



Government of India

MONTHLY AUDIT BULLETIN – JUNE, 2012

Directorate General of Audit
Customs, Central Excise & Service Tax
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CENTRAL EXCISE

- (1) **GIST OF THE OBJECTION : Non Payment of duty on machineries manufactured and cleared to another unit for Captive Consumption.**

COMMISSIONERATE : Central Excise Commissionerate, Rajkot

The assessee is engaged in manufacture of CNC Turning Centre, Vertical Machining Centre, SPM Machine, and Horizontal Machining Centre falling under Chapter 84. It was observed that the assessee cleared five VMC/TMC/ATM/HMC model machines to their own units during the months of March and August 2011. On verification, it was found that the same were installed for captive use in the assessee's other unit which was not a registered Central Excise entity and was outside the registered premises. Further scrutiny revealed that the machines were cleared under the cover of invoices mentioning 'invoice under notification No.67/95'. Hence the assessee had cleared the said machines taking benefit of the duty exemption. Such benefit of duty exemption is not available to the assessee as the machines so cleared for captive use were installed at premises outside the registered manufacturing area of the assessee. The duty payable by the assessee at the given time was calculated at ₹17,45,201/- with interest of ₹2,01,966/-. On being explained, the assessee agreed to the objection and paid the amount in full.

- (2) **GIST OF THE OBJECTION : Incorrect avilment of credit of duty in respect of non-input i.e. trading goods.**

COMMISSIONERATE : Central Excise Commissionerate, Haldia

The assessee is a manufacturer of Cable Tray, GI Flat, Cable tray Support etc. which are primarily iron & steel products. The assessee had availed CENVAT Credit of duty on various inputs. During course of audit and on verification of cenvat account and the documents during actual audit, it was noticed that the assessee was availing CENVAT Credit on copper Rod, Copper Scrap & Copper wire Rod. On examination it was found that copper is not an input in any form for manufacture of their said finished goods. The assessee is only engaged in the activity of trading in copper items. This fact was also verified from his sale register. As copper is not used in the manufacture of the excisable goods, the entire CENVAT Credit availed on copper

is inadmissible and required to be reversed along with interest. This has resulted in availment of inadmissible credit of ₹72,56,146 which is required to be reversed along with interest.

- (3) **GIST OF THE OBJECTION : Assessment of goods based on Retail Sale Price – Incorrect adoption of assessable value lower than abated MRP price meant for distributors, resulting in short payment of duty.**

COMMISSIONERATE : Central Excise Commissionerate, Coimbatore

The assessee located at Coimbatore is manufacturers of Automotive, Tubular and Stationery Battery. He had availed SSI exemption notification No.08/2003, for the financial year 2009-10 and had been filing Quarterly ER-1 returns. During financial year 2010-11, he had availed SSI exemption and on crossing the value of clearances of ₹1.5 Crores on 24.06.2010, had started paying central excise Duty. Thereafter he had started availing CENVAT Credit on various inputs, input services and capital goods.

Batteries manufactured by the assessee are notified under Section 4A of the Central Excise Act, attracting levy on the basis of Retail Sale Price (MRP). Notification No.49/2008-CE (NT), dated 24.12.2008 amended by notification No.18/2009-CE(NT), dated 07.07.2009, (Sl. No.81) provides for an abatement of 35% of the Retail Sale Price. Accordingly, the assessee is liable to pay duty on the 65% of the declared Retail Sale Price.

The Batteries manufactured by the assessee is sold through various distributors appointed by the company. Perusal of the Central Excise records revealed that the assessee has been issuing Price List from time to time to their distributors indicating the MRP in respect of all types of Batteries sold by them. Scrutiny of the sale invoices indicated that the assessee is not paying central excise duty on the abated value of MRP declared in the price list, but are paying duty on a value lower than the abated MRP meant for the distributors, which has resulted in short-payment of duty during the period from July 2010 to October 2011, amounting to ₹4,17,086/-.

The assessee accepted the contention of the audit and paid the entire amount of duty short paid along with interest.

(4) GIST OF THE OBJECTION : Non reversal of CENVAT Credit on sold Capital Goods.

COMMISSIONERATE : Central Excise Commissionerate, Chennai-III

The assessee is the manufacturer of Auto Mobile Parts - Bumpers (front and back). During the course of audit it was noticed that the assessee had sold 16 moulds and fixtures valued at ₹6,51,50,340/-. He also had paid VAT @4% completing the transfer of ownership and title of the impugned 16 moulds and fixtures. Moulds and Fixtures are covered under the definition of Capital Goods for purpose of CENVAT Credit under the CENVAT Credit Rules, 2004 [Rule 2(a)(A)(iv)]. In this case the assessee had availed a credit of ₹39,18,659/- in May 2011 in their Capital Goods Credit account. This credit represents 50% of the total duty of ₹78,37,318/-. Thus the assessee had availed the credit of ₹39,18,659/- even after selling those corresponding Capital Goods. He should have followed the proviso to Rule 4(2) (a) by availing the credit of the whole amount of duty paid on such Capital Goods i.e. ₹78,37,318/- and reversed the same against the sales invoice. The same needs to be reversed and applicable interest paid.

(5) GIST OF THE OBJECTION: Wrong availment of CENVAT Credit on UV coated poly carbonate embossed corrugated profiles as capital goods.

COMMISSIONERATE : Central Excise Commissionerate, Ghaziabad

During the course of scrutiny of the CENVAT Credit documents of Capital Goods it was noticed that the assessee had taken credit on UV coated poly carbonate embossed corrugated profiles, falling under item No.3920 6190 of the Tariff. As this subheading is not covered directly under the definition of capital goods, the assessee was asked to provide the details regarding usage of these sheets. They informed that these sheets were used for covering various machines like color coating line, cutting & packing as required. The said UV sheets are fastened on the top part of a structure made from square pipes placed along with the color coating line. In some cases the sheets are attached on the side of the structure. Thus, the structure as well as the sheets attached to it is never part/components of any machine along with which they are placed and are in no way assisting or enabling the functioning of respective machine. Accordingly, it was observed that the UV coated poly carbonate embossed corrugated profiles, are not eligible items for taking credit as capital goods under the CENVAT Credit Rules, 2004. On being pointed out the assessee stated that he has used these sheets in his plant in relation to

machines which were further used for manufacturing excisable goods. The credit involved is ₹17,23,877/-.

(6) GIST OF THE OBJECTION : Non payment of duty component involved in the Insurance claim sanctioned by the Insurance Company.

COMMISSIONERATE : Central Excise Commissionerate, Trichy

During the course of audit of the accounts of the assessee and on scrutiny of trial balance and P&L account from the years 2007-08 to 2010-11, it was noticed that under the head Insurance Claim, the assessee had shown ₹1,83,777/-, ₹1,63,092/-, ₹1,05,762/- and ₹50,604/- (Schedule-12 other income) as Income. On inquiry about the nature of such claims and as to whether any cenvatable inputs or capital goods are involved in the loss or damage of materials, the assessee stated that these claims pertained to electrical parts ie. FCR in control panels that are damaged during the usage in capital goods for which they are claiming insurance. The insurance amount paid by the insurance company on the whole amount of the bill value of those damaged items is inclusive of duty component also. On explaining the Rule 3(5) of the CENVAT Credit Rules, 2004 they agreed to reverse the amount of said ineligible credit availed.

(7) GIST OF THE OBJECTION : Short payment of Central Excise Duty amounting to ₹12,36,000/-.

COMMISSIONERATE : Central Excise Commissionerate, Patna

The assessee is engaged in the manufacture of Cement Paints (Chapter Head 3210 00 11), Wall putty (Chapter head 3214 10 00), Damp proofing (Chapter head 3824 40 10) and Oxide Colours (Chapter head 3206 50 00) of the Central Excise Tariff Act.

During the course of audit and on scrutiny of the records of the assessee, it was found that during 2010-11 the assessee was availing SSI exemption up to the aggregate value of ₹1.50Crores in terms of notification No.8/2003- CE, dated 01.03.2003 as amended.

It was further found that there is also another unit of the manufacturer in Rajasthan engaged in manufacturing of the same excisable goods where they are paying CE duty without availing SSI benefit. Both the units are proprietorship unit, and the proprietor is same. CBEC vide Circular No.172/6/96-CX, dated 06.02.1996 clarified on similar issue on the scope of

erstwhile notification No.1/93-CE, as amended wherein it has been stated that a manufacturer does not have an option to pay Excise duty at the normal rate in respect of one unit and simultaneously claim exemption in respect of other unit. Hence the assessee is liable to pay CE duty on ₹1.5 Crores which comes to ₹.12,36,000/- (@ 8.24%) plus Interest chargeable at the appropriate rate.

(8) GIST OF THE OBJECTION: Short payment of Central Excise duty by non-inclusion of value of bought out items in the assessable value of finished goods.

COMMISSIONERATE : Central Excise Commissionerate, Hyderabad-IV

During the course of audit of the accounts of the assessee for the period from 2007-08 to 2011-12 (up to Jan 2012), it was observed that the assessee was clearing excisable goods i.e., parts of transmission towers without including the value of bought out items procured from buyers and supplied directly to the customers. The audit pointed out that as per Section 4 of the Central Excise Act,1944 read with Rule 6 of Central Excise Valuation (Determination of price of Excisable goods) Rules, 2000, the value of bought out items i.e. ₹91.57Crores, is also to be included in the assessable value of final products cleared during the period from 2007-08 to 2011-12 on which duty of ₹1847.43 Lakhs is payable along with interest.

SERVICE TAX

- (9) **GIST OF OBJECTION: Non payment of Service Tax on emoluments paid to key personnel provided by a parent company, under “Manpower Recruitment or Supply Agency Services”.**

COMMISSIONERATE: Central Excise Commissionerate, Jaipur-I

The assessee is engaged in manufacture of excisable goods falling under Chapter 87 of the first schedule to Central Excise Tariff Act, 1985. The parent company of the assessee is in Japan. As per the agreement between the assessee and the parent company, the assessee has to pay the salaries and benefits as well as incidental expenses to the key personnel provided by the parent company. The assessee has also executed employment agreement with key personnel so provided by the parent company. As per employment agreement so executed, the assessee also pays a considerable amount to his parent company for providing these key personnel. The action of providing key personnel by the parent company would be categorized as “Manpower Recruitment or Supply Agency Services.” Since the service provider is located outside India, therefore the assessee is required to pay Service Tax amounting to ₹26,99,250/- on the gross amount paid to his parent company for providing manpower services under reverse charge mechanism.

- (10) **GIST OF OBJECTION : Wrong availment of Service Tax Credit of Service Tax paid on outward freight under GTA.**

COMMISSIONERATE : Central Excise Commissionerate, Rajkot

The assessee is engaged in manufacture of DI Pipes, Pig Iron, Granulated slag, LSAW Steel pipes, HSAW Steel pipes, etc. falling under Chapter 26, 72 and 73. The assessee is registered under Service Tax for GTA, BAS and other services. On scrutiny of input Service Tax credit records, it was noticed that the assessee had been taking credit of Service Tax paid under GTA on inward as well as outward freight. As per CBEC Circular No.97/8/2007-ST, dated 23.08.2007, the definition of the “place of removal” is to be considered as given in the Central Excise Act, 1944 as well as the Finance Act, 1994 for determination of the CENVAT Credit. On verification of invoices raised by the assessee, it was found that they had been charging freight amount separately in their invoices and accordingly their sale can not be considered on FOR basis and hence they were not eligible for taking credit of Service Tax on outward GTA. On

being pointed out, the assessee admitted that they had taken credit of outward freight on transport of goods beyond factory gate, in those cases where sale was not on FOR basis till Oct.'11. Thereafter they have stopped this practice. The assessee also provided details of the amount of freight they had collected separately which amounted to ₹95,77,49,133/- for 2010-11 and 2011-12. The assessee had paid Service Tax of ₹2,46,62,040/- for which they had taken credit. Out of this, an amount of ₹89,10,482/- has been reversed under Rule 6(3A). Remaining amount is to be recovered.

(11) GIST OF THE OBJECTION: Non payment of Service Tax on 'Manpower Recruitment and Supply Agency's Service.

COMMISSIONERATE : Central Excise Commissionerate, Patna

The assessee is a provider of taxable service viz Manpower Recruitment and Supply Agency's Service [Section 65(105)(k) of the Finance Act,1994]. During the course of audit, it was noticed that no Service Tax was paid by the assessee during 2011-12.

On scrutiny of financial records like Bank Statement, Sundry Debtor's Ledger, Bills/Invoices, contract/ agreement it was noticed that the assessee had received ₹5,88,08,533/- amount from different agencies on which Service Tax amounting to ₹60,57,279 is payable along with interest amounting to ₹3,27,957 (total ₹63,85,236).

On being pointed out the assessee deposited the full amounts vide GAR-7 No.6, 7, 8 and 11 to 17 dated 12-04-12.

(12) GIST OF OBJECTION: Non payment of Service Tax amounting to ₹28,71,28,620 on the Work Contract Services.

COMMISSIONERATE : Central Excise Commissionerate, Patna

The assessee is registered as a provider of "Consulting Engineers Services" [Section 65(105)(g) of the Finance Act,1994]. During the course of audit and on scrutiny of the records viz Bills, Invoices, Contract/ Agreement, Bank Statement, Party Ledger, Contractor's ledger and examination of work orders executed with various organizations it was revealed that the assessee are also engaged in providing various services like Erection, Commissioning & Installation of Plant, Machinery and equipment, installation of electrical and electronic devices,

laying of cables, testing commissioning and operation of equipments, operation maintenance and repair work of plant machinery, building construction and other works incidental thereto for turnkey execution of composite project including engineering, designing, Tender Evaluation etc, under composite contract for supply of goods and services involved therein.

Being the composite nature of work executed on turnkey basis the assessee is liable to pay Service Tax under Works Contract Services [Section 65(105)(zzzza) of the Finance Act, 1994]. Since in the instant case the assessee has not maintained vivisected figure of value of transferred goods and services charges, therefore they are liable to pay Service Tax @4% on the gross amount received under the Works Contract Services, which amounts to ₹28,71,28,620 plus interest chargeable at the appropriate rate. The said amount is recoverable from the assessee.

(13) GIST OF THE OBJECTION : Non payment of Service Tax on Agency Commission received.

COMMISSIONERATE : Service Tax Commissionerate, Bangalore

On perusal of 'customer purchase and license agreement' dated 02.09.2008 between Company X located in USA and Company Y (hereinafter referred to as "customer"), located in India and Company Z (hereinafter referred to as "assessee"), also located in India, it was noticed that as per clause (A), the Company X and assessee have entered into a 'system integrator agreement' under which the assessee may resell certain products to customers and others.

As per clause 1.1 of the said agreement 'products' means any hardware or software. It was noticed that the assessee is in receipt of 'Agency commission' from Company X for having assisted in selling the products to various customers.

The assessee gets agency commission for helping Company X in Indian territory. They identify possible/probable customers for Company X's products in India and supply the list of such customers to Company X. Company X in turn supplies goods/ services to the identified customers after negotiations. On completion of the supply of goods/services to the identified customers in India, Company X pays an agreed percentage of the transaction as agency commission to the assessee. Therefore, it appears that the assessee is acting as representative connecting Company X to the customers in India who are the final consumers of service. The assessee is not only soliciting the orders but also supporting sales of the products in the territory

and assessee is *eligible for commission only after the sale is made*. Therefore, it appears that the above services are very much provided in India to customers in India and consumed in India by Indian customers only. The said services have never been consumed outside India. The assessee is promoting and marketing the sale of goods/services produced and belonging to his client.

Therefore, it appears that the assessee, as provider of business auxiliary services to various customers in India on behalf of Company X, is liable to pay Service Tax on the commission received from Company X.

Service Tax amounting to ₹16,91,18,996/- on the agency income received during the period appears to be recoverable from the assessee.

- (14) **GIST OF THE OBJECTION : Non Reversal of proportionate CENVAT Credit pertaining to the input services used for exempted services under Rule 6(3A) of the CENVAT Credit Rules, 2004.**

COMMISSIONERATE : Service Tax Commissionerate, Mumbai – II

The assessee is engaged in provision of taxable services as well as trading of SIM cards and Mobile Handsets. During the course of audit it was observed that assessee is providing both taxable services as well as exempted services without identifying the input services used for taxable as well as exempted service and had not reversed the proportionate CENVAT Credit pertaining to the input services used for exempted services. As such, the proportionate CENVAT Credit was required to be reversed, as per the formula prescribed under Rule 6(3A) of the CENVAT Credit Rules, 2004. The amount of credit liable to be reversed for the period from 2008-09 to 2010-11 works out to ₹4,35,97,446/-. Assessee agreed with the objection and reversed/paid CENVAT Credit amounting to ₹2,06,50,757/-. The interest on the same works out to ₹1,90,39,083/-. The assessee has paid the interest amounting to ₹76,47,887/-.

- (15) **GIST OF THE OBJECTION : Non-payment of Service Tax on Renting of Immovable Property Services.**

COMMISSIONERATE : Service Tax Commissionerate, Mumbai – II

The assessee is engaged in the service of renting of immovable property. On scrutiny of the records of the assessee under EA 2000 Audit, viz. Bills/invoices being raised/issued, ST-3 Returns filed with the Dept. and the relevant year's balance sheet, it was observed that assessee has not paid due Service Tax on income accrued on account of renting of shop in his Mall.

On being pointed out till date the assessee has paid ₹3.12Crores.

(16) GIST OF THE OBJECTION : Wrong availment of exemption under the Export of Service Rules, 2005 for the support services provided to associate company located in India.

COMMISSIONERATE : Service Tax Commissionerate, Chennai

The assessee is trading and developing information technology software of Microsoft and Adobe in India and outside India through branches. The assessee has taken credit of input services like telephone, internet, maintenance or repair, food coupon, car hire, travel, etc.

Verification of Trial Balance of the respective years revealed that the assessee has classified certain receipts under Deemed exports. Verification of the nature of income revealed that the assessee has executed a contract with its associate company located in India to provide support service to facilitate the export service of the associate company. The services taxable under Business Support Service are received by the associate company in India who in turn exported the service to foreign service recipient. The assessee received foreign currency for the service provided to the associated company in India. The assessee is not eligible to claim exemption for the service provided to the associate company located in India as Rule 3(1)(iii)(c) is not complied with.

The Service Tax payable on ₹2,61,44,880/- received in foreign exchange from the associate company for the period from July 2006 to December 2010 treating it as cum-tax worked out to ₹26,94,544/-. The assessee accepted the lapse pointed out by the audit and paid Service Tax ₹18,84,562/- by cash and ₹8,09,982/- by Cenvat and agreed to pay the interest.

(17) GIST OF THE OBJECTION: Non payment of Service Tax under construction of residential complex service.

COMMISSIONERATE : Central Excise Commissionerate, Salem

The assessee is provider of Service Tax under a) Works Contract Service, b) Supply of Tangible goods, c) Construction services in respect of commercial or industrial buildings and civil structures, d) Goods Transport Service and e) Construction of Residential Complex Service. During the course of verification of accounts pertaining to the project in respect of construction of 1000 residential houses in Sri Lanka, it was noticed that a Company located at New Delhi has awarded the sub-contract for construction of 1000 houses in Sri Lanka at a cost of ₹49,50,00,000/- (each house cost ₹495000/-) to the assessee. The assessee has not paid Service Tax for the above construction of residential complex service but claimed exemption on the ground that the construction done is covered under export of service.

Proviso (iii) to sub rule 3 of the Export of Service Rules, 2005, states that

“Provided that where such recipient has commercial establishment or any office relating thereto, in India, such taxable services provided shall be treated as export of service only when order for provision of such service is made from any of his commercial establishment or office located outside India”.

The contract was given to the assessee, from India only and not from an Establishment in Sri Lanka. Further as per sub rule (2b) of rule 3 of the Export of Service Rules, 2005, the condition for availing the exemption is that the payment for such service is received by the service provider in convertible foreign exchange. On verification of the contract copies, it was noticed that ***the entire contract value of Indian Rupees ₹49,50,00,000 was paid by them in India in Indian Rupees based on the bills prepared and certified in Indian Rupees.*** The assessee during the period from November, 2011 to March, 2012 had received ₹15,26,33,623/- in Indian currency only which is in violation of sub rule (2b) of rule 3 of the Export of Service Rules, 2005. The Service Tax for the amount received for the above mentioned project works out to ₹51.88 Lakhs.

(18) GIST OF THE OBJECTION : Wrong availment of CENVAT Credit after availing the abatement @67%/75% as per notification No.01/2006-ST, dated 01.03.2006.

COMMISSIONERATE : Service Tax Commissionerate, Delhi

The assessee is engaged in the 'Commercial & Industrial Construction Services' and 'Construction of residential services'. On examination of ST-3 returns for the period 2009-10 to 2010-11 it was observed that the assessee discharged his Service Tax liability after availing the abatement @ 67%/75% and paid his Service Tax liability through CENVAT, which has in contravention of notification No.1/2006-ST, dated 01.03.2006 (as amended vide notification No.40/2010-ST, dated 28.06.2010.) As per said notification No.01/2006-ST, dated 01.03.2006 as amended, the abatement @ 67%/75% will not be allowed if the CENVAT Credit of duty on inputs or capital goods or the CENVAT credit of service on input services, used for providing such taxable service, has been taken under the provisions of the CENVAT Credit Rules, 2004. Hence, the assessee had short paid the Service Tax amounting to ₹8,23,77,712/- which is recoverable from them along with interest.

(19) GIST OF THE OBJECTION : Non payment of Service Tax on 'Commercial or Industrial Construction services'.

COMMISSIONERATE : Service Tax Commissionerate, Delhi

On scrutiny of the ST-3 returns for the period 2007-08 & 2009-10 and the agreement dated 30.11.2007 between the assessee and the Footwear Design and Development Institute, NOIDA, it was noticed that the assessee had not paid Service Tax on construction of Building for Footwear Design and Development Institute, Rai Bareli. The total cost of the project was ₹47,04,44,492/-. It was observed that the certificates/diplomas assigned by the institute are not recognized by the statutory authorities such as UGC, AICTE etc. As the institute is providing various courses on payment of fees by the students for improvement of skill and the services provided by the institute fall under the category 'Commercial training and coaching services', the assessee is liable to pay service tax amounting to ₹5,80,03,774/- along with interest.

**Quarterly Audit Performance Index (API) of the Central Excise Commissionerates for the
Q.E. March, 2012**

Sr.No.	Commissionerate	Detection per Audit (Rs. In Lakhs)	Recovery per Audit (Rs. In Lakhs)	No of MCMs held during QE March. 2012	Audit Performance Index (API) for QE March 2012	Relative Ranking
1	2	3	4	5	6	7
1	Bhubaneswar- II	40.45	30.62	3	51.41	1
2	Hyderabad-II	28.54	15.04	3	50.58	2
3	Bhopal	9.28	9.61	3	38.48	3
4	Raipur	42.49	20.58	3	38.29	4
5	Chennai-IV	11.86	9.60	3	36.72	5
6	Rajkot	8.80	8.31	3	36.15	6
7	Surat-I	10.02	9.92	2	35.53	7
8	Delhi-II	2.86	2.94	3	33.25	8
9	Kolkata-V	1.23	2.25	3	32.36	9
10	Bolpur	23.34	12.30	3	31.82	10
11	Goa	1.42	1.42	3	31.40	11
12	Pune-I	6.92	5.52	3	30.97	12
13	Dibrugarh	2.56	2.41	3	30.81	13
14	Ahmedabad-I	5.46	3.87	3	29.98	14
15	Ahmedabad-II	5.55	4.25	5	29.809	15
16	Noida	6.15	4.64	3	29.808	16
17	Delhi-I	2.37	2.06	3	29.58	17
18	Raigad	8.09	5.13	3	27.42	18
19	Bangalore-III	2.75	2.49	2	27.33	19
20	Coimbatore	3.12	2.31	3	27.32	20
21	Nasik	6.73	4.37	3	27.21	21
22	Jalandhar	1.69	1.32	3	26.88	22

Sr.No.	Commissionerate	Detection per Audit (Rs. In Lakhs)	Recovery per Audit (Rs. In Lakhs)	No of MCMs held during QE March. 2012	Audit Performance Index (API) for QE March 2012	Relative Ranking
1	2	3	4	5	6	7
23	Mysore	9.82	5.44	3	26.64	23
24	Tirupathi	8.67	5.03	3	26.19	24
25	Thane-I	7.46	4.03	3	25.17	25
26	Calicut	1.97	1.68	2	25.16	26
27	Bangalore-I	14.71	5.97	3	25.13	27
28	Belapur	246.78	5.91	3	25.10	28
29	Shillong	51.39	11.10	3	25.07	29
30	Delhi-IV	6.88	3.81	3	24.92	30
31	Hyderabad-I	21.83	7.33	3	24.19	31
32	Panchkula	3.70	2.17	3	24.08	32
33	Siliguri	0.27	0.18	3	23.76	33
34	Daman	3.55	1.95	3	23.73	34
35	Chennai-II	5.07	2.46	3	22.44	35
36	Ludhiana	2.95	1.58	3	22.42	36
37	Jamshedpur	17.06	5.95	3	22.35	37
38	Mumbai-I	5.30	2.57	3	22.01	38
39	Kanpur	1.42	0.77	4	21.562	39
40	Surat-II	7.06	2.87	3	21.556	40
41	Kolkata-I	2.14	1.04	3	21.00	41
42	Kolkata-II	9.18	3.24	3	20.91	42
43	Hyderabad-III	11.17	3.92	3	20.90	43
44	Jaipur-I	5.99	2.45	3	20.75	44
45	Pune-III	13.60	4.48	3	20.71	45
46	Bangalore-II	12.03	4.00	3	20.43	46

Sr.No.	Commissionerate	Detection per Audit (Rs. In Lakhs)	Recovery per Audit (Rs. In Lakhs)	No of MCMs held during QE March. 2012	Audit Performance Index (API) for QE March 2012	Relative Ranking
1	2	3	4	5	6	7
47	Vapi	15.49	3.87	4	20.37	47
48	Delhi-III	8.45	3.08	3	20.35	48
49	Mumbai-II	179.45	5.23	3	19.78	49
50	Vadodara-II	8.73	2.79	3	19.45	50
51	Visakhapatnam - I	46.98	6.22	3	19.10	51
52	Jaipur-II	8.95	2.83	3	18.97	52
53	Ahmedabad-III	10.70	2.61	4	18.28	53
54	Chennai-III	6.91	2.10	3	18.09	54
55	Meerut-I	4.61	2.15	2	17.92	55
56	Vadodara-I	14.09	3.32	3	17.86	56
57	Aurangabad	5.12	1.56	3	17.77	57
58	Gauwahati	13.04	3.13	3	17.74	58
59	Belgaum	37.16	4.82	5	17.735	59
60	Kolhapur	9.84	3.61	2	17.731	60
61	Ranchi	87.82	4.56	3	17.33	61
62	Bhavnagar	22.98	3.26	4	17.18	62
63	Indore	6.50	1.67	3	16.81	63
64	Cochin	2.59	0.78	5	16.76	64
65	Nagpur	2.58	0.77	3	16.71	65
66	Mangalore	2.29	0.69	3	16.66	66
67	Tiruchirappalli	24.51	3.55	3	16.61	67
68	Kolkata-VII	1.04	0.32	3	16.57	68
69	Chennai I	67.01	3.00	3	16.31	69
70	Tirunelveli	151.51	0.34	3	16.27	70

Sr.No.	Commissionerate	Detection per Audit (Rs. In Lakhs)	Recovery per Audit (Rs. In Lakhs)	No of MCMs held during QE March. 2012	Audit Performance Index (API) for QE March 2012	Relative Ranking
1	2	3	4	5	6	7
71	Ghaziabad	6.69	1.53	3	16.09	71
72	Bhubaneswar- I	5.28	1.23	3	15.84	72
73	Mumbai-III	1.79	0.45	3	15.69	73
74	Mumbai-V	25.24	2.58	3	15.66	74
75	Salem	2.49	0.59	3	15.36	75
76	Haldia	16.69	2.38	3	15.293	76
77	Pondicherry	6.51	1.21	3	15.292	77
78	Kolkata-VI	27.13	2.91	3	15.27	78
79	Meerut-II	7.86	2.38	2	15.21	79
80	Chandigarh -I	0.48	0.12	3	15.17	80
81	Thane-II	23.34	1.84	5	14.90	81
82	Kolkata-IV	19.55	1.96	3	14.65	82
83	Hyderabad-IV	37.96	1.95	3	14.46	83
84	Visakhapatnam - II	12.86	1.39	3	13.96	84
85	Jammu & Kashmir	23.98	1.59	3	13.89	85
86	Trivandrum	6.38	0.81	5	13.64	86
87	Allahabad	2.04	0.32	3	13.46	87
88	Rohtak	8.89	0.91	3	13.05	88
89	Kolkata-III	60.16	0.41	3	12.79	89
90	Guntur	31.51	0.88	3	12.49	90
91	Madurai	5.37	2.49	0	11.71	91

Sr.No.	Commissionerate	Detection per Audit (Rs. In Lakhs)	Recovery per Audit (Rs. In Lakhs)	No of MCMs held during QE March. 2012	Audit Performance Index (API) for QE March 2012	Relative Ranking
1	2	3	4	5	6	7
92	Patna	4.94	0.17	3	10.97	92
93	Lucknow	3.51	0.12	3	10.87	93

{Note :- (i) As the %age Recovery to Detection in Col. No, 11 against S. Nos. 3,8 and 9 is more than 100%, their respective performance in Col. No. 12 have been restricted to maximum of the 0 to 20 percentile.}

Audit Performance Index (API gradings-Service Tax only) of the exclusive Service Tax Commissionerates and Composite Central Excise Commissionerates (Central Excise + Service Tax) for the Q.E. March, 2012

Sr.No.	Commissionerate	Detection per Audit (Rs. In Lakhs)	Recovery per Audit (Rs. In Lakhs)	No of MCMs held during QE March. 2012	Audit Performance Index (API) for QE March 2012	Relative Ranking
1	2	3	4	5	6	7
1	Mumbai ST I	383.24	164.16	3	63.72	1
2	Hyderabad-II	153.49	18.04	3	46.66	2
3	Hyderabad-III	304.00	81.34	3	44.04	3
4	Hyderabad-I	65.99	65.75	3	43.83	4
5	Raipur	99.45	78.67	3	43.32	5
6	Vapi	38.88	38.88	4	38.36	6
7	Delhi ST	222.93	67.47	3	38.04	7
8	Daman	16.90	16.90	3	33.49	8
9	Mumbai ST II	76.83	44.49	3	32.44	9
10	Raigad	7.54	10.13	3	32.01	10
11	Bhubaneswar- II	12.81	12.32	3	31.99	11
12	Coimbatore	5.63	7.16	3	31.57	12
13	Bhubaneswar- I	5.78	7.09	3	31.48	13
14	Hyderabad-IV	24.27	20.16	3	31.41	14
15	Tirupathi	8.93	7.50	3	29.09	15
16	Bhavnagar	0.92	0.85	4	28.72	16
17	Chennai-III	24.43	17.20	3	28.31	17
18	Belgaum	11.73	9.37	5	28.16	18
19	Rajkot	3.66	3.12	3	27.74	19
20	Ahmedabad-III	2.36	2.02	4	27.71	20
21	Chennai ST	30.44	19.06	3	27.32	21

Sr.No.	Commissionerate	Detection per Audit (Rs. In Lakhs)	Recovery per Audit (Rs. In Lakhs)	No of MCMs held during QE March. 2012	Audit Performance Index (API) for QE March 2012	Relative Ranking
1	2	3	4	5	6	7
22	Vadodara-II	7.99	6.27	3	27.20	22
23	Guntur	3.06	2.45	3	26.55	23
24	Pune-I	40.10	20.48	3	25.75	24
25	Lucknow	70.06	0.77	3	25.64	25
26	Rohtak	1.86	1.38	3	25.24	26
27	Dibrugarh	5.41	3.64	3	24.551	27
28	Noida	54.29	21.68	3	24.547	28
29	Ghaziabad	11.69	6.80	3	23.47	29
30	Bangalore ST	123.77	15.69	3	21.58	30
31	Visakhapatnam - I	90.01	16.94	3	21.48	31
32	Nasik	4.86	2.55	3	21.30	32
33	Pune-III	34.75	12.66	3	21.08	33
34	Jalandhar	4.54	2.30	3	20.77	34
35	Salem	58.94	14.40	3	20.32	35
36	Ludhiana	7.82	3.61	3	20.27	36
37	Shillong	8.39	3.79	3	20.19	37
38	Goa	6.48	2.86	3	19.65	38
39	Mysore	5.62	2.36	3	19.27	39
40	Visakhapatnam - II	11.96	4.48	3	18.95	40
41	Tiruchirappalli	72.82	11.22	3	18.76	41
42	Chandigarh -I	4.96	1.96	3	18.51	42
43	Kanpur	5.75	2.14	4	18.13	43
44	Kolhapur	115.30	13.85	2	17.56	44
45	Kolkata-ST	62.22	8.91	4	17.50	45

Sr.No.	Commissionerate	Detection per Audit (Rs. In Lakhs)	Recovery per Audit (Rs. In Lakhs)	No of MCMs held during QE March. 2012	Audit Performance Index (API) for QE March 2012	Relative Ranking
1	2	3	4	5	6	7
46	Aurangabad	9.56	2.93	3	17.27	46
47	Trivandrum	71.94	6.36	5	16.95	47
48	Bhopal	26.28	5.82	3	16.87	48
49	Surat-I	90.39	3.69	3	16.64	49
50	Vadodara-I	13.98	3.19	3	15.87	50
51	Jaipur-I	77.25	3.47	3	15.74	51
52	Meerut-I	47.48	11.27	2	15.73	52
53	Nagpur	18.71	3.79	3	15.65	53
54	Calicut	2.24	0.97	2	15.60	54
55	Jamshedpur	56.82	4.43	3	15.49	55
56	Cochin	20.46	3.40	5	15.07	56
57	Allahabad	1.05	0.25	3	14.95	57
58	Jaipur-II	13.18	2.46	3	14.92	58
59	Ahmedabad-ST	19.19	3.06	3	14.70	59
60	Indore	14.72	2.43	3	14.57	60
61	Tirunelveli	17.95	2.70	3	14.52	61
62	Panchkula	8.01	1.52	3	14.51	62
63	Siliguri	4.02	0.82	3	14.47	63
64	Bolpur	12.53	2.04	3	14.28	64
65	Haldia	7.08	1.26	3	14.17	65
66	Patna	10.85	1.43	3	13.93	66
67	Meerut-II	1.83	0.58	2	13.22	67
68	Ranchi	15.03	1.14	3	12.53	68
69	Mangalore	8.75	0.59	3	11.92	69

Sr.No.	Commissionerate	Detection per Audit (Rs. In Lakhs)	Recovery per Audit (Rs. In Lakhs)	No of MCMs held during QE March. 2012	Audit Performance Index (API) for QE March 2012	Relative Ranking
1	2	3	4	5	6	7
70	Gauwahati	6.30	0.35	3	11.55	70
71	Pondicherry	11.73	0.43	3	11.44	71
72	Madurai	18.78	1.78	0	3.23	72
73	Surat-II	---	---	---	---	73

{Note :-(i)As the %age Recovery to Detection in Col. No, 11 against S. Nos. 10, 12 and 13 is more than 100%, their respective performance in Col. No. 12 have been restricted to maximum of the 0 to 20 percentile.

(ii) Surat-II Commissionerate did not conduct any audit of Service Tax assesseees in this quarter. Hence no API ranking could be generated for them. }

Disclaimer

The compilation is based upon the audit reports approved in the monthly Monitoring Committee Meetings (MCM) sent through the zonal Additional Directors General (Audit). In case of any doubts about the Audit Objections reported herein, the concerned Commissionerate may be contacted.