CBIC keeps taxpayers' issues at core: Chairman

By TIOL News Service

NEW DELHI, AUGUST 08, 2020: UNION Minister of State for Finance & Corporate Affairs Anurag Singh Thakur presided over a WebEx event on "In Bond Manufacturing & Other Operations" in Customs here yesterday. The event was conducted by the Central Board of Indirect Taxes and Customs (CBIC), in association with US-India Strategic Partnership Forum (USISPF) and Manufacturers Association for Information Technology (MAIT).

Mr Thakur highlighted the significance of the "Atma Nirbhar Bharat Abhiyan" and "Make in India" programme in the context and explained to participants how Section 65 Scheme (In Bond Manufacture and Other Operations) of the Customs represents a very good option for businesses looking to build and manage resilient supply chains.

The Minister noted that this modified new scheme was launched last year, and the initial interest shown by the trade and industry is encouraging. He indicated that the scheme is a welcome addition to the bouquet of schemes that promote investments in India and the â€˜Make in India' programme, while enhancing Ease of Doing Business and can potentially help in converting India into a global manufacturing hub in many sectors such as electronics, chemicals and pharmaceuticals, and even ancillary activities such as repair & refurbishment. It can also make India into a global e-commerce hub.

Mr Thakur extended an invitation to all eligible units to avail this scheme and also give suggestions to further improve it. On part of the Government, Mr Thakur extended an assurance to work collectively and resolutely to realise Prime Minister Mr Narendra Modi's vision of an "Atma Nirbhar Bharat" that will occupy a pride of place among the comity of nations.

The Minister noted that the last few months have been testing times for the businesses across the globe due to pandemic, impacting the economy to a great extent. Indian businesses have been outperforming all expectations and have shown tremendous resilience. This is testimony to the efforts made by the Government in the last six years to build domestic economic capacity and make India the preferred global manufacturing destination through the "Make in India initiative". The Production Linked Incentive in bulk drugs, drug intermediates, active pharmaceutical ingredients and medical devices is one such targeted scheme where we seek to accelerate self-sufficiency.

Mr M. Ajit Kumar, Chairman, CBIC, outlined the recent changes that have been brought in by the Government on the Customs Side and indicated the ready resolve and commitment of CBIC to put Taxpayer issues at the core. Mr Kumar said that CBIC is moving towards an automated machine based, paperless and faceless clearance ecosystem. The results are already visible - the efficiency of our EXIM clearance has been enhanced and India's rankings in the global indices have improved significantly. Mr Kumar further emphasised upon the commitment of CBIC towards Ease of Doing Business so as to give a boost to "Atma Nirbhar Bharat" and "Make in India" with an emphasis towards making India a manufacturing hub of the world.

The scheme under "In Bond Manufacturing" offers deferred import duty on both capital goods as well as raw material or inputs used in bonded manufacturing. The import duty gets remitted if the finished goods are exported. However, if the finished goods are cleared in the domestic market, the import duty on raw material used becomes payable, but without any burden of interest. Unlike the other Schemes such as SEZ and EOU, which are largely export centric, the present scheme aims at providing for efficient capacity utilisation. The scheme also envisages a minimum physical interface with officials and the monitoring of units under this scheme is entirely record-based and risk-based and thus non-intrusive.

Member CBIC Mr Vivek Johri, Principal Chief Commissioner, Bangalore; Mr D.P. Nagendra Kumar, Mr Vimal Shrivastava, Commissioner Customs- CBIC and Mr Amitesh Bharat Singh, Addl. DG, DGTS CBIC, represented the government side in the panel discussions. The Industry Panel Members were: - Mr Virat Bhatia, Managing Director, Apple India; Mr Ambrish Bakaya, Director, Corporate Affairs, Hewlett Packard Enterprise; Mr Nitin Kunkolienker, President, MAIT; and Ms. Puja Thakur, CFO and Executive Director, GSK Pharmaceuticals Limited.

Over 850 Senior Members from Business and Industry attended the highly interactive event representing sectors across the spectrum.