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**PRESS RELEASE BY  
CORRUPT PRACTICES INVESTIGATION BUREAU,  
INLAND REVENUE AUTHORITY OF SINGAPORE,  
SINGAPORE CUSTOMS AND  
SINGAPORE POLICE FORCE**

**Four Men Fined and Sentenced to Jail for Fraudulent GST Tourist Refund Claims**

Four Indian nationals - Sundar Panneer Selvam (age 46), Baskaran Uthirapathy (age 28), Pounraj Natarajan (age 25), and Gobi Raman (age 31) - were convicted of offences that include fraudulent Goods and Services Tax (GST) tourist refund claims and corruption. They were also found guilty of money laundering by removing monies gained from the fraudulent GST refunds from Singapore.

**Modus Operandi - Fraudulent GST Refund Claims and Corruption offences**

The Inland Revenue Authority of Singapore (IRAS), using its data analytics tool, detected several suspicious GST refund claims through the electronic tourist refund scheme (eTRS)<sup>1</sup> in 2013. Subsequent investigations by IRAS, Singapore Customs and Corrupt Practices Investigation Bureau (CPIB) revealed fraudulent claims of about \$570,000 in GST refunds by a group of accomplices between September 2012 and January 2014.

As part of their illegal scheme, Sundar Panneer Selvam, Baskaran Uthirapathy, Pounraj Natarajan and Gobi Raman paid for receipts from bona fide shoppers who had purchased jewellery and obtained eTRS tickets from the jewellery retailers.

On various occasions during the offence period, the four Indian nationals presented to Mohamed Yusof Bin Abdul Rahman, a Customs officer on duty at the Inspection Counter in the airport, the eTRS tickets and jewellery that were not purchased by them or used gold-plated jewellery which did not match the goods description on the eTRS tickets to support their eTRS claims. They admitted in court that they had given bribes to the Customs officer so that they could obtain approval for their false GST refund claims.

The four Indian nationals then presented the approved eTRS notification slips at the Central Refund Counter, located in the airport's departure transit lounge, to receive their GST refunds in cash.

The case against Mohamed Yusof will be heard again in court on 6 November 2014 at 9.00a.m. He is no longer employed by Singapore Customs following the expiry of his employment contract in September 2014.

### **Removing Criminal Proceeds arising from Fraudulent GST claims from Singapore**

After receiving the GST refunds in cash, the four Indian nationals spent a portion of the cash on duty-free items at the airport, before departing Singapore for India on the same day with the remaining cash.

### **Court Sentences**

**Sundar Panneer Selvam** was sentenced to a total of 48 months' imprisonment and a penalty of \$292,977.33.

### **Fraudulent GST refund claims under tourist refund scheme**

<b>Summary</b>	<b>Count of charges</b>	<b>Amount of tax undercharged</b>	<b>Tax penalty amounting to 3 times of tax undercharged</b>	<b>Imprisonment term</b>
Total	30	\$213,007.34		
TIC <sup>1</sup>	20	\$115,348.23		
<b>Proceed</b>	<b>10</b>	<b>\$97,659.11</b>	<b>\$292,977.33</b>	24 months

### **Corruption**

<b>Summary</b>	<b>Count of charges</b>	<b>Total amount</b>	<b>Imprisonment term</b>
Total	36	\$10,824.00	
TIC	27	\$7,177.00	
<b>Proceed</b>	<b>9</b>	<b>\$3,647.00</b>	18 months

### **Removing Criminal Proceeds from Singapore**

<b>Summary</b>	<b>Count of charges</b>	<b>Total amount</b>	<b>Imprisonment term</b>
Total	9	\$79,901.00	
TIC	6	\$46,518.00	
<b>Proceed</b>	<b>3</b>	<b>\$33,383.00</b>	6 months

<sup>1</sup> TIC – Charges taken into consideration for sentencing.

**Baskaran Uthirapathy** was sentenced to a total of 42 months' imprisonment and a penalty of \$237,595.53.

**Fraudulent GST refund claims under tourist refund scheme**

Summary	Count of charges	Amount of tax undercharged	Tax penalty amounting to 3 times of tax undercharged	Imprisonment term
Total	33	\$98,273.64		
TIC	22	\$19,075.13		
<b>Proceed</b>	<b>11</b>	<b>\$79,198.51</b>	<b>\$237,595.53</b>	24 months

**Corruption**

Summary	Count of charges	Total amount	Imprisonment term
Total	14	\$3,995.90	
TIC	10	\$2,295.90	
<b>Proceed</b>	<b>4</b>	<b>\$1,700.00</b>	12 months

**Removing Criminal Proceeds from Singapore**

Summary	Count of charges	Total amount	Imprisonment term
Total	11	\$74,036.00	
TIC	8	\$32,396.00	
<b>Proceed</b>	<b>3</b>	<b>\$41,640.00</b>	6 months

**Pounraj Natarajan** was sentenced to a total of 45 months' imprisonment and a penalty of \$201,129.66.

**Fraudulent GST refund claims under tourist refund scheme**

Summary	Count of charges	Amount of tax undercharged	Tax penalty amounting to 3 times of tax undercharged	Imprisonment term
Total	30	\$114,990.51		
TIC	20	\$47,947.29		
<b>Proceed</b>	<b>10</b>	<b>\$67,043.22</b>	<b>\$201,129.66</b>	24 months

**Corruption**

Summary	Count of charges	Total amount	Imprisonment term
Total	6	\$1,550.00	
TIC	3	\$750.00	
<b>Proceed</b>	<b>3</b>	<b>\$800.00</b>	15 months

### **Removing Criminal Proceeds from Singapore**

<b>Summary</b>	<b>Count of charges</b>	<b>Total amount</b>	<b>Imprisonment term</b>
Total	11	\$56,026.00	
TIC	8	\$23,735.00	
<b>Proceed</b>	<b>3</b>	<b>\$32,291.00</b>	6 months

**Gobi Raman** was sentenced to a total of 36 months' imprisonment and a penalty of \$202,044.81.

### **Fraudulent GST refund claims under tourist refund scheme**

<b>Summary</b>	<b>Count of charges</b>	<b>Amount of tax undercharged</b>	<b>Tax penalty amounting to 3 times of tax undercharged</b>	<b>Imprisonment term</b>
Total	26	\$143,359.63		
TIC	17	\$76,011.36		
<b>Proceed</b>	<b>9</b>	<b>\$67,348.27</b>	<b>\$202,044.81</b>	24 months

### **Removing Criminal Proceeds from Singapore**

<b>Summary</b>	<b>Count of charges</b>	<b>Total amount</b>	<b>Imprisonment term</b>
Total	9	\$89,795.00	
TIC	6	\$60,397.00	
<b>Proceed</b>	<b>3</b>	<b>\$29,398.00</b>	12 months

### **Zero Tolerance towards Tax Fraud, Corruption and other Criminal Activities**

Singapore has always adopted a zero tolerance approach towards tax fraud, corruption and other criminal activities. The authorities take a serious view of any corrupt and criminal practices, and will not hesitate to take swift action against any individuals and parties involved.

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**i About the Electronic Tourist Refund Scheme (eTRS)**

Tourists can claim GST refund on goods they have purchased and brought out of Singapore. A person who did not purchase the goods and yet sought or obtained a GST refund under the tourist refund scheme would have committed an offence under the GST Act.

Under eTRS, a tourist receives a receipt of goods purchased and an eTRS ticket when he buys goods from a GST-registered retailer participating in eTRS. The tourist then uses the eTRS ticket or the credit card with which he purchased the goods to make a GST refund claim via the eTRS self-help kiosk at the Changi airport.

As a control measure, physical inspection of the goods may be carried out at the GST refund counter by Singapore Customs officers before a GST refund claim is approved.