F. No. A-11013/19/2017-Ad.IV
Government of India
Ministry of Finance
Department of Revenue
Central Board of Excise and Customs
***

HUDCO Vishala Building,
Bhikaji Cama Place.
New Delhi-110066.
Dated 11th July, 2017

OFFICE MEMORANDUM

Subject:-Creation of the Directorate General of Analytics and Risk Management (DGARM)- Charter of functions – regarding.

The undersigned is directed to say that it has been decided with the approval of the Competent Authority to constitute a new Directorate, namely, Directorate General of Analytics and Risk Management (hereinafter referred to as DGARM). The DGARM will be an attached office of the Central Board of Excise and Customs (to be renamed as Central Board of Indirect Taxes and Customs) and will report to Chairman, CBEC through Member (Investigation). This Directorate General will function for Customs, Central Excise and Goods and Services Tax.

2. The DGARM will function as an apex body of CBEC for data analytics and risk management. The data analytics and processing coupled with intelligence inputs would *inter-alia* provide the CBEC the national and sub-national perspective for policy formulation. The field formations of CBEC are also expected to gainfully and effectively utilize the data and other inputs shared by DGARM.

3. The DGARM will work in close coordination with Directorate General of Systems and Data Management, Directorate General of Revenue Intelligence, Directorate General of Goods and Services Tax Intelligence, Directorate General of Audit and Directorate General of Valuation.

4. **(i) Roles and Responsibilities of the DGARM:** The DGARM will utilize internal and external data sources for detailed data mining and analysis to generate outputs for focused and targeted action by field formations and investigation wings of CBEC. It shall in conjunction with DG Systems, organize, evaluate and interpret data for the purposes of effective, efficient and targeted policy formulation and revenue administration.

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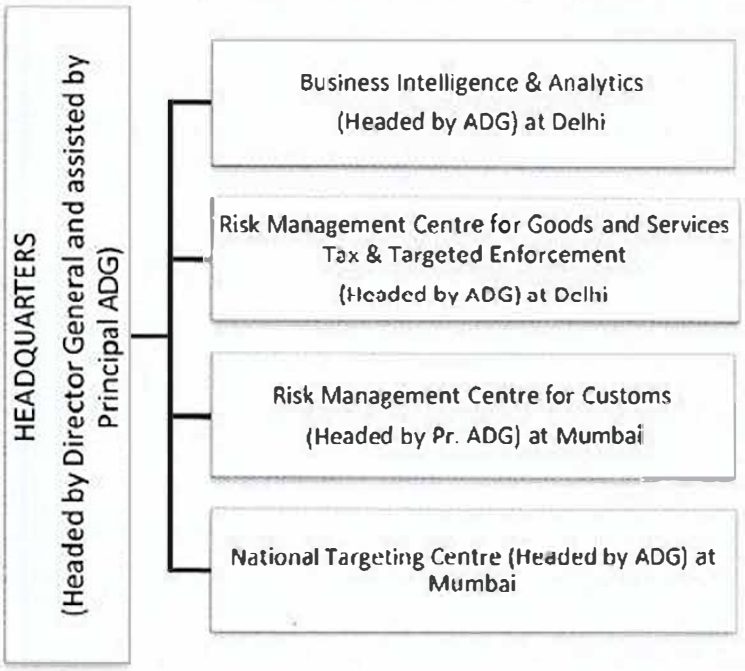
(ii) Verticals under DGARM: The Directorate General of Analytics and Risk Management (DGARM) will have the following verticals:



5. **(i) Charter of Functions of Centre for Business Intelligence and Analytics (CBIA)**: This Unit shall be responsible for identification of different information requirements of CBEC. It will utilize data feeds from internal sources including historical data, offence data, business data, etc. CBIA shall also be the nodal agency for identifying sources of data which can strengthen Analytics at CBEC and in conjunction with DG Systems, evolve ways to obtain such data for use at CBEC, especially where these sources involve electronically available data. CBIA shall be responsible for providing analytical input to support identification, targeting and risk management functions of National Targeting Centre, Risk Management Centre for Goods and Services Tax, Risk Management Centre for Customs, as well as policy formulation. It shall explore ways to incorporate advancements in the area of Analytics, such as Internet of Things, Image Analytics and GIS mapping etc., for use at CBEC.

(ii) Charter of Functions of Risk Management Centre for Goods and Services Tax: Goods and Services Tax Risk Management Centre shall develop appropriate risk management tools and techniques, institutionalize mechanism to collect necessary inputs, adopt coordinated approach and share the outcome for risk based identification for the purposes of scrutiny, audit and enforcement functions.

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(iii) **Charter of Functions of Risk Management Center for Customs:** The current Risk Management Division of Customs at Mumbai stands renamed Risk Management Center for Customs. This Unit shall be responsible for the application of nationally coordinated approach to Risk Analyses, Assessment and Targeting of risky cargo crossing the borders through sea, air & land. It shall have the overall responsibility for the management of the Risk Management System and related software applications for targeting potential risks. RMC shall identify, develop, update and maintain risk parameters and profiles in relation to the trade, commodities and all stakeholders in global supply chain.

(iv) **Charter of Functions of National Targeting Centre:** National Targeting Centre shall be responsible for the application of nationally coordinated approach to Risk Analyses and Targeting of risky goods and passengers crossing the borders of the country. It shall provide 24x7 operational risk interdiction supports to field formations of Central Board of Indirect Taxes and Customs. National Targeting Centre shall institutionalize coordination with other Government Departments and other stakeholders for sharing databases, information, intelligence, reports etc. to build risk profile of entities.

6. The Directorate General of Analytics and Risk Management shall become operational **w.e.f. 1st July, 2017**.

11/7/2017

(B.GINKHAN MANG)
Under Secretary to the Govt. of India
Tele-fax No.011-26162673

To,

1. All Directors General /Commissioners in-charge of Directorates
2. All Principal Chief Commissioners/ Chief Commissioners
3. All Commissioners

Copy for information forwarded to :

1. PS to FM/MOS(R) / Secretary (R) / Chairman (EC)/All Members, CBEC.
2. PS to AS (R) / JS(R)
3. All Joint Secretaries and Commissioners in the Board.
4. Pr.CCA, AGCR Building, I.P. Estate, New Delhi.
5. All Officers/Sections of CBEC.
6. Webmaster, Directorate General (Systems), CBEC, New Delhi.
7. Office Order folder / Spare Copies/ Guard File.

11/7/2017

(B.GINKHAN MANG)
Under Secretary to the Govt. of India