limited, New Delhi	Management, Maintenance & Repair Service	7.18	Clandestinely Providing The Taxable Service	Delhi
45	B.L. Mehta Construction Pvt. Limited, Chandigarh	Works Contract Service	7.00	Clandestinely Providing The Taxable Service	Delhi
46	Saluja Construction Company	Renting of Immovable Property	6.00	Clandestinely Providing The Taxable Service	Delhi
47	Coastal Projects Limited, Annupur	Works Contract Service	5.95	Clandestinely Providing The Taxable Service	5.95
48	Magma Converge Solutions	Business Auxiliary Service & Insurance Auxiliary Service	5.67	Non Payment of Service Tax	Kolkata
49	GPL Brahmaputra Construction Limited	Management, Maintenance & Repair Service	5.43	Clandestinely Providing The Taxable Service	Delhi
50	KBN Enterprises, Bellary	Mining of Mineral Oil Or Gas Services	5.40	Undervaluation	Bangalore

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Sl. No.	Name of the Company (M/s)	Commodity	Amount of duty (Rs. In crore)	Modus Operandi	DGCEI ZONE
51	SVR Mineral, Bellary	Mining of Mineral Oil Or Gas Services	5.40	Non Payment of Service Tax	Bangalore
52	Fun Multiplex Pvt Limited, Andheri	Renting of Immovable Property	5.00	Clandestinely Providing The Taxable Service	Delhi
53	Muthoot Fincorp Ltd, Thiruvananthpuram	Banking And Financial Service/ Business Auxiliary Service	5.00	Non Payment of Service Tax	Bangalore
54	Rajasthan State Industrial Development & Investment Corporation	Renting of Immovable Property	28.00	Clandestinely Providing The Taxable Service	Delhi

List of cases booked by the Commissionerate where Service Tax involved is Rs. 5 crore and above:

Sl. No.	Name of the Company (M/s)	Commodity	Amount of duty (Rs. In crore)	Modus Operandi	Cc ZONE
1	Jai Prakash Associates	Construction of Commercial Complexes	631.38	Non Payment of Service Tax.	Delhi
2	Zoom Developers Pvt. Limited	Construction of Commercial Complexes	588.62	Non-Payment of Service Tax	Mumbai-I
3	EMMAR MGF	Construction of Commercial Complexes	178.93	Non Payment of Service Tax.	Delhi
4	Quippo Telecom Infrastructure Limited	Telecommunication Service	125.56	Wrong Availment of Cenvat Credit	Delhi
5	ARRS Infrastructure Ltd., Manchesar Industrial Area, Bhubaneswar	Maintenance, Management Or Repair Services And Site Formation And Clearance	123.78	Service Tax Not Paid On The Value Received	Bhubaneswar
6	Suipcot	Renting of Immovable Property Service	91.55	Non-Payment of Appropriate Services Tax	Chennai
7	Tata Steel	Input Service Distributor	89.25	Wrong Availment of Cenvat On ISD Invoices	Ranchi
8	International College of Financial Planning	Commercial Training Or Coaching	89.17	Non Payment of Service Tax	Delhi
9	KNR Constructions	Commercial And Industrial Construction Services, Work Contract Services	85.76	Non Payment of Service Tax	Hyderabad
10	Verizon Communication India Pvt. Limited	Business Support Service	56.17	Non Payment of Service Tax	Delhi
11	Indian Advantage Fund-V	Banking And Financial Service	42.33	Non Payment of Service Tax	Bangalore
12	Estate Office	Renting of Immovable Property	34.32	Non Payment of Service Tax	Chandigarh
13	Wipro Ltd	Information Technology Software Service	32.79	Misuse of Exemption Notification	Chennai
14	ICICI Emerging Sectors Fund	Banking And Financial Service, Business Auxiliary Service	32.47	Non Payment of Service Tax	Bangalore
15	Madhura Coats Pvt. Limited	Intellectual Property Rights Service	31.52	Non Payment of Service Tax	Bangalore
16	Chandralekha Construction	Construction of Complex Service	30.77	Non Payment of Service Tax	Delhi

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Sl. No.	Name of the Company (M/s)	Commodity	Amount of duty (Rs. In crore)	Modus Operandi	Cc ZONE
17	Indian Advantage Fund-I	Banking And Financial Service, Business Auxiliary Service	30.14	Non Payment of Service Tax	Bangalore
18	Confident Projects (I) Pvt Limited	Construction of Complex Service	30.09	Non Payment of Service Tax	Bangalore
19	Swati Housing Constructions Pvt. Limited	Construction of Complex Service	29.07	Non Payment of Service Tax	Delhi
20	Southern Wind Farms Ltd	Business Auxiliary Service	27.56	Non-Payment of Appropriate Services Tax Under The Said Category	Chennai
21	Autodesk India Pvt Limited	Business Auxiliary Service, Maintenance & Repair	27.46	Non Payment of Service Tax	Delhi
22	LCL Logistics (I) Pvt. Limited, Kochi	Business Support Service	26.41	Non Payment of Service Tax	Cochin
23	C.P. System Pvt. Limited	Construction of Complex Service	25.04	Non Payment of Service Tax	Delhi
24	Indian Advantage Fund-III	Banking And Financial Service, Business Auxiliary Service	24.48	Non Payment of Service Tax	Bangalore
25	Orix Infrastructure Service Limited	Rent A Cab	24.36	Providing Vehicle Under Operating Lease And Not Paying Service Tax	Mumbai-I
26	ICICI Strategic Investment Fund	Banking And Financial Service, Business Auxiliary Service	21.91	Non Payment of Service Tax	Bangalore
27	Central Railway	Advertisement, Renting of Immovable Property	21.89	Not Obtained Service Tax Registration And Not Paid Service Tax	Mumbai-I
28	V Trans/ Xpress (I) Pvt. Limited	Courier	21.11	The Assessee Has Showed Courier Services As GTA Thereby Evading Service Tax.	Mumbai-I
29	Indian Advantage Fund-Vi	Banking And Financial Service, Business Auxiliary Service	20.78	Non Payment of Service Tax	Bangalore
30	Ashish Construction, Ahmedabad	Maintenance, Management Or Repair Services	20.43	Non-Payment of Service Tax	Ahmedabad
31	Indian Advantage Fund-Ii	Banking And Financial Service, Business Auxiliary Service	20.18	Non-Payment of Service Tax	Bangalore
32	CISF, Dhanbad	Security Service	20.17	Non-Payment of Service Tax	Ranchi

Sl. No.	Name of the Company (M/s)	Commodity	Amount of duty (Rs. In crore)	Modus Operandi	Cc ZONE
33	Nirmal Lifestyle	Construction of Residential Complex	20.00	Collecting Service Tax But Not Paying	Mumbai-I
34	J.B. Chemicals	Business Auxiliary Service	18.22	Wrongly Claiming Services As Pure Agent	Mumbai-I
35	Lodha Group Of Companies	Construction of Residential Complexes	18.05	Collected Service Tax From Clients But Not Deposited With Government	Mumbai-I
36	Sankalanpan Infrastructure Pvt Ltd.	Erection Commissioning And Installation Service	17.87	Misuse of Exemption Notification	Chennai
37	Western Railway	Advertisement Service, Renting of Immovable Property	17.65	Non Payment of Service Tax	Mumbai-I
38	ICICI Equity Fund	Banking And Financial Service, Business Auxiliary Service	17.51	Non Payment of Service Tax	Bangalore
39	Director General of Special Force, Andhra Pradesh	Security Service	17.28	Non Payment of Service Tax	Hyderabad
40	General Atlantic Pvt. Limited	Business Auxiliary Service	17.11	Non Payment of Service Tax	Mumbai-I
41	Wadhawa Group	Construction of Complex Service	15.73	Service Tax Collected But Not Paid	Mumbai-I
42	Tops Security Services Limited	Security Agency	15.18	Collecting Service Tax But Not Paying It To Government Exchequer	Mumbai-I
43	V.K. Aggarwal & Co.	Construction of Complex Service	15.11	Non Payment of Service Tax	Delhi
44	Macromedia Digital Imaging Pvt. Ltd.	Advertising Agency Service	15.00	Non Payment of Service Tax	Hyderabad
45	Indiabulls & Associates	Construction of Complex Service	14.71	Service Tax Collected But Not Paid	Mumbai-I
46	HDIL	Construction of Complex Service	14.55	Service Tax Collected But Not Paid	Mumbai-I
47	John Keells Logistics (P) Limited, Kochi-3	Steamer Agents Service & Cargo Handling Service	14.40	Non Payment of Service Tax On The Amount Collected Under Steamer Agents Service And Cargo Handling Service	Cochin
48	Cargill India Pvt Limited	Business Auxiliary Service, Maintenance and Repair Servicers	14.36	Non Payment of Service Tax	Delhi
49	Shreeji Shipping, Rajkot	CHA Service, GTA Service	14.07	Non-Payment of Service Tax	Ahmedabad
50	Shiva Industrial Security Agency Pvt. Limited	Security Agency	13.67	Service Tax Collected But Did Not Deposit The Same To The Govt. Account	Vadodara

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Sl. No.	Name of the Company (M/s)	Commodity	Amount of duty (Rs. In crore)	Modus Operandi	Cc ZONE
51	All Grace Developers	Construction of Complex Service	13.46	Non Payment of Service Tax	Delhi
52	STV Enterprises	Broadcasting, Advertisement Service Etc.	13.40	Non Payment of Service Tax	Delhi
53	Lenovo India Pvt Limited	Business Auxiliary Service	13.23	Non Payment of Service Tax	Bangalore
54	Indian Advantage Fund-Iv	Banking And Financial Service, Business Auxiliary Service	13.23	Non Payment of Service Tax	Bangalore
55	The Himalaya Drug Company	Intellectual Property Rights Service	12.31	Non Payment of Service Tax	Bangalore
56	Positive Television Pvt. Limited	Broadcasting Service	12.20	Non Payment of Service Tax	Delhi
57	Fibrefill Engineers	Construction of Complex Service	12.15	Non Payment of Service Tax	Delhi
58	Ace Buildtech	Construction of Complex Service	11.71	Non Payment of Service Tax	Delhi
59	Aura Institutions Pvt Limited	Commercial Training and Coaching	11.66	Non Payment of Service Tax	Delhi
60	Continental Furnishers	Construction of Complex Service	11.52	Non Payment of Service Tax	Delhi
61	Bulty Roller Centre, Ahmedabad	Maintenance Or Management Or Repair Services	10.76	Non-Payment of Service Tax	Ahmedabad
62	Jyoti Sarup	Construction of Complex Service	10.66	Non Payment of Service Tax	Delhi
63	Michigan Engg. Pvt. Limited	Dredging Service	10.57	Dredging of Mithi River And Non Payment of Service Tax On The Service Provided	Mumbai-I
64	Defence Exhibition Organisation	Business Auxiliary Service	10.44	Non-Payment of Service Tax	Delhi
65	Indica Sporting Goods Pvt Ltd.	Business Support Service	10.41	Non-Payment of Service Tax	Chennai
66	Prajay Engineers Syndicate	Commercial And Industrial Construction Service, Works Contract Service, GTA	10.37	Non Payment/Short Payment of Service Tax	Hyderabad
67	H.V. Krishna, Hassan	Management, Maintenance Or Repair Service	10.37	Non-Payment of Service Tax	Mysore
68	ICICI Econet Internet & Technology Fund	Intellectual Property Rights Service	10.03	Non-Payment of Service Tax	Bangalore

Sl. No.	Name of the Company (M/s)	Commodity	Amount of duty (Rs. In crore)	Modus Operandi	Cc ZONE
69	Indian Infra Telecom	Business Support Service	9.73	Non-Payment of Service Tax	Bangalore
70	Apex Visa Engineering Services (P) Ltd.	Business Auxiliary Service	9.17	Non-Payment Service Tax	Chennai
71	D.B. Realty	Construction of Residential Complex Service	9.15	Collecting Service Tax But Not Paying It To Government Exchequer	Mumbai-I
72	Laing O' Rourke Construction Pvt. Limited	Construction of Complex Service	9.12	Non-Payment Service Tax	Delhi
73	Sameer Construction	Construction of Complex Service	9.00	Non-Payment Service Tax	Delhi
74	International Recreation Park Pvt. Ltd.	Renting of Immovable Property	9.00	Non-Payment Service Tax	Chennai
75	Vatika Construction	Construction of Complex Service	8.90	Non-Payment Service Tax	Delhi
76	Aban Offshore Limited	Mining Service	8.83	Non-Payment Service Tax	Mumbai-I
77	Maddilakshmaiah & Co. Limited	Business Auxiliary Service	8.72	Non-Payment Service Tax	Bangalore
78	Bridge & Roof Co. (India) Limited	Work Contract Service	8.50	Non Payment of Service Tax	Chandigarh
79	Nagar Urban Bank, Ahmednagar	Banking And Financial Service, Business Auxiliary Service	8.45	Non Reversal of Amount On Exempted Service	Mumbai-li
80	Corrtch International Pvt Ltd., Ahmedabad	Works Contract Services	8.27	Service Tax Evasion In Works Contract Services	Ahmedabad
81	Instrans Iron & Steel Co. Pvt. Limited, Dharwad	Business Auxiliary Services & Mining Services	8.16	Non-Payment of Service Tax	Mysore
82	Chaitanya Shanthiniketan	Convention Services	8.07	Non-Payment of Service Tax	Chennai
83	ARSTU	Construction of Complex Service	7.87	Non-Payment of Service Tax	Delhi
84	VXL Instruments Limited	Information Technology Software Services	7.83	Non-Payment of Service Tax	Bangalore
85	Kristal Projects India Limited	Construction of Complex Service	7.82	Non-Payment of Service Tax	Bangalore
86	V Sathyamoorthy & Co.	Commercial Or Industrial Service	7.72	Non-Payment of Service Tax	Coimbatore
87	Niilm School of Business	Commercial Training and Coaching	7.71	Non-Payment of Service Tax	Delhi
88	Kailash Enterprise	Business Auxiliary Service, Cargo Handling Service	7.69	Non-Payment of Service Tax	Vadodara

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Sl. No.	Name of the Company (M/s)	Commodity	Amount of duty (Rs. In crore)	Modus Operandi	Cc ZONE
89	Municipal Corporation, Chandigarh	Renting/ Leasing of Immovable Property	7.54	Non-Payment of Service Tax	Chandigarh
90	ABG Infrastructure Logics	Port Service, GTA	7.54	Service Tax Collected But Not Paid	Mumbai-I
91	Newton Engg.	Business Auxiliary Service	7.34	Non-Payment of Service Tax	Vadodara
92	M S Dhoni	Business Auxiliary Service/ Business Support Services	7.05	Non-Payment & Non-Registration of Service Tax	Ranchi
93	Tata Steel	Input Service	7.01	Wrong Availment of Cenvat On Supplementary Invoices	Ranchi
94	Rosy Blue (I) Pvt. Ltd	Business Auxiliary Service, Business Support Services	6.95	Non-Payment of Service Tax Under Reverse Charges	Mumbai-I
95	Rai Business School	Commercial Training and Coaching	6.93	Non-Payment of Service Tax	Delhi
96	Dewsoft Overseas Pvt Limited	Commercial Training and Coaching	6.90	Non-Payment of Service Tax	Delhi
97	DRK Panchganga SSK Ltd	Renting of Immovable Property Service	6.70	Non-Payment of Service Tax / Non Filing of Return	Pune
98	Manyata Promoters	Renting of Immovable Services , Business Auxiliary Service	6.69	Non-Payment of Service Tax	Bangalore
99	First Leasing Company India Ltd.	Banking And Financial Service, Renting of Immovable Services, Business Auxiliary Service	6.65	Non-Payment of Service Tax	Chennai
100	JP Infratech	Car Parking Charges	6.50	Non-Payment of Service Tax	Chennai
101	Deogiri Nagari Bank, Aurangabad	Banking And Financial Service	6.45	Non Reversal of Amount On Exempted Service	Mumbai-I
102	Dunnimaa Engg. & Drivers	Business Auxiliary Service, Exploration of Mineral Service	6.41	Collecting Service Tax But Not Paying	Mumbai-I
103	Surender Engineers & Builders	Construction of Complex Services	6.33	Non-Payment of Service Tax	Delhi
104	Ajab Singh & Co.	Construction of Complex Services	6.20	Non-Payment of Service Tax	Delhi
105	M S Khurana Engineering Ltd., Ahmedabad	Construction of Complex Services	6.19	Non-Payment of Service Tax	Ahmedabad

Sl. No.	Name of the Company (M/s)	Commodity	Amount of duty (Rs. In crore)	Modus Operandi	Cc ZONE
106	Witness Systems Software (I) Pvt Limited	Maintenance and Repair Services, Business Auxiliary Service	6.06	Non-Payment of Service Tax	Bangalore
107	Delhi Business School	Commercial Training And Coaching	5.83	Non-Payment of Service Tax	Delhi
108	Subramanya Construction	Renting of Immovable Property Service	5.82	Non-Payment of Service Tax	Bangalore
109	Sea Eagle Dredging Marine Inf.	Dredging Service	5.78	Collecting Service Tax But Not Paying	Mumbai-I
110	Maharashtra Cricket Association (MCA)	Promotion of Brand, Renting of Immovable Property, Business Support Service	5.58	Non-Payment of Service Tax	Pune
111	J.N. Freight Forwarders Pvt. Limited, Cochin	Steamer Agents Service	5.55	Non-Payment of Service Tax	Cochin
112	Sahara TV	Services Received From Foreign Services Providers	5.52	Non-Payment of Service Tax	Chennai
113	Hamadard National Foundation	Intellectual Property Rights Service	5.45	Non-Payment of Service Tax	Delhi
114	Mahendra Brothers Exports P. Limited	Business Auxiliary Service, Business Support Service, Intellectual Property Rights Service, Advertisement Service	5.35	Not Obtained Service Tax Registration And Not Paid St On The Service Received Under Sale of Space Or Time For Advertisement, Renting	Mumbai-I
115	Kamla Construction Co. Obedullaganj	Maintenance And Repair of Roads & GTA	5.22	Proving Service Without Obtaining Service Tax Registration	Bhopal
116	Dahej Harbour	Port Service	5.18	Short Payment of Service Tax	Vadodara
117	Gujarat Maritime Board	Port Service	5.18	Short Payment of Service Tax	Vadodara
118	HIMBIS Holidays Pvt. Limited	Tours Operator Service	5.05	Short Payment of Service Tax	Mumbai-I
119	MSK Project, Baroda	Business Auxiliary Service, Construction of Complex Service, Commodity Exchange Services , Maintenance and Repair Services	16.87	Aseessee Was Collecting Toll Tax For MPRDC But Was Not Discharging Their Tax Liability	Bhopal

GRANT NO. 43, MAJOR HEAD 2038 UNION EXCISE DUTY SUB-HEADWISE ALLOCATION OF FUNDS AMONGST ZONAL UNITS FOR THE FINANCIAL YEAR 2011-12 (Final Distribution) as on 31.03.2012

S.NO	MAJOR HEAD & SUB HEAD OF GRANT	SANCTIONED GRANT	HQRS.	DELHI	MUMBAI	CHENNAI	KOLKATA	AHEMEDABAD	BANGALORE
1	SALARY	194022000	32577000	29895000	33375000	31000000	25000000	22175000	20000000
2	MEDICAL TREATMENT	1800000	230000	200000	400000	200000	50000	580000	140000
4	OVER TIME ALLOWANCE	400000	80000	20000	48000	60000	117000	40000	35000
5	TRAVELLING EXPENSES	7500000	1695000	715000	850000	1735000	800000	655000	1050000
6	OFFICE EXPENSES								
	(i) OFFICE EXPENSES (GEN.)	36500000	6100000	7700000	4750000	7350000	4250000	4100000	2250000
	(ii) PURCHASE REPAIR & MAINTENANCE OF STAFF CAR	13500000	7975000	1200000	525000	700000	500000	1900000	700000
	(iii) 1% INCREMENTAL REVENUE SCH.	7550000	1774000	788000	1115000	1203000	514000	1228000	928000
7	INFORMATION TECHNOLOGY	5550000	1228000	1050000	850000	1000000	550000	272000	600000
8	PROFESSIONAL SERVICES								
9	RENT RATE & TAXES	19000000	0	1627900	8000000	2500000	2500000	2372100	2000000
10	SECRET SERVICE EXPENSES	8000000	3380000	870000	895000	820000	520000	845000	670000
11	REWARDS								
	(i) OFFICERS/ STAFF	20000000	54500	7809500	712250	4723750	2353500	425000	3921500
	(ii) INFORMER	40000000	988000	30572000	1510000	450000	3370000	165000	2945000
12	MINOR WORKS	0	0	0	0	0	0	0	0
	Total	357322000	57903400	82947400	53530250	51891750	40824500	34935200	35289500