

Trade facilitation is my top priority: Rajendiran

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It was a warm and crisp afternoon on July 28 when we step into the plush office of Mr C Rajendiran, IRS, In-charge Chief Commissioner of Customs, Excise and Service Tax, Vizag Zone, for a brief interaction, which eventually stretched to nearly two hours. The first thing we notice is the array of flower bouquets adorning the office—they were there in kaleidoscopic hues, designs and sizes. And they were there all over the office, almost jostling with each other for space.

In fact, during our nearly two hour interaction, at least three groups of senior representatives of the local trade apologetically walked into the office to hand him over new bouquets.

During the course of the interview, Mr Rajendiran asked his secretary to distribute the bouquets amongst his senior colleagues, for, indeed, there was literally no space left. In his usual humorous banter, he looked at us and said: "people may think that I am a florist or something."

People were giving him the bouquets for a reason—Mr Rajendiran had just taken over as in-charge Chief Commissioner of Customs and Central Excise, Vizag Zone from Principal Commissioner, subsequent to the transfer of Ms R. Shakuntala, IRS, Chief Commissioner of Customs and Central Excise, Hyderabad Zone, who was holding additional charge of Vizag Zone.

The surfeit of flower bouquets in his office clearly symbolised one thing—Mr Rajendiran has, during his stint in Vizag, earned the love and respect from people like few officials would have.

As for Mr Rajendiran, the elevation was, to put it in his own words, "more responsibility and more opportunities."

For a man of his position, the first thing that will strike you is his humility, simplicity and abundance of knowledge, which is not merely confined to the labyrinth of customs, excise and service tax. In fact, he would strike you as a learned professor—he would quote from the ancient sayings of Holy Kural and talk about the complex world of taxes and economy in the same breath.

During the exclusive interview with VIS NEWS SERVICE, he spoke extensively on a wide gamut of issues and his vision to



Mr. C. Rajendiran, IRS, Chief Commissioner of Customs, Excise and Service Tax, Vizag Zone.

further facilitate and grow the local trade. Among his priorities is to involve B-school students to act as facilitators between the department and the trade. "They (students) are bubbling with enthusiasm and intelligence—we can involve them to parse the tax laws and pinpoint areas where we can further improve," he says.

The Excerpts:

First sir, congratulations on your new assignment. To start with, could you give us an update on the revenue collections last fiscal and the trend this year?

Okay, in 2015-16, the revenue collections touched Rs 4,003 crore, up from Rs 3,893 crore in the previous year. Last year, we surpassed our target of Rs 3895 crore by Rs 108 crore. We are confident that we will do better this fiscal. In the first three months of this year, we did Rs 1280 crore, as against the whole year's target of Rs 4468 crore. This means in the first quarter itself we are ahead of the target by Rs 274 crore. In each of these months, we did better than last fiscal.

Can you give us the revenue analysis for the whole Vizag zone?

Yes. As far as Customs net revenue is concerned, the realisation up to June 2016-17 was Rs 2082 crore, as against Rs 1761 crore in the corresponding period of last fiscal. The central excise net revenue realisation was even better—in the first quarter this year, we did Rs 4326 crore, as against Rs 2891 crore during the corresponding quarter of last fiscal. And in the service tax segment, we realised Rs 688 crore, up from Rs 526 crore last year. In all these three segments, we were ahead of the targets by 27 per cent, 27 per cent and 24 per cent respectively. So you see, the going has been really good this year.

Sir, you have always known to be a strong votary of trade facilitator and you have taken

a number of steps in this regard. Even the trade is extremely appreciative of your efforts. Can you tell us the steps you have taken to facilitate trade?

(Smiles) You are using big adjectives for me. But, yes, for me trade facilitation is a top priority. Earlier, if you would recall, the tax departments were seen more as an enforcer and something of an anti-trade. But today, we have moved away from that image. Today, we see ourselves as a facilitator of the trade—of course it is not to say that we shy away from our role as an enforcer. The two should go hand-in-hand. I believe in synergy, a kind of partnership between the department and the trade. (Smiles again) See, one plus one is two, but if one is alongside one, then it becomes 11. That is what I call synergy.

Sir, that is a beautiful way of describing synergy....

Yes, that is very important. As for the specific steps we took for trade facilitation, we have been scrupulously following our Prime Minister's mantra of RAPID. This stands for Revenue, Accountability, Probity, Information and Digitalisation. We have taken measures for digitalisation very seriously. Today, registration, payment of duty and filing of returns are all on-line. Drawbacks have also been made on-line. Last month, we also started transferring the refunds directly to the assesses banks. We have reduced the time for payment of refunds and rebates to three months—our aim is now to reduce this to one month.

You have also reduced the documentation process....

Yes, the idea is to minimise the business process by minimising the number of documents. Today, we follow the single window concept—this means that there is only one document that has to be filed, while earlier it was something like nine different documents. We get the necessary clearances

from other departments like Drug Control Authority etc. The trade thus has to file only one document with us.

Sir, you have been talking about involving B-school students in the trade facilitation programme....

Yes, this is something which is close to my heart. And what we are trying to do here is for the first time in the country. The concept is simple—engage and mentor B-school students from institutions like the Vizag IIM, GITAM and the Andhra University's Business Management department. We mentor the students, who will be encouraged to delve deeper into the various aspects of taxes. They will in turn help us and the trade to fine-tune our efforts. Take for example, the Free Trade Agreement. You know, imports from FTA countries are cheaper than non-FTA countries. Students can go deeper into the subject and help the trade source their imports at cheaper rates from FTA countries.

So you are willing to throw open your department for students?

Yes, I am willing to allocate a team of officials to actually mentor, nurture and groom the students. And for this, I need the support of the trade and trade bodies as well. I have been talking with trade bodies and they have also welcomed the idea. In the end, the department, trade and the students will be benefitted. And, who knows, the students can later join the department, as by then they would already have been practically trained.

What other ideas you have in mind for trade facilitation?

There is another novel idea I am working on and this also will be for the first time in the country. We want to have an orientation programme for those who have newly registered with Service Tax or Central Excise. We will have an orientation programme with the new

assesses, in association with trade bodies, where we will tell them the Dos and Don'ts in simple format.

This will be in addition to the existing out-reach programmes....?

Yes. We already have tax payer's education programmes, which we want to extend in every division at least once every quarter to start with. Later, we can then have such open house programmes once every month in every division. Apart from this, we have the Trade Facilitation Committee meeting and interactions between the trade and related government agencies every month.

Sir, there was a nationwide study on tax-payers survey by FCCI and KPMG. Could you share some of the findings of the study?

Yes, the study was a comprehensive one. I can share some of the findings. Overall, the study showed that 72 per cent of the tax-payers felt a perceptible change in overall policies, 45 per cent saw an attitudinal change from senior functionaries (Commissioner, Chief Commissioner, Board), 49 per cent saw a positive change in processing of refund claims (time, documentation etc.) and balance 51% did not and 76 per cent found improvement in customs clearance processes thanks to integrated single window filing. Clearly, it shows that we have covered a lot of ground, but again a lot more has to be done.

Could you share some of the key concerns of the tax payers as brought out by the survey?

Some of these issues included introduction of fair and transparent quasi-judicial adjudication process, expedition of dispute resolution, timely finalisation of provisionally assessed bills of entries and processing of refund claims, SAD refund—Requirement of filing original sales invoices should be withdrawn / relaxed and further simplification of the process of cancellation of bonds / undertaking etc. submitted at the time of import.

Sir, what about your own capacity building programme?

(Smiles) I think you earlier said I look more like a professor. Well, I can tell you that I have addressed at least two lakh employees in different meetings so far in my career. I regularly hold capacity building programme with my staff on excellence in workplace. Here is where the accountability and probity part of RAPID comes