

**PRESS INFORMATION BUREAU
GOVERNMENT OF INDIA**

**CBEC DETECTS A TOTAL CENTRAL EXCISE AND SERVICE TAX EVASION
AMOUNTING TO RS.3333.28 CRORE AND RS.10286.73 CRORE RESPECTIVELY
TILL FEBRUARY 2012 DURING 2011-12; DGCEI DETECTS CASE OF SERVICE
TAX EVASION OF ABOUT RS. 10 CRORE BY ‘SKYLARK’ GROUP OF
COMPANIES**

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The Central Board of Excise and Customs(CBEC) has detected a total Central Excise and Service Tax evasion amounting to Rs.3333.28 crore and Rs.10286.73 crore respectively up to February, 2012 in the Financial Year 2011-12. Further, during the investigation, Central Excise Duty and Service Tax amounting to Rs.972.69 crore and Rs.1182.64 crore respectively has also been realized.

During the said period i.e. up to February, 2012 in the Financial Year 2011-12, the Directorate General of Central Excise Intelligence(DGCEI) officers have detected evasion of Central Excise duties and Service Tax amounting to Rs.973.59 crore and 4644.75 crore respectively. Further, during the investigation, the Central Excise and Service Tax dues amounting to Rs.219.49 crore and 380.62 crore respectively have also been recovered.

Earlier acting on a specific intelligence, on 28th / 29th March, 2012, the Officers of Directorate General of Central Excise Intelligence (DGCEI) have detected a case of Service Tax evasion by ‘Skylark’ Group of Companies, which is engaged in providing services of Security Agency and Man Power Supply service all over India. The estimated Service Tax evasion by these companies is about Rs.10 crore.

During the search conducted at various premises of the companies, voluminous incriminating documents indicating evasion of Service Tax as well as Indian currency (unaccounted) of Rs.77.5 lacs were recovered. The mastermind behind the evasion is one Captain T.C. Yadav (Retd.), who used to float a number of companies engaged in providing security service and man power supply service under multiple identities. Although the Group had been collecting Service Tax from its customers, it paid a small amount to the Government towards discharge of its Service Tax liability, while illegally retaining with itself a significant amount collected as Service Tax from its customers.

Skylark Group is also running an education institute namely, Skylark School of Business and Technology (SSBT) and the Service Tax liability of these companies under the taxable service category of 'Commercial Coaching & Training Service' is under examination. Further investigations in this case are under progress.

DSM/SS/SL