

COMPREHENSIVE
HUMAN RESOURCE MANAGEMENT
AND CAREER DEVELOPMENT
IN
CENTRAL BOARD OF EXCISE & CUSTOMS

A PROJECT

BY

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PROJECT MEMBERS:

SANJAY SHRINET, COMMISSIONER (GROUP LEADER)
MIHIR KUMAR, ADDITIONAL COMMISSIONER
RAJENDRA KUMAR, ADDITIONAL COMMISSIONER
DHARM SINGH, ADDITIONAL COMMISSIONER
NASIM ARSHI, ADDITIONAL COMMISSIONER (ASST. GR. LEADER)
PRADIP KUMAR SUMAN, ADDITIONAL COMMISSIONER

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COMPREHENSIVE HUMAN RESOURCE MANAGEMENT AND CAREER DEVELOPMENT IN CENTRAL BOARD OF EXCISE & CUSTOMS

1. INTRODUCTION:

A robust Human Resources Management (HRM) policy or the absence of it is one of the key determinants of the productivity, efficiency and longevity of any organization. As the HRM-performance relationship became increasingly obvious to the global community the large private corporations were quick to realize the importance of strategic human resources management to obtain the competitive advantage for survival and development. It was understood by the private sector that successful organizations are those that follow proper HRM policies, value human resources and consider human capital as the most important asset. In government, however, the full potential of a comprehensive human resources policy is yet to be realized. More so in CBEC where despite certain positive initiatives on the HRM front of late, there are many pressing issues that still need to be addressed. Starting with a brief exposition of the germane theories and practices of HRM this paper seeks to explore the undermentioned aspects of the subject:

- (i) What is the current state of affairs in CBEC in respect of HRM policy and its implementation?
- (ii) What are the initiatives that can be termed as success stories both at the level of the (a) organization and that of the (b) individual?
- (iii) What are the stark shortcomings/ drawbacks in the HRM policy and its implementation both at the level of the organization and that of the individual?
- (iv) What is the way forward, that is, what needs to be done in the short term and long term in refining the HR policies and removing the barriers to implementation so that both the organization and officers of the Department benefit in terms of increased productivity, attainment of key

objectives, intrinsic work motivation and work life management equilibrium?

2. HUMAN RESOURCES MANAGEMENT- THEORY AND PRACTICE

Owing to rapid changes in the business environment including globalization and technological innovations, the traditional sources of competitive advantages are not sufficient for success in today's situations. Several scholars have noted that managing people/humans is more difficult than managing technology or capital i.e. money, machines, methods, materials, etc. Human resources are the source of achieving competitive advantage because of their capability to squeeze out maximum efficiency from given inputs. The human resource management enables the companies to improve organizational culture in such areas as staff commitment, competency and flexibility which leads to improved staff performance. Various scholars have developed certain theories of HRM to achieve the competitive advantages. A few of the theories are given below:

- Strategic theories of HRM

These theories are primarily concerned with the relationship between a range of possible external contingencies and HRM policy and practices. Hendry & Pettigrew (1990) identified and classified key environmental influences on HRM. They mapped the context (the external environment as well as within the organization) and explored how HRM adapted to changes in context. The assumption was that good fit would lead to good performance.

- Descriptive theories of HRM

In this group, experts from Harvard Business School (Huselid, 1993; Becker & Huselid, 1998) and Kochan, Katz and McKersie (1986) of MIT attempted to inter-relate broad areas of HRM and the broad outcomes and followed a systems approach. These models provide a broad classification of the content of HRM and of a range of outcomes; however they fail to provide any test of the relationship between HRM and performance.

- Normative theories of HRM

These theories give prescription in the form of Best Practices. Pfeffer (1994, 1995) and Guest (1987) listed practices that will yield higher performance. The central assumption in these theories is that if an integrated set of HRM practices is applied for achieving the normative goals of high commitment with high quality and flexibility, then higher worker performance will be the result.

Best Practices of HRM

Many researches on HRM practices have been conducted from time to time and researchers have identified several practices by different names. Several attempts have been made from time to time by different researchers to identify the appropriate HRM practices in different sectors. Initially Pfeffer(1994) identified sixteen best practices. This was later refined to the following seven best practices.

1. Employment security
2. Selective hiring
3. Self managed teams/teamworking
4. High compensation contingent on organizational performance
5. Extensive training
6. Reduction in status difference
7. Sharing information

Recently, Saxena and Tiwari(2009) examined the HRM Practices implemented by leading IT Companies such as TATA, Infosys and Wipro in India. They developed the 3cTER framework of HRM practices and identified Culture building, Career development, compensation and benefits, Training and development, Employer-Employee relations and Recognition through rewards as important HRM Practices.

Factors affecting HRM practices

HRM practices differ from one country to another and from organization to organization and the factor which affect the HRM practices include external and internal factors.

External factors

These are those pressures on firms that cannot be controlled and changed by the firm in a favorable way in the short run. These factors include the following:

1. Economic changes
2. Technological innovations
3. National culture
4. Industry/Sector characteristics
5. Legislations/Regulations
6. Actions of competitors
7. Actions of Unions
8. Globalization

Internal Factors

The internal environment of organization strongly affects their HR practices. Various researchers have compiled a lengthy list of organizational characteristics related to HR practices. The important internal factors are as follows:

1. Organization size
2. Organizational structure
3. Business strategy
4. Human resource strategy
5. History, tradition and past practices
6. Top management
7. Line management
8. Power and politics

9. Academic and professional influence of HR practices

HRM Practices and Related Variables

HRM practices directly or indirectly affect several other variables in the organization.

The following relationships have been identified in the literature on the subject.

1. HRM practices and competitive advantages
2. HRM practices and employer/employee relations
3. HRM practices and trust
4. HRM practices and effective utilization of employees
5. HRM practices and employee productivity
6. HRM practices and service quality
7. HRM practices and employee commitment
8. HRM practices and organizational performance
9. HRM practices and financial performance
10. HRM practices in growth and innovations
11. HRM practices and HRD climate
12. HRM practices and technology
13. HRM practices and job satisfaction
14. HRM practices and employee's intention to leave

The review of the literature on HRM Theory and Practices has shown that to effectively manage the human resources the organizations have to implement innovative HRM practices. For overall best performance by the organizations the HRM Practices should be analyzed from time to time and they should be updated regularly.

3. CURRENT STATE OF AFFAIRS OF HRM IN CBEC

3.1 Department of Personnel & Training (DoPT) plays vital role in framing the Human Resource Management (HRM) policies for the employees of Ministries & Departments under Government of India. The policies prescribed by the DoPT relate to Recruitment Rules, Training, Probation & Confirmation, Pay & Allowances, Reservation, Office Procedure, Leave Rules, LTC Rules, Conduct Rules, Retirement Rules, among others. CBEC (Central Board of Excise & Customs), which comes under the Department of Revenue, Ministry of Finance follows the same set of Rules & Regulations with regard to the HRM as formulated by the DoPT.

3.2 In CBEC, Personnel & Vigilance (P&V) Wing with the help and in coordination of Directorate General of Human Resource of Development (DG HRD) carry out and implement the various policies relating to HRM. The DGHRD's main task relates to Cadre Management, Performance Management, Capacity Building & Strategic view, Welfare and Infrastructure.

3.3 Recruitment of the Group 'A' level posts of IRS (C&CE) Indian Revenue Service (Customs & Central Excise) is made through the Union Public Service Commission (UPSC) by the modes of direct recruitment at the entry level of group 'A' and promotion from group 'B' level to group 'A' posts. As regards other posts in group 'B' and 'C' levels, these are filled up by way of promotion and by direct recruitment through the Staff Selection Commission. After the, 6th Central Pay Commission Report, Group 'D' posts do not exist.

3.4 **Cadre Restructuring:** Cadre Review is needed for better management of a service in accordance with changed time and requirement, and also to curb the issue of stagnation at various levels in a service. It is a dynamic process. In each organized service in central Government, cadre restructuring is needed to be carried out in five years' periodicity. Applying this norm, IRS(C&CE) should have gone for 10 cadre reviews. The recent cadre review has been carried out for the reasons of increased work, stagnation at various levels, expansion of Service Tax and also to some extent

keeping in view the proposed GST. However, CBEC had only 3 cadre reviews in 1988-89, 2001-02 and 2013-14. On the other hand, CBDT (Central Board of Direct Taxes) had 5 cadre reviews.

3.5 Stagnations in some posts can be seen from the following table:

Post	Years required for promotion to next post	Normal time taken in promotion
Superintendent*	2	18
Addl. Commr.	16	22
Commr.	24	33

*some Superintendents get only one promotion in their entire career.

3.6 CBEC through the cadre restructuring expects to generate Rs. 68,000 crore every year with additional manpower in various areas of work. Further, the financial implication on over all cadre re-structuring would be around Rs. 733 crore as per DoPT estimates. The total posts have been increased to 84, 875 from 66, 808 (plus 18067). In IRS (C&CE) increase is of 1251 from 2485 to 3736. In order to arrest stagnation at Superintendent level, 2118 temporary posts of AC (JTS) have been created for 5 years for Supdts promotion only. It is relevant to add here that stagnation in cadre is a demotivating factor. Furthermore, CBEC is also considering: creation of a cadre viz. Sr. Supdt. between AC & Supdt. All India seniority list of Inspectors and reducing DR quota at lower level.

3.7 In order to implement cadre re-structuring, 6 Committees were formed by DG HRD. To implement cadre-restructuring in its entirety holding timely DPCs, issue of Notifications defining jurisdictions of the various formations is a pre-requisite, besides, allocation of staff in various grades for revised formations. Vacancy position & roster to fill up various posts & informing SSC is also required. Amending RRs in various posts also required to implement the cadre-restructuring. CBEC took various steps in respect of cadre-restructuring including amending various statutes based on revised designations— some amendment were part of the Finance Bill, allocation of location

codes to field formations, providing of infrastructure such as WAN/LAN, requirement of additional space for the new formations & budget proposals.

3.8 To give effect to the cadre restructuring, various notifications were issued on 16.09.2014 for the jurisdictions of Principal Chief Commissioners/ Chief Commissioners in Customs, Central Excise and Service Tax sides. Various steps were also taken with respect to the Assesses registered on ACES, consequent upon cadre re-structuring. In the cadre restructuring, power of appointing/ disciplinary are placed directly under the charge of Principal Commissioners. Allocation of officers & staff to various formations was very complicated & difficult task. Allocation of staff has been done as per the functional requirement and within over all limits of staff strength.. Allocation of staff to Dtes. will be from the respective CC zones. In transitional period, there have to be some disruption in such situation.

3.9 On cadre restructuring, the following zones, Commissionerates and Directorates have been created:

- a) No. Central Excise zones: 23
- b) No. of C. Ex. Commissionerates: 119
- c) No. S. Tax zones: 4
- d) No. of S. Tax Commissionerates: 22
- e) No. of Customs zones: 11
- f) No. of Customs/ Customs (P) Commissionerates: 60
- g) No. of Appeal Commissionerates: 60
- h) No. of Audit Commissionerates: 45
- i) No. of LTUs: 8
- j) No. of Dtes. General/Dtes: 20

3.10 **Steps taken for Superintendents' promotion:** A format was prescribed to enable monitoring of APARs by CCs– updation of finalization of representations, NRC, Vigilance Certificate, rosters etc. for holding of DPCs in respect of Suptds. . In order to promote 2118 officers of Gp 'B' to Gp 'A', verification & updation status of around 10, 000 APARs was involved. For holding DPCs of 2118 Gp 'B' officers, APARs of

preceding 5 years, Vigilance status, Integrity Certificate, Penalty statements/ NRC were also needed.

3.11 Revised APARs procedure: A transparent, robust and balanced performance appraisal system is a pre-requisite for assessment of performance of a Govt. servant. Earlier the ACR system was in vogue. The revised procedure started from 2008-09. In terms of DoPT instructions disclosure of the APARs to the officer reported upon— by the CC/DG/Board as the case may be was required. Further, representations by officers reported upon and disposal thereof also necessary. As per the new APARs procedures, pen picture, Numerical Grading, Medical Examination, Training etc. were provided. Work output: 40%, Personal Attributes: 30% and Functional Competency: 30 %-- mean value thereof is to be taken. For completion of APARs, time lines were fixed. However, it is seen that these are generally not adhered to, which leads to delay in promotions/empanelment/deputation etc.

3.12 With effect from 12.04.13, APARs are to be sent to DG HRD for scanning & digitization. A major exercise was undertaken by DG HRD for scanning & digitization of ACRs starting FY 1980-81. Further w.e.f. 20.08.14, the following work has been transferred to DG HRD from Ad. II Section, CBEC:

- a) Receiving APARs of Gp. 'A' officers from field formations.
- b) Record keeping of physical copies of APARs dossiers of Gp 'A' officers.
- c) Communication of APARs gradings /BBM gradings of officers of the rank of AC & above.
- d) Receiving representation against APAR gradings & presenting it before the Referral Board /Competent Authority for disposal.

3.13 As on 03.08.2015, 755 IRS officers have not registered themselves for the APAR module. IRS officers are needed to be registered on APAR module for online viewing of APARs. This system, however, does not allow online writing/ recording of APARs. As on 01.07.2015, APARs of 1542 IRS officers were missing. DG HRD office is taking steps to complete these APARs.

3.14 **MCTP for IRS officers:** Training is an integral part for the overall development of a Govt. servant and for proper discharge of his duties in efficient manner. In CBEC, training is imparted to the officers and staff by the NACEN and its RTIs. For the purpose of Mid Carrier Training Programme (MCTP), 30 officers of Commissioner rank with more than 25 years of service with 2 years as residual service and CC with minimum 1 year of residual and 2 Faculty members for phase V (3 weeks India + 2 weeks abroad), 40 officers of the rank of ADC with more 16 years of service and with minimum 2 years of residual service and serving Commissioners up to 22 years and with 2 years of residual service and 2 Faculty members for phase IV (6 weeks India + 2 weeks abroad) and 40 officers of the rank of DCs with more than 8 years of service and with minimum of 2 years of residual service and serving JCs/ ADCs up to 13 years service and 2 Faculty members for phase III (6 weeks India + 2 weeks abroad) are considered.

3.15 Total expenditure for 2013-14 was Rs. 30 crores under OOE head for the purpose of MCTP and by 2015-16, a total 660 IRS would get trained.

3.16 **Welfare Measures:** Each employee is an asset to the Govt. Govt. being the ideal employer is expected to look after the welfare of its employees and more particularly during hardship. A 10% amount is financed by transfer of sale proceeds of confiscated goods, fines, penalties in offence cases realized. Out of said 10%, 5% each is allotted towards Customs& Central Excise Welfare Fund and Spl. Equipment Fund. Funds are administered by a Governing Body comprising Chairman, all Members of Board, FA and Commissioner (Logistics).Funds are for the following purposes:

- a) Recreation of Staff welfare activities including setting of Clubs, Libraries.
- b) Scholarships for the children of employees.
- c) Opening of Crèches.
- d) Providing vocational training to wives of employees.
- e) Arrangement of subsidized transport facility for staff.
- f) Providing more amenities in departmental Canteens.
- g) Providing for contingencies like death resulting from accident or from injury, while in duty.

- h) Providing for different form of medical assistance for emergencies.
- i) Construction/ Hiring/ Leasing of holiday homes and departmental guest houses.
- j) Procurement of anti- smuggling equipments of specialized nature.
- k) Removal of difficulties caused by natural calamities. Coverage of funds extends to officers & staff of CBEC and various offices.
- l) Cash is given for winning medals/ civilian awards in sports and financial assistance for participation in sports.

3.17 Various guide lines have been issued to achieve the objective in the above areas.

3.18 Board awards WCO Certificates of merit to officers of service, each year

3.19 CBEC awards Presidential Awards of Appreciation Certificate to the officers of Customs & Central Excise on the eve of Republic Day, each year, for exceptionally meritorious service rendered at the risk of life, and Presidential Awards of Appreciation Certificate for especially distinguished record of service on their achieving & maintaining excellence in the discharge of their duties.

3.20 Board also grants Commendation Certificates on the occasion of Central Excise Day, to the officers / staff for their innovative ideas/continued devotion and commitment to duty.

3.21 **Infrastructure:** On implementation of cadre re-structuring, there is acute shortage of office accommodation. As a long term solution, construction or purchase of office appears to be the right way.

3.22 **Promotion:** Timely promotion to the next level not only is necessary but it also motivates the employee to perform better. However, sometimes there are delays in promotion. Incomplete seniority lists of different categories lead to non-finalization thereof and this also delays promotions to various posts. Promotions to various position in IRS as on 05.08..2015 is as under:

- a) Regularization of DC to JC (batch 1988-1996) - proposal pending in Board.

- b) Regularization of JC `to ADC (NFSG-batch 1986)- proposal pending in Board
- c) Ad-hoc promotion from ADC to Commissioner (batch 1993-95)-APARs of some officers pending
- d) Promotion for HAG to HAG+ (batch 1981-82)- APARs of some officers pending
- e) Promotion from HAG+ to APEX (batch 1979-80)- under preparation
- f) Grant of non-functional up gradation (batch 1980-81) - proposal pending in Board.
- g) Grant of non-functional up gradation (batch 1990) - proposal pending in Board.
- h) Grant of non-functional up gradation (batch 1992-94) - APARs are incomplete.

3.23 Because of seniority dispute at the entry level for Gp. 'A' officers, promotion to various grades is made on ad-hoc basis. There is need for finalization of seniority lists of GP 'A' officers. It is also relevant to mention that promotion to Group 'B' Gazetted & lower level posts is done by CCAs. Efforts are being made for regularization of Gp 'A' officers. MACP (10/20/30 years of service) to lower level officers other than Gp 'A' is also granted. However, MACP cannot be equated with regular promotion as in MACP only financial benefit (next available stage of grade pay) is given, while the officer concerned remains in the same post, discharging same set of duties.

3.24 **Transfer Policy:** There is a need for having a transparent and efficient transfer policy, for which setting up of a mechanism for recommending transfers is pre-requisite and also placing the transfer policy in public domain. The purpose of rotational transfer policy is to harmonize objectives of institutional memory, avoid development of vested interest and providing exposure to the employees of working in different fields for overall growth of an officer and identifying the sensitive and non-sensitive posts and rotation of officials after some period of time. For the purpose of AGT in respect of IRS (C&CE), following actions are taken:

- a) Seeking options in a time bound manner.

- b) Transfer based on a transfer policy.
- c) Due for transfer list for AGT is displayed by the DG HRD on its website.
- d) Transfer information to be submitted by the respective zones, along with of officers in formats.

3.25 **Other Areas:** Filing of IPRs by Gp 'A' officers– DG HRD has been assigned the task of uploading of IPRs– only requests around 10% IPRs reach to the concerned office in the stipulated time limit. Aadhar based BAMS for organizations of CBEC located in Delhi has been implemented. There is a need for timely conduct of departmental examinations for promotion of various posts. The CVO/DG Vigilance liaise with the CVC, CBI and field formations in matters relating to complaints (mainly against Gazetted officers) having vigilance angle, investigation thereof , issue of Charge Sheet, conducting inquiries and imposing penalties on the delinquent officers.

3.26 **Success stories in some areas of HRM:**

a) **Cadre re-structuring:** This work was enormous, complicated and time consuming. The then Chairpersons, CBEC, Member (P&V), CBEC, DG HRD, Addl. Commr. HRD, officers of Ad. IV Section, **among others** have been instrumental for the successful implementation of Cadre re-structuring.

b) **Promotion of Superintendents as Asstt. Comms.**: This challenging and unprecedented task was to be done in a time bound manner, to arrest stagnation at Supdt. Level. Supdts. who were not getting promotion despite being eligible had legitimate aspiration. To promote 2118 officers of Gp 'B' to Gp 'A, verification & updation status of around 10, 000 APARs was involved. Carry forward & backlog vacancies were also to be filled up. Group 'B' Gazetted officers Associations also played important role in this regard. The then Chairperson, CBEC, Member (P&V), CBEC, DG HRD, CC Meerut, CCAs, Officers of Ad.II Section, **among others** played a great role in this regard.

c) **MCTP for IRS (C&CE):** For the first time, a well-conceived Mid-Career Training Programme having best practices with global element was adopted for the serving officers of IRS (C&CE). This programme has received appreciation from all quarters.

The then Chairpersons, CBEC, Member (P&V), CBEC, DG NACEN, ADG NACEN, **among others** have played remarkable role.

d) **Systematic management of APARs:** Non-completion of ACRs/APARs leads to delay in promotions/empanelment/deputation/Court cases and strictures from Courts. Therefore, a robust mechanism was required, by following the norms of DoPT. Various efforts were made to streamline this neglected area. The then Chairpersons, CBEC, Member (P&V), CBEC, DG HRD, Addl. Commr. HRD, **among others** have contributed significantly in this regard.

4. SHRTCOMINGS IN THE HR POLICIES OF CBEC

I. Transfer Policy:

The successful implementation of tax reforms depends on the efficiency of the delivery system. A significant contributor to the effectiveness of the administrative machinery is a credible human resource development policy, which offers opportunities for excellence and career advancement through a proper placement strategy. Transfer & postings in CBEC has been a matter of great concern and dispute for a long time. Officers in the department are primarily interested in postings to Mumbai, Delhi and stations in the close vicinity of these two cities. This interest is mainly because of volume of international trade, concentration of industries and service sector in these places. Officers posted all over the country aspire to be posted to these places. This results in huge mismatch between demand and supply of posts in these places leading to disappointment of many officers. A comprehensive Transfer policy was formulated in 2005 to address this problem. The salient features of this Transfer Policy are as follows:

- a) All transfer and postings of Group 'A' officers of IRS (C&CE) shall be effected by the Board/ Placement Committee or on their recommendation as stated hereinafter;
- b) The Transfer policy has been formulated for officers at different levels;
- c) All stations have been categorized in three classes and tenure of stay in different classes of station has been prescribed;
- d) All posts have been divided into two categories, namely, Sensitive and Non-Sensitive;
- e) All posts have been categorized as field and non-field posts.
- f) Guidelines for dealing with different types of "compassionate grounds" cases have been laid down".
- g) All annual transfer orders shall be normally issued by 30th April and, in any case, not later than 31st May of the year

Shortcomings and suggestions:

However, the transfer policy has failed to address the problem to a large extent. Not only that officers' aspiration for posting to Mumbai, Delhi and stations in the close vicinity of these two cities has not been fulfilled, categorization of places in three category and division of the country in different zones in transfer policy has led to unsettling large number of officers even from the places where not many officers are interested to be posted. This has led to a situation where large number of officers were compelled to leave behind their families at old stations in view of children's education and other reasons. Further, many officers opted for voluntary retirement as they could not cope with the pressure of transfer. The situation appeared more pathetic in respect of the officers who wanted to remain posted to the places which were not sought after stations but their requests were denied on the ground of completion of tenure in the station or the zone. In contrast, most of the officers posted in Mumbai, Delhi and stations in the close vicinity of these two cities remained unaffected as they were posted to large numbers of Directorates located in these two metros (posting in most of the Directorates is not counted in station/zone tenure) to circumvent provisions of the transfer policy.

II Capacity Building and Skill Development:

In NACEN the main emphasis on training is to improve the knowledge base and provide managerial skills and develop positive attitude of the officers of the Department. This emphasis is reflected in the training of the Group 'A' Probationers that is spread over 18 months and includes not only classroom sessions on various topics but field visits, attachment to field formation and on the job training. The probationers are given inputs on Customs, Central Excise, Narcotics, law, audit, administration, accountancy and various other fields. They also interact with important personalities in various fields. NACEN is committed to providing quality-training programmes that ensure capacity building in the Department and contribute towards providing a modern effective tax administration.

Shortcomings and suggestions:

- It is observed that newly recruited Inspectors and Ministerial officers are normally posted in the field formations without imparting any formal training to them. Similarly officers on promotion from Ministerial category to Executive category are posted to field formations without imparting any formal training to them. This practice affects quality of performance of the officers as they work without any training and resultant lack of confidence.
- It is suggested that a proper and effective training programme for both Executive and Ministerial officers may be developed to provide quality-training to ensure capacity building in the Department and to contribute towards providing a modern effective tax administration. Further. It may be ensured that all newly recruited officers are imparted proper training before their postings in the field formations.
- Similarly officers on promotion from Ministerial category to Executive category should be imparted proper training before their postings in the field formations. Further, officers on their promotion from Executive category to Group A level should also be imparted comprehensive training to prepare them for taking larger challenge as a Group A officer.

III Infrastructure:

The residential infrastructure of CBEC is short of the optimum requirements at most of the locations in the country. There are only few on-going construction projects being executed by CPWD relating to housing.

Shortcomings and suggestions - Housing situation in major Metropolitan Cities like Mumbai, Delhi, Chennai, Hyderabad, Pune & Bangalore needs to be addressed as it is difficult for officers to find suitable accommodation within the limits of HRA due to high rentals.

IV Welfare measures:

The Customs & Central Excise Welfare Fund has been created to finance various welfare schemes for staff and their families and to ensure that benefits percolate to larger number of officers assistance is being granted under following schemes :-

- Providing Financial Assistance for Reimbursing Medical Expenses
- Providing ex-gratia financial assistance in cases of death
- Cash Award Scheme
- Scholarship Scheme
- Providing financial assistance to field formations for setting up Guest Houses, Canteens/Kitchenettes, crèches, gymnasium /sport centers
- Cash Awards for winning medals in sports and financial assistance for participation in sports
- Scheme for providing financial assistance for adventure sports
- Scheme for the support of Girl Child
- Scheme of Funding of Matriculation Studies through Open School for uniformed Cadres in Group 'C' (erstwhile Group 'D"staff)

Shortcomings and suggestions:

- It is observed that sanction and grant of assistance under the welfare scheme is very long & time consuming process as all sanctions are made by the CBEC.Funds may be placed at the disposal of cadre controlling Principal/Chief Commissioners for speedy disposal of requests for assistance from welfare fund.
- Presently amount of ex-gratia financial assistance in cases of death of officers is very small. Amount of ex gratia financial assistance in cases of death may be increased to Rs 20 lakhs. A comprehensive insurance policy for all officers and staff under CBEC may be taken for this purpose. Premium may be contributed by the department(funded from Welfare Fund) and officers & staff.

5. THE WAY FORWARD/ RECOMMENDATIONS

Some of the ills that is plaguing our HR policy has been highlighted in the previous chapter. In brief they can be summed up under the following heads:

- (i) Career Development & Transfer Policy
- (ii) Capacity building & Skill Development
- (iii) Infrastructure
- (iv) Welfare measures

5.1 Transfer Policy:

(i) One of the paradoxes of the Transfer Policy of the CBEC is that while there is a semblance of equity, transparency and accountability in the transfer/postings of Gr. B officers, the same seems to be lacking when it comes to the Gr. A officers. For Gr. B officers, both Gazetted & non-Gazetted, there is a rotation between sensitive/non-sensitive, customs & excise, change of stations etc. The unions play an important role and along with the monitoring by the CBEC through the DG(Vig.), the transfer policy is followed in letter (if not in spirit).

However, for Gr. A officers, ad hocism rules the roost. What can one say about the policy which redefines the concept of geography for eg. the western most point of India i.e Dwarka in the state of Gujarat is in Central Zone while Tirupati in deep south Andhra Pradesh is in Eastern zone. One is also flabbergasted when he comes to know that the new Academy at Hindupur in Rayalseema region of Andhra Pradesh is actually in East zone. Similarly, while Jharkhand is in East Zone, Bihar is Central Zone. **This geographical anomaly needs to be corrected.**

(ii) Secondly, the hall mark of any fair system is equity, transparency and accountability. Though things have considerably improved over the years, a lot needs to

be done so that its impact is felt on the ground. The creation of DGHRD in 2002 was one of the best things to have happened for CBEC as far as HRM is considered. However, since its inception the Directorate General itself is battling shortage of space, manpower and other infrastructure. Nevertheless, despite these constraints, the DGHRD has taken many much needed steps in various fields like creating a data base of all officers, ACRs/APARs, IPRs etc. The transfer policy has also seen a vast improvement in its implementation. For the first time the due list is being put in public domain and representations of the officers are called for. However, despite this quite a few anomalies are noticed in the AGT year after year. The catch lies in the discretion which the administration has in posting officers in violation of the general norms of transfer policy. It is true that the same has the approval of the Hon'ble F.M but the reason given is not in public domain. It is suggested that the reasons for retaining/transferring an officer under the exception clause of the Policy and for which Hon'ble F.M's approval is obtained is also put on the website.

Even a cursory glance at the HOP of the officers will show that some officers have been continuously posted not only in the filed formations/sensitive charges but also at the station of their choice. At the same time there are others who have spent a major part of their careers in the Directorates (other than DRI and DGCEI) or at category B and C stations or in non sensitive charges.

(iii) There also seems to be very little accountability either. While dealing with the assesseees, the action of the departmental officers is under scrutiny and in case such actions have a 'vigilance angle', the officers can be proceeded against under the CCS(CCA) Rules, 1965. However, there is no such accountability when it comes to dealing with its own officers. In almost every AGT there are glaring examples of violation of the transfer policy and many times it seems that two sets of rules are operating – one for a select few and one for the rest. Despite the CAT having struck down the orders of a few of the officers who were transferred in violation of the transfer policy, the system has not yet been perfected so that such indiscretions do not happen. Another anomaly which regularly takes place is that a newly promoted Commissioner is

given the executive charge while a Commissioner, even 10 years his senior, is made Commissioner (Appeals).

It is suggested that officers are posted as per their choice if it is within the policy. Moreover, the jurisdictional caricature also needs to be rectified. Along with transparency, accountability should also be fixed so that there is no discretion is excess.

5.2 Capacity Building & Skill Development

(i) NACEN has improved by leaps and bounds in the last ten years. However, the officers posted there are very few and they are busy in activities other than what they are supposed to i.e teaching. The training academies of many other Gr.A services have many Gr. A officers posted there and they form the bulk of teaching faculty. Only a few specialists are called for from outside. However, at NACEN, as there are a very few Gr A officers, there is no permanent in-campus faculty. It is also seen that many a times the guest faculty teach what they are comfortable with and not what the probationers and other officers require.

It is recommended that at least 80% of the S/S is filled from officers who have an academic bent of mind and have an ACR grading of 'outstanding' in the each of the last 5 years. The guest faculty should be chosen carefully and they should blend the academic inputs with the requirements of the service. Further, NACEN may be equipped with in-house faculties both coopting Departmental Officers who have a flair for teaching and further hiring experts (like in management/ behavioural sciences) from outside on a fulltime basis say on contract for a period of three years or so to be renewed after expiration of that period.

(ii) Gr. B non-gazetted officers should be imparted training after their recruitment/promotion to Gr B for at least 6 months. Similarly, the officers promoted to Gr. A should also be imparted proper training.

Further, the training programme should be designed in a manner which enables them to acquire skill towards creating an effective tax administration. Behavioral management and audit and accountancy should be given more prominence.

5.3 Infrastructure:

(i) This is perhaps the most neglected area of the CBEC as far as HRM is concerned. An unhappy officer can never give his 100% even if he tries. **Having adequate number of accommodation at least in class A cities is the need of the hour.** There should also be an endeavor to shift offices from rented premises to our own buildings. Efforts should be made to purchase readymade flats from various agencies. In Delhi, many flats in the CWG village were available for sale. Many departments including the Income Tax department purchased those flats in dozens whereas we did not get a single flat as by the time we got to know about the scheme, the cost had escalated manifold making it financially unviable.

Proper guest houses and 1 BHK transit accommodations should be there in all the Commissionerate. On these issues we need to learn a lot from the Railways.

(ii) The Directorates, other than DGCEI & DGDR and also do not have adequate number of vehicles which results in reducing the efficiency of these organizations.

It is proposed that the above mentioned problems are dealt with urgently.

5.4 Welfare Measure:

5.4.1 Education of the children, treatment of their parents and support to their family in the unfortunate event of the officer's death are some of the anxiety which should be tackled by the department. This will not only result in having a satisfied work force, it will also bond the CBEC with the family member of the officers and vice versa.

The Welfare Fund is a Brahmastra with the CBEC. It has sufficient funds but apart from making ex-gratia payments to the deceased officers' families or making some reimbursements of medical bills or furnishing the guest houses, the Fund is not being utilized for either creating permanent infrastructure for the department or for upgrading the skills of the officers. Of late the maximum expenditure from this fund goes towards renting vehicles. It is proposed that the welfare fund is used judiciously for the following:

- (i) The feasibility of giving Housing Loan from welfare Fund can be studied and if permissible, loans at a lower rate of interest is made available to the officers especially the Gr C and D officers .
- (ii) It is also proposed that the department insists for a Term insurance for all the officers with a % of the premium being paid by the department.
- (iii) It is also proposed that CBEC considers having a Sanskriti type School in all Class A cities with the condition that the officer's spouse should not become teachers/Principals in these schools.

However, it needs to be appreciated that the Welfare Funds is not a *Kuber's Khazana* and if the above recommendations are implemented, we will exhaust our entire fund. At present the officers are not making any contribution towards the Welfare Fund. The various Officers' Associations need to deliberate the requirement of the members to contribute towards the fund.

5.4.2 Recruitment of sports personnel of repute as well as budding sports person is not being done by the department since the last many years. Leslie Claudius, Anju Bobby George, M.R. Negi etc. have served not only the department with distinction but also the nation & we should continue supporting the sports person. Wrestling, Boxing, Archery, Badminton etc are the sports where India has a lot of potential and by encouraging the budding players from these sports and giving them jobs at Inspector level, we can not only contribute in the nations quest for sporting glory but also make our service more recognizable. It will also generate a lot of goodwill. It is high time that we recognize the value which a sportsperson brings to the department. Since the level

at which these sportsmen are to be recruited are at the Commissionerate level, there is a need to sensitize the Commissioners/Chief Commissioners in this regard.

5.5 Comprehensive HR policy for career development

5.5.1 Mentoring: Since the last decade the number of Gr A probationers being recruited in our service has grown exponentially. These young officers need to be mentored in the initial phase of their career. It is not humanly possible for one Course Director at NACEN to mentor over 200 probationers at a time. It is proposed that a few officers in the SAG and HAG grade having impeccable integrity as well as a flair for the job are nominated as mentors to a group of 10 probationers. They can continue mentoring them till these officers/probationers get their senior time scale. Proper hand holding will definitely go a long way in the development of the overall personality of these young officers and they will realize that there is a life beyond Mumbai and Delhi in general and beyond Nhava Sheva or TKD in particular.

5.5.2 Although the transfer policy mentions that officers in the first 10 years of their service will get almost equal exposure of Central Excise, Customs, Service Tax as well as the Directorates, in reality it is seen that such a policy is not followed mainly because of the mismatch between the number of posts in field formations and the Directorates at most places. This needs to be given due attention and corrective steps may be taken.. From the JAG grade onwards the CBEC can think about specialization. The officers can be posted in formations according to their choice/inclination and performance. DGHRD already has the data base of all the Gr A officers (in APAR) and taking into consideration various relevant parameters, it can make proposal to the CBEC. This will benefit the individual as well as the organization.

5.5.3 It is also observed that the ministry is not very keen to send officers on deputation on the ground that his/her services cannot be spared. More often than not, the concerned officer has to do all the running around to first get selected for a deputation and then to get himself relieved from the parent department. It is high time that the department starts encouraging people to go on various deputations. This will

not only help him in getting more exposure but will also make officers of other Departments aware about the capabilities of the IRS officers.

5.5.4 A proper training policy which is fair and transparent is the need of the hour. Many of the training programmes especially the one day courses (which invariably takes place on a Monday or a Friday) have become a farce. On one hand, the field formations are reluctant to send some of the officers for training whereas on the other a few officers are nominated for many such course. If NACEN find that the same person is being nominated for the training courses again and again, it may bring it to the notice of the CBEC which can in turn issue directions to the HoDs to refrain from the same.

There should be a comprehensive training policy for training at NACEN as well as in the other specialized institutes in the country. Efforts should be made to send our officers abroad for training as well. However it is equally important that such trainings are not monopolized by a few officers. DGHRD can include the details of the domestic training (outside the Dept.) as well as foreign trainings attended by the officer in the HoP of the officers.

5.5.5 (i) A better cadre management is the need of the hour. Cadre management goes much beyond cadre restructuring. On what basis huge batches of officers in excess of 100 were selected is still a mystery. The 2016 batch is likely to be around 250. Now If one argues that it is/was the need of the hour considering the way our service is growing how do we then justify batches of 15-20 officers following 2002? We also had a year in which there was a ZERO batch (2003) Having small batches probably indicates that we did not require huge batches. Surely both the arguments cannot be correct and this is going to create measure headache to our HR Policy in future.

(ii) Our service is plagued by litigations in service matter especially in matters of fixation of seniority and promotions. The root cause for all this is having numerous entry level appointments at Gr B/C level. There are at least 10 channels through which an officer can be promoted to a Gr A officer and more the channels more is the likely

scenario for litigation. It is high time we take a call on this system of appointing so many different types of Gr B and C officers.

(iii) Along with proper recruitment, timely DPCs for all grades are essential. While DPCs for Gr B and C officers are taking place at regular intervals, the less said about the DPCs for the Gr. A officers is better. At one point of time barring officers of upto 1986 batch, all the promotions upto the grade of Commissioners were on adhoc basis. Of late the DGHRD has taken up the issue of regularization on a war footing and it is expected that in another year or so, things would not look as gloomy. But the fact that we left it for so long reflects poorly on the Department. I do not think that there is any organized GR A service in which officers of the 1986 batch are in the SAG grade for the last 8 years on an adhoc basis!

5.5.6 Timely completion of vigilance cases and having an objective policy of placing officers in the agreed list.

(i) One of the biggest grouses of the officers is the delay that takes place in deciding disciplinary proceedings. On an average the time taken from the issuance of chargesheet to the issuance of the O-I-O is between 3-4 years. There are a few cases where the cases have not reached its finality despite more than a decade having passed. However, one of the reasons for the delay is the lack of manpower in both the DGoV and the Ad-V. For more than three years (since 2011) there was no regular DG (Vig). Even today we do not have a regular DG (Vig). However, despite these shortcomings it is observed that in the last 6-7 years things have improved. At the second stage level, the pendency has come down from more than 2 years to around 4-5 months. Moreover on many occasions the delay in finalization of disciplinary proceedings is on account of delay in the submission of the IO's report. Most of the IO's are working in the field formations and are under the administrative control of the Commissioners. The Commissioners should be sensitized about the need to get the Inquiries completed within the time frame prescribed by the CVC. In the recent cadre restructuring, the number of dedicated IO's have been increased from 2 to 6. Once these posts are filled with willing officers, things are likely to improve.

(ii) For placing an officer in the ODI list, the rule is unambiguous and by and large the same is being scrupulously followed. However, for the Agreed List there is a lot of ambiguity which needs to be corrected. It is proposed that name of only those officers be proposed to be included in the agreed list where preliminary investigations have indicated 'lack of integrity' on his part.

6. CONCLUSION

If Treasury is the vital element of governance, then Tax administration is of the cardinal importance in governance. Significance of revenue departments is obvious. In fast changing national scenario where Government is facilitating the economy to align with global economy without undercutting its social obligations, there ought to be tectonic changes in the philosophy and administration of tax administration. Departments like CBEC ought to keep abreast with Government's priorities towards Ease of Doing Business that impinges largely upon tax administration and the new legislative initiatives to create all-India single market through GST. These initiatives will require the CBEC to align the personal administration and training of its officers and staff accordingly and consequent increasing the happiness quotient of work force.

Beside to optimize performance of organisation, every individual is kernel.

The key challenge to achieve individual potential is

- Judicious career progression
- Personal health & well being
- Children Education
- Housing
- Family Care – after his death
- Preserving self-dignity

Afore-mentioned factors will be catalyst in harmonising individual with organisation.

How it can be achieved – not through singular step but at “Multifarious Level” like

- Government level
- Organisation Level
- Individual level

The sagacious recommendations of the Second Administrative Reforms on personal administration could be useful reference and starting point in this respect. Few major recommendations pertaining training and motivation were as following:

“All civil servants should undergo mandatory training before each Promotion and each officer/official should be evaluated after each training Programme. Successful completion of the training programmes should be Made mandatory for promotions.”

“The objective of mid-career training should be to develop domain Knowledge and competence required for the changing job profile of the Officer. To this end, mid-career learning opportunities relevant to specific domains or specializations should be made available for officers.”

“Performance appraisal should be year round: provisions for detailed work-plan and a mid-year review should be introduced for all Services.”

“It should be the responsibility of the head of the office to examine the job Content of each person working in the organization to ensure that the job Content is meaningful and challenging so that the employee derives a sense Of satisfaction in performing the tasks assigned to him/her. The head of the Office could seek the assistance of a professional agency for this purpose.”

Also, it is imperative to recognize that timely promotion of officers is not only the functional requirement of the organization, it is also essential for their motivation. Promotion to higher management should have detailed plan for new assignment and requisite training for new assignment.

This work has tried to explain and elaborate on the essential premise drawn by the Second Administrative Reforms Commission besides researching and recommending other vital parameters, which is imperative for enhancing capacity of individual officers'.