

DEPARTMENTAL EXAMINATION OF INSPECTORS OF CENTRAL TAX

PAPER-II :: CUSTOMS (With Books)

DATE: 14-03-2022
TIME: 2.00 PM to 5.00 PM

MAXIMUM MARKS: 100
PASS MARKS: 50

Note:-

- All Questions are compulsory.**
- The candidates have option to answer in Hindi.
- Relevant Statutory authority must be quoted while answering the question.
- Use of Mobile/ Smart Phones and other electronic devices is strictly prohibited during examination.

SUGGESTED BOOKS:-

- | | |
|--|---|
| 1. The Customs Act, 1962 (52 of 1962) | 5. Handbook of Export and Import Procedure |
| 2. The Customs Tariff Act, 1975 (51 of 1975) | 6. Customs, Allied Acts and Rules made thereunder |
| 3. The Customs Rules and Procedures | 7. The Special Economic Zone Act, 2005 and Rules made thereunder. |
| 4. The Foreign Trade Policy-2021-2026 and ITC (HS) | |
- =====

Q.No.1: This question consists of fifteen multiple choice questions. Identify the most appropriate or correct choice. All questions are compulsory. [15x1=15]

- (i) What is the quantum of pre deposit for a person filing appeal before CESTAT against the order of the Commissioner?
(a) 10% of duty (c) 2.5% of duty (e) None of the above
(b) 5% of duty (d) 7.5% of duty
- (ii) In the context of Customs Act, 1962, the term "pilfer" means:
(a) to steal (c) Both (a) & (b)
(b) petty theft (d) none of the above
- (iii) As per section 2(3) of Customs Act, 1962, Baggage includes:
(a) Unaccompanied baggage; (b) But does not include Motor Vehicle; (c) Both (a) & (b)
(d) None of the above
- (iv) Which of these goods is not notified under Section 123 of the Customs Act, 1962?
(a) Gold; (c) Betel Nuts (e) watches;
(b) Silver bullion; (d) Cigarettes;
- (v) Which of these commodities is not notified under Section 110 (1A) of the Customs Act, 1962?
(a) Photographic Films (c) Conveyance (e) Man -made yarn and Fabric
(b) Zip fasteners; (d) Toys
- (vi) The maximum time, by which the Adjudicating Authority should pass the Order-In-Original after completion of last opportunity of Personal Hearing is,
(a) One week (c) one month (e) Six months
(b) 10 Days (d) Two months
- (vii) Under which Rule of Customs Valuation (Determination of the Value of Imported Goods) Rule 2007, an importer has to furnish a declaration before the Customs Authorities?
(a) Rule 4 (c) Rule 7 (e) Rule 12
(b) Rule 5 (d) Rule 11
- (viii) Under the treaty of Transit between India and Nepal, Export & Import by Nepal can take place through _____ mutually agreed routes {Notification No.63/94 Cus.(NT) dated 21.11.1994}
(a) 5 (c) 10 (e) 15
(b) 8 (d) 12
- (ix) Appointment (opening) of Customs ports, airports, etc is covered under Section _____ of the Customs Act,1962
(a) 5 (c) 10 (e) 15
(b) 7 (d) 12
- (x) The Central Government has Power to prohibit importation or exportation of goods under Section 11 Of the Customs Act, 1962 for which of the purposes specified in sub-section (2):
(a) The maintenance of the security of India; (d) The prevention of serious injury to domestic production of goods of any description
(b) The protection of human, animal or plant life or health; (e) All of the above
(c) The prevention of smuggling;

- (xi) As per Customs Act, 1962, Conveyance includes:
- | | | |
|---------------|-------------------------------|----------------------|
| (a) Vessel; | (c) Vehicle including railway | (d) All of the above |
| (b) Aircraft; | vehicle; | (e) None of above |
- (xii) If Sony TV has been found to be declared by the Importer as un-branded one in the Bills of Entry and during examination of goods, it was detected. Under which rule of the Customs Valuation (Determination of the Value of Imported Goods) Rule, 2007, the declared value could be rejected by the Assessing officer for determining the correct assessable value: -
- | | | |
|-------------|-------------|-------------|
| (a) Rule 5 | (c) Rule 7; | (e) Rule 12 |
| (b) Rule 4; | (d) Rule 8 | |
- (xiii) The process of Export is said to be completed when the goods:
- | | |
|-----------------------------------|---|
| (a) Reached the destination port; | (c) Crosses the Indian Territorial Water; |
| (b) Crosses the Indian Port; | (d) Crosses the Indian Customs Water |
- (xiv) Shri Ramanand imported readymade garments from China. The goods were dispatched by the supplier on 10.04.2018. The vessel crosses the territorial water on 14.04.2018 and reaches the customs station on 15.04.2018. The entry inward was granted by the Customs officer on 16.04.2018 and bill of entry was filed by Mr. Parekh on 17.04.2018. Which is the relevant date for determining the rate of duty and tariff value?
- | | |
|----------------|----------------|
| (a) 14.04.2018 | (c) 16.04.2018 |
| (b) 15.04.2018 | (d) 17.04.2018 |
- (xv) Which of these is not an original adjudicating authority under Customs Act, 1962?
- | | |
|---------------------------------------|-----------------------------------|
| (a) Commissioner of Customs | (d) Joint Commissioner of Customs |
| (b) Superintendent of Customs | (e) Inspector of Customs |
| (c) Assistant Commissioner of Customs | |

Q.No.2: Write the full form and a short note (30 words) of the following abbreviations. [2x10=20]

- | | | | |
|--------------|----------|---------|---------|
| (a) COFEPOSA | (d) SEZ | (g) IEC | (j) RMS |
| (b) DRI | (e) EPCG | (h) LUT | |
| (c) DGFT | (f) DIN | (i) FTP | |

Q.No.3: Fill in the blank space by appropriate words or number as the case may be: - [5x2=10]

- (i) The importer can either approach....., which has the authority to waive interest, fine and penalty and also grant immunity from prosecution. Alternatively, the importer can approachfor compounding his offense on payment of a certain amount.
- (ii) Licensing of special ware houses is covered under Section Of the Customs Act 1962, whereas the cancellation of ware house is covered under of the Customs Act 1962.
- (iii) As per the Indo-Nepal Treaty, Nepalese goods can be exported and imported through the Sea port of..... and, after passing the Indian Territory, can be moved through the..... mutually agreed routes (Land Customs Stations) on the border Notification No. 63/94-Cus. (NT), dated 21-11-94.
- (iv) The Land Customs Stations notified under Notification No.63/94-Cus. (NT), dated 21-11-94 are Sonauli, Barhni, Nepal Ganj Road, Gauriphanta, Tikonja, and Banbasa. In both the cases, the goods have to be accompanied by a document called
- (v) As per the Treaty of, import of third country origin goods from Nepal is prohibited vide Notification No.

Q.No.4: Write short notes on the following. Answer must not exceed 80 words. Wherever possible, the relevant provisions of the Customs Act 1962, or Rule issued therein must be mentioned. [5x3=15]

- (i) Bilateral Treaty of Transit & Treaty of Trade between India and Nepal
- (ii) TRIPTYQUE / CARNET SCHEME
- (iii) The Notification, vide which, in exercise of powers conferred by Section 110(1A), the Central Government may, having regard to the perishable or hazardous nature of any goods, depreciation in the value of the goods with the passage of time, constraints of storage space for the goods or any other relevant considerations, had specified the goods or class of goods which shall, as soon as may be after its seizure under sub-section (1), be disposed of by the proper officer. Also name three goods covered by this Notification.
- (iv) A machine was originally imported from Japan at Rs. 250 lakhs in July, 20XX on payment of all duties of Customs. The said machine was exported (sent-back) to supplier for repairs in December, 20XX and re-imported without any re-manufacturing or re-processing in October next year after repairs. Since the machine was under warranty period, the repairs were carried out free of cost. However, the fair cost of repairs carried out (including cost of material Rs. 6 lakh) would have been Rs. 9 lakhs. Actual insurance and freight charges (to and fro) were Rs. 3 lakhs. The rate of basic customs duty is 10% and integrated tax is 12%. Ignore GST Compensation Cess. Compute the amount of customs duty payable (if any) on re-import of the machine after repairs. The ownership of the machine has not been changed during the period.
Note: The importer intends to avail exemption, if any, with regard to re- importation of goods which had been exported for repairs abroad.
- (v) Supplementary Show Cause Notice

Q.No.5: Write the definition of terms as defined under the provisions of the Customs act 1962 or Rules/ Regulations issued thereunder: - [10x1=10]

S. No.	Term	Definition as per Customs Law
(i)	Land Customs Station	
(ii)	Customs station	
(iii)	Conveyance	
(iv)	Bill of Entry	
(v)	F card holder	
(vi)	GSTIN	
(vii)	Adjudicating authority	
(viii)	Computed value	
(ix)	Advance ruling	
(x)	Shipping Bill	

Q.No.6: Answer any five parts of this question. Differentiate between the terms given below: - (Answer must not exceed 50 words) [5x2=10]

- (a) Seizure and Confiscation
- (b) Prohibited goods and restricted goods
- (c) SGST and CGST
- (d) Social Welfare Charge and Cess
- (e) Shipping Bill and Bill of Entry

Q.No.7: Find the most appropriate Customs Tariff Heading for the commodities given below: - [10x1=10]

S.NO.	COMMODITY	CUSTOMS TARIFF HEADING
(i)	Chewing gum, whether or not sugar coated	
(ii)	Chocolate and chocolate products	
(iii)	Pastries and cakes	
(iv)	Electric blankets	
(v)	Decorative plants of plastics	
(vi)	Asbestos - cement sheets	
(vii)	Natural pearls	
(viii)	Hand-made Carpets of wool	
(ix)	Track suits of cotton	
(x)	Penicillin and its salts	

Q.No.8: Find the relevant Section (including sub-section or clause) of the Customs Act, 1962 dealing with the following and write in brief about the provision (in 30-50 words): [5x2=10]

- (a) The procedure involved in making an application for Advance Ruling
- (b) Appeals to CESTAT
- (c) Eligibility for applying for manufacture and other operations in a bonded warehouse
- (d) Cancellation of Licence of Private Warehouse
- (e) Application for settlement of cases.
