



प्रणब कु० दास

अध्यक्ष

Pranab K. Das

Chairman

D. O. F. No. DGPM (TAR) 1034/TECH/34/Target/2019

30th January, 2019

Dear *Colleagues,*

The data for the year 2018-19, regarding achievement of target as fixed for 2018-19 (till Dec, 18) has been analysed. It is seen that the realization of arrears during 2018-19 so far is only 3,459 Cr till Dec, 2018. Though this realization is Rs. 976 Cr more than last year in the same period, the achievement (till Dec, 2018) is only 35% of the total target of Rs.10,000 Cr for the year 2018-19(46% of prorata target). However, recovery in Jan - Mar 2019 is expected to increase significantly, as has been the case in last two years also when recovery figures doubled in the last three months of 2016-17 & 2017-18. But this needs extraordinary effort by field formations, esp. as the target for 2018-19 is Rs. 10,000 Cr, compared to Rs. 5,000 Cr in 2016-17 and Rs. 6,000 Cr in 2017-18.

2. Though Commissioner (TAR) has written several letters and made telephonic calls to all zones on several occasions as well as also visited most of the zones with large pendency of recoverable arrears for discussion on the above subject, achievement is not satisfactory at all. Moreover, there are huge amounts still pending in the category of recoverable arrears (a total of Rs. 26,123 Cr) ; this also includes Rs. 12,716 Cr. in the clearly recoverable category where there is apparently no hindrance to recovery as per data uploaded by you.

3. It is seen from the all India figures that performance of some of the Zones is commendable- namely Hyderabad GST, Mumbai GST, Jaipur GST, Pune GST and Mumbai-I Customs which are the top five performers. On the other hand, Meerut GST, Bangalore Customs, Bhopal GST, Ahmedabad Customs, Patna Customs (Prev.), Delhi GST, Delhi Customs, Kolkata GST, Mumbai-III Customs, Tiruchirapalli Customs (Prev.), Lucknow GST have failed to achieve even 20% of the target for 2018-19 (till Dec, 2018); and are the lowest performers.

4. Besides, there are still huge pendencies of recoverable arrears in Ahmedabad Customs, Bhopal GST, Kolkata GST, Hyderabad GST, Mumbai-II Customs, Delhi Customs, Vadodara GST, Delhi GST, Ranchi GST in both categories (units closed/defaulters not traceable as well as clearly recoverable).

5. The Parliamentary Committees, Secretary (Revenue) as well as Chairman, CBIC have shown their displeasure on many occasions regarding pendency of recoverable arrears, especially the clearly recoverable ones, as there are no hindrances like stay/appeal etc. in these cases and persons/factories are also available. Hence, it is difficult to explain/justify non-recovery of such cases.

6. It may be kept in mind that any shortage in your recovery target of arrears will be taken seriously and may reflect in your APAR as per new guideline for arrear assessment circulated to you several times by Commissioner (TAR).

7. Following measures, inter alia, should be taken immediately:


- (i) Serious pro-active actions should be taken in arrear cases pending in CESTAT (63% of all pending arrear cases), with help of office of CC (AR).
- (ii) It is necessary to conduct periodical monitoring of the pending arrears casewise on weekly basis by ADC/Commissioner and Chief Commissioners, depending on amount involved in this financial year.
- (iii) Arrear realization is another way of augmentation of revenue; hence available Preventive set up must be used for recovery of clearly recoverable arrear realization, esp. in the next two months left in 2018-19; actually it is also revenue not paid/not realized, though due. Hence arrear realization need to be treated as revenue realization and pursued through available preventive set up.
- (iv) Cases under 'appeal period not over' to be scrutinized every week with a view to keep a check that the case going out of appeal period (without any appeal filed) should be dealt with, on priority, to effect immediate recovery.
- (v) Main focus to be on realisation of major clearly recoverable arrears (more than Rs 50 lakhs) which are likely to be realised by March, 2019.

8. May I request that in the next two months, you should concentrate on recovery of the clearly recoverable arrears, which are substantial (more than Rs. 50 lakh) and where there are clear chances of recovery by March, 2019.

I am marking a copy of this to your Zonal Member for necessary follow up in the matter. I would be looking forward to better result(s) from your side during the weekly video conference I had proposed to hold during the balance 2 months of this financial year to closely monitor revenue augmentation.

With *warm regards,*

Yours


(Pranab Kumar Das)

To

All Principal Chief Commissioners/ Chief Commissioners of Customs/Customs (Preventive) & CGST