Trade facilitation is my top priority: Rajendir

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I was a warm and crisp afternoon on July 28 when I stepped into the plush office of Mr C Rajendran, IRS, In-charge Chief Commissioner of Customs, Excise and Service Tax, Visag 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—there were there in kaleidoscopic hues, designs and sizes. And they were there all over the office, almost justgling 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 Rajendran asked his secretary to deliver the bouquets amongst his senior colleagues, for, indeed, there was no shortage of appreciation. In his usual humorous banter, he looked at us and said: "I am a florist or something!"

People were giving him the bouquets for a reason—Mr Rajendran had just taken over as In-charge Commissioner of Customs and Central Excise, Visag Zone from Principal Commissioner, subsequent to the retirement of Mr. Subhankarata, IRS, Chief Commissioner of Customs and Central Excise, Visag Zone, who was holding additional charge of Visag Zone.

A bouquet of flower bouquets in his office clearly symbolised one thing—Mr Rajendran has, during his stint in Visag, earned the love and respect from people like few officials would have.

As for Mr Rajendran, the elevation was, to put in his own words "a 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 individual, he would quote from the ancient sayings of Holy Quran and talk about the complex subjects of law and economy in the same breath.

During the exclusive interaction with VIS NEWS SERVICE, he spoke extensively on a wide gamut of issues and his vision to 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 3,993 crore in the previous year. Last year, we surpassed our target of Rs 3,985 crore by Rs 18 crore. We are confident that we will do better this fiscal. In the first three months of this year, we did Rs 1,392 crore against our target of Rs 4,468 crore. This means in the first quarter we are ahead of the target by Rs 274 crore. In most of these months, we did better than last fiscal.

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

Yes. As far as Customs net revenue is concerned, the realization up to June 2016 was Rs 1,660 crore against Rs 1,715 crore in the corresponding period of last fiscal. The central excise net revenue realization was even better—in the first quarter this year, we collected Rs 425 crore, against Rs 390 crore last year. In all these three segments, we were ahead of the targets by 27 per cent, 21 per cent and 24 per cent respectively. So we see, the going has been really good this year.

You have always known to be a strong votary of trade facilitation 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. Your are using big adjectives for me. But yes, for me trade facilitation is a top priority. Earlier, if you would have recalled, the tax departments were more as enforcer and something of a anti-trade. But today, we have moved away from that model. Today, we see ourselves as facilitator of trade—of course it is not to say that we shirk 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 two. That is what I call synergy.

Sir, that is a beautiful way of describing synergy.

Sir, it is important as for the specific steps we took for trade facilitation, we have rolled out a number of measures. One of the major initiatives was the setting up of the Prime Minister’s mantra of RAPID. This stands for Revenue Accountability, Pendency Information and Digitalisation. We have taken measures for digitalisation very seriously. Today, registration, payment of duties, city taxes are all online. Drawbacks have also been eliminated. As an example, we also start transferring the refunds directly to the assessees. As I have reduced the time for payment of refunds and relate to three months, our aim is now to reduce this to one month.

You have also reduced the documentation process.

Yes, in the idea is to minimise the business process by minimising the number of documents. Today, you follow the single window concept—this means there is no need for a single document to be filed, while earlier it was something like eight different documents. We got 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 trade facilitation in the trade facilitation directorate.

Yes. I am confident that this is something which is close to my heart. And what we are doing is to focus on the training of B-school students from Visag EM-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 (FTA) where we 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. For this, I need the support of the trade and trade associations. I have been talking with trade bodies and I have also welcomed the idea. In the end, the department, trade and the students will be benefited. And, who knows, the students can later join the department as they then would have 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 entrepreneurs, in association with trade bodies, where we will explain them the Do’s and Don’ts in a simple format.

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

Yes. We already have tax payer’s education programmes, which is done by every division at least once every quarter to start with. Later, we will have such open house programmes once every month in every division. Apart from this, we also have a Trade Facilitation Committee meeting and interactions between the trade and relevant government agencies every month.

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

Yes. The study was a comprehensive one. I have got 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 improvement in their financial procedures. Training of functionaries (Commissioner, Chief Commissioner, Board) have also seen a positive change in processing of refund claims (time, documentation etc.) and better communication with the tax officers. We have also seen some of the recent improvement in customs clearance processes. This is also reflected in the window filling. Clearly, it shows that we have covered a lot of ground in a short time. I am sure a lot more needs 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 fast and transparent, grain, judicial, admeasurement process, expediting of dispute resolution, timely finalisation of provisionally assessed bills of entries and processing of refund claims, and so on. The survey was conducted across all NAL (National Assays Laboratory) centres. Requirement of filing original sales invoices from the interfacing departments has also been struck out from the list of important issues. And we have tried to redress all these issues.

Sir, what about your own capital building programme?

(Smiles) I think the easiest way is to explain this if you can come along with me for a walk. Well, I can tell you that I have asked at least two faculties of each of the departments to come along with me for a walk. This will kill two birds with one stone. I regularly hold capacity building programme with my staff on excellence in workplace. Here, I share the accountability and probity part of RAPID comes..."