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अध्यक्ष
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Chairman



भारत सरकार
वित्त मंत्रालय
राजस्व विभाग
केन्द्रीय अप्रत्यक्ष कर एवं सीमा शुल्क बोर्ड
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Date: 15th November 2021

D.O.No.97/CH(IC)/2020

Dear Colleague

Trade facilitation in Customs has for long been a priority for the CBIC. We began pioneering work on the use of IT in the work flow process through the Indian Customs EDI System (ICES) on 3rd February, 1995. From that moment 26 years back, ICES and ICEGATE have become synonymous with our technological push for trade facilitation. Technology has accelerated and enhanced trade facilitation even more during the last two critical years of the pandemic. It was the period when conventional wisdom would have thought that the department would be severely challenged on this front. However, we had taken up the task with unwavering commitment to ease the burden for our trade during that critical time. The landmark Faceless Assessment was launched in November last year, with 48 customs locations facelessly assessing imports made at 215 Customs locations. It was part of a bouquet of remarkable work our officers did, shrugging aside the problems posed by the pestilence. Now we have embarked on harnessing the openness and transparency of Blockchain Technology by starting with our transshipment operations at ICD, Tughlakabad, which I had written about earlier. This commitment to technology has given confidence to our stake holders of being competitive internationally.

Last week again at ICD, Tughlakabad we continued with our IT initiatives when Member (IT) Shri Sandeep Kumar, rolled out a unique trade facilitation initiative. An online facility for scheduling of examination of import cargo at the instance of the importer was launched. The facility involves a multi-stakeholder application to be knit on the same platform and has a shared view. It will allow stakeholders to utilize their human resources optimally and plan their logistics as per deployment plan. The Systems Directorate was at the forefront of this innovation and deserves appreciation.

Further, based on the discussions Member (Customs) Mr. Rajiv Talwar, had with Customs Chief Commissioners, cargo clearance work has commenced at most formations on Sundays and all public holidays. This is a welcome initiative and in line with the trade facilitation ethos of the Department referred to above. It can succeed only with the participation of all stakeholders willing to assign personnel even on holidays. I hope the other stakeholders will support this initiative and make it a success.

Continuing with Customs cargo clearance and underlining the overall safety of officers and public, one of the actionable points for CBIC that emerged from the Hon'ble Finance Minister Smt. Nirmala Sitharaman's visit to various formations was to dispose of hazardous goods expeditiously. In this regard, our officers have disposed from customs areas over 1,700 consignments of uncleared or seized hazardous

goods between January, 2021 and October, 2021. Imports of such goods being a continuing matter covered by licences, items due for destruction should be disposed of within 3 months of their import.

As a part of enhancing our legal capabilities and in a first of its kind in CBIC, an “Indirect Taxes Internship Scheme” has been launched by the Board. The scheme offers a win-win situation both for the department and for law students/graduates. The Directorate of Legal affairs has been entrusted with the task of operationalizing the scheme and the response has been very encouraging. The interns will also benefit from this rare opportunity of first-hand exposure to taxation matters. The first batch of internship is underway. A report on its working will be obtained from them in due course and the scheme will be further honed and evolved based on the feedback. I am sure it will go a long way in better research and support, fortifying our cases at the Apex Court, where we pit our mind and arguments against some of the best in the legal profession. If successful, the scheme can in due course be replicated in the zones.

On the anti-smuggling front, Customs officers at IGIA were sharp to intercept well concealed narcotics in the suitcases of two foreign nationals with 12.9 Kgs of white powdery substance which tested positive for Heroin. In this seizure, it is heartening to note that the canine squad of the Indian Customs stationed at the Delhi Airport, had a small role to play. There has also been a series of seizures made on the narcotics front in multiple operations carried out by Delhi Zonal Unit of DRI. They have seized 2.3 kg Heroin, 400 grams Cocaine and 7 kgs Amphetamine from Courier terminal at the IGIA. They further seized 9 MTs red sander at Piyali ICD in Haryana.

Based on data analytics, Raigad Commissionerate in Mumbai has made a detection of evasion of Rs. 265 crores and recovered Rs. 250 crores, which is praiseworthy. This is a case of availing ITC of Compensation Cess on coking coal used for captive consumption. The credit of unutilized cess was being consequently claimed as refund on products exported. In the instant case such cess is not leviable on the domestic consumption and such ITC credit was liable to be reversed. DGGI Hqrs. has made a case against an online game firm and has recovered Rs. 20 crores so far. While the actual evasion is under quantification, the said assessee has suppressed the taxable value and has not paid the duty on the full commission/ rake fee amount received from the players. DGGI Lucknow Zonal Unit has detected and made a recovery of Rs.9.67 crores in a case where the assessee was engaged in constructing a convention centre that provides space both for private and government for organising seminars, etc which is a commercial activity. But the assessee discharged a lower GST of 12% by treating this as a government building.

There has been some notable recoveries from Audit II Commissionerate of Mumbai Zone. Rs. 11.5 crores has been recovered from a taxpayer who had imported service (expense in Foreign exchange on Business Support Service) but did not pay service tax under RCM. The assessee has discharged the short payment of service tax with interest to the tune of Rs. 11.5 crores. Rs. 3.52 crores was paid in other detection by an assessee (being service tax, interest and penalty) who was providing intermediary services.

As informed by the Chief Commissioner Shri Surjit Bhujabal, last week a new initiative was launched in New Custom House, New Delhi. Training of new Customs House Canteen workers was conducted under FOSTAC (Food Safety Training and Certification) initiative of FSSAI (Food Safety Standard's Authority of India). Participants were apprised about the scientific basis and accepted norms of food safety related practices. Each participant is now a FSSAI certified Food Safety Supervisor. This

is a praiseworthy initiative and an attempt is to infuse Swachhta as a way of life. It is worthy of being emulated by other Commissionerates.

I have been briefed about the severe inundations caused at several places in Chennai including our GST Bhavan in Nungambakkam due to last week's heavy rains. I am happy to note that the Chief Commissioner of Customs, Shri M.V.S.Choudary and his team of officers working on 24*7 basis despite heavy rains are taking effective action to safeguard our departmental assets.

Last week, I had an occasion to visit the CGST Commissionerate at Calicut/ Kozhikode which also happens to be my hometown. Apart from the warmth of courtesies shown to me, by the staff led by Commissioner (P) Mr Rajender Kumar, on the occasion, I was quite impressed by the cleanliness and maintenance of the Commissionerate office building, which also houses a wooden floor indoor badminton court and gymnasium, as part of staff welfare. I appreciate the imbibing of the "Swachhta" spirit by the officers and staff.

I am happy to inform that the supplementary DPC for the vacancy year 2021 and DPC for the year 2022 has been conducted in UPSC today for promotions from Chief Commissioners to Pr. Chief Commissioners.

with best wishes

Yours sincerely



(M. Ajit Kumar)

To

All Officers and Staff of Central Board of Indirect Taxes and Customs