

DEPARTMENTAL EXAMINATION OF INSPECTORS OF CENTRAL TAX

PAPER-II :: CUSTOMS (With Books)

DATE: 22-09-2020
TIME: 2.00 PM to 5.00 PM

MAXIMUM MARKS: 100
PASS MARKS: 50

Note:-

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

SUGGESTED BOOKS:-

1. The Customs Act, 1962 (52 of 1962)
2. The Customs Tariff Act, 1975 (51 of 1975)
3. The Customs Rules and Procedures
4. The Foreign Trade Policy-2015-2020 and ITC (HS)
5. Handbook of Export and Import Procedure
6. Customs, Allied Acts and Rules made thereunder
7. The Special Economic Zone Act, 2005 and Rules made there under.

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

- (i) Which one or more of the Acts were succeeded by the enactment of the Custom Act, 1962:-
- (a) The Land Customs Act. (c) The Inland Bonded ware houses Act (d) (a) & (b) above
(b) The Sea Customs Act, 1878 (e) (a), (b) & (c) above
- (ii) What is the quantum of pre deposit for a person filing second appeal before CESTAT when 7.5% of the duty has already been pre deposited by him at the time of filing first appeal before the Commissioner (Appeals).
- (a) 10% of duty. (c) 2.5 % of duty (e) None of the above
(b) 5% of duty (d) NIL
- (iii) A person can make an application to the settlement commission under the Custom Act?
- (a) Before issue of show cause notice. (d) Before filing appeal against OIO.
(b) Before adjudication of Show Cause Notice. (e) None of the above
(c) Within thirty days from the date of issue of O-I-O.
- (iv) Which of these is/are not an Original adjudicating authority under Customs Act, 1962?
- (a) Commissioner of Customs (d) Assistant Commissioner of Customs
(b) Principal Commissioner of Customs (e) Joint Commissioner of Customs
(c) Commissioner of Customs (Appeals)
- (v) Which section of the Customs Act, 1962 provides for levy of Customs duty on Export goods?
- (a) Section 3 (c) Section 14 (e) Section 17
(b) Section 12 (d) Section 28
- (vi) Where shall an appeal against the Order passed by the CESTAT involving classification of imported goods lie?
- (a) High Court (d) CESTAT cannot pass an order on valuation matters
(b) Supreme Court (e) Both high court and supreme court
(c) Central Government
- (vii) Under what situation, SCN transferred to the call book can be taken out of call book? Identify the correct reason.
- (a) When the grounds on basis of which a SCN has been transferred to call book, ceases to exist.
(b) It depends upon the overall pendency position of SCNs in the Commissionerate.
(c) SCN can be kept in the call book for five years.
(d) SCN, when transferred to call book, cannot be taken out of call book any point of time.
(e) SCN can be taken out of the call book and adjudicated as per the order of the Chief Commissioner.
- (viii) Out of various grounds given below, identify the grounds which may not be a valid grant for rejection of declared value under the Provisions of the Customs valuation (determination of value of imported goods) Rules 2007.
- (a) Fraudulent or manipulated documents
(b) Value of identical or similar goods being imported at significantly higher price at or about the same time in comparable quantities and in a comparable commercial term.
(c) Mis-declaration of goods in parameter such as country of origin or year of manufacture.
(d) Non-declaration of parameters such as brand or grade of the goods, which are relevant to the determination of value of imported goods.
(e) High Sea Sale.

(ix) If I-Phone-11 mobile phone 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. The price of I-phone 11 mobile phone is available on the basis contemporaneous imports, then which rule of the Customs valuation (Determination of the price of imported goods) Rule, 2007 shall be applied by the Assessing officer for determining the assessable value :-

- (a) Rule 5 (c) Rule 7 (e) Rule 8
 (b) Rule 4 (d) Rule 9

(x) What is the commodity on import of which assessment is not done on tariff value?

- (a) Poppy Seed (c) Iron and Steel Scrap (e) Crude Palmolein
 (b) Crude Palm Oil (d) brass scrap

(xi) The Guaranteeing Association for ATA Carnet in India is,-

- (a) ITPO (Indian Trade Promotion Organization) (d) Central Board of Excise and Customs
 (b) Confederation of Indian Industry (e) Federation of Indian Chambers of Commerce and Industry.
 (c) Directorate General of Foreign Trade

(xii) Correctly match the following and identify the correct choice out of several options given below:-

	Commodity		Chapter of Customs Tariff Act, 1975
A	CFC Chemicals	1	Chapter 49
B	Electrical Machines	2	Chapter 90
C	Printed Books	3	Chapter 29
D	Medical Equipments	4	Chapter 87

Find out the most appropriate answer which reflects the correct matching of commodity and the Chapter No. of the Customs Classification of the Commodity: -

- (a) A-1, B-2, C-3, and D-4 (c) A-3, B-4, C-1 and D-2 (e) A-4, B-3, C-1, and D-2
 (b) A-2, B-4, C-1, and D-3 (d) A-4, B-2, C-1 and D-3.

(xiii) Match the following WCO convention/Instruments with the subject with which it relates with.

	WCO Convention / instruments / tools		Subject with which it deals
A.	Revised Kyoto convention	1.	Mutual Administrative Assistance in Customs matters.
B	HS Convention	2.	Nomenclature and Classification of internationally traded goods.
C	Johannesburg Convention	3.	Security & facilitation of International Trade supply chain.
D	SAFE framework of Standards	4.	Simplification & harmonization of Custom procedures.

Find out the most appropriate answer which reflect the correct matching of WCO convention and the subject dealt by the convention:-

- (a) A-1, B-2, C-3, and D-4 (d) A-3, B-2, C-1 and D-4
 (b) A-4, B-2, C-3, and D-1 (e) A-4, B-2, C-1 and D-3
 (c) A-2, B-4, C-1, and D-3

(xiv) Match the following situations with the relevant clause of Section 111 of Customs Act, 1962:

	Confiscation of illegally imported or attempted to be imported goods		Relevant clause of section 111 of the Customs Act, 1962
A.	prohibited good	1.	Clause (a)
B	Goods imported at place other than notified port/ import.	2.	Clause (d)
C	Goods mis-declared in terms of quantity	3.	Clause (m)
D	Goods found concealed in any conveyance	4.	Clause (e)

Find out the most correct answer which matches ground of confiscation with correct clause of section 111 of the Customs Act, 1962

- (a) A-1, B-2, C-3, and D-4 (d) A-3, B-2, C-1 and D-4
 (b) A-4, B-2, C-3, and D-1 (e) A-2, B-1, C-4 and D-3
 (c) A-2, B-1, C-3, and D-4

(xv) Which of the following has not been issued under Customs Act, 1962?

- (a) IPR (Imported goods) Enforcement Rules, 2007
 (b) The Foreign Trade Policy, 2015-2020
 (c) The Baggage Rules, 2016
 (d) The Customs valuation (determination of price of imported goods) Rules, 2007
 (e) Re-export of imported goods (Drawback of Customs duties) Rules, 1995

Q. No. 2: 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): **[10x2= 20]**

- (a) Remission of duty on abandoned goods.
- (b) Power to the Central Government to make rules
- (c) Power to prescribe tariff value
- (d) Laying of notifications, rule before parliament
- (e) Power to summon people
- (f) Power to launch prosecution.
- (g) Certain officer to assist Customs officer.
- (h) Service of order
- (i) Rounding off of duty
- (j) Consumption of imported stores on Board of foreign going vessel

Q. No. 3: Write the full form and a short note (30 words) of the following Abbreviations. **(2x10=20)**

- | | | |
|----------------|-------------|-------------|
| (i) SCOMET | (v) RMS | (ix) FSSAI |
| (ii) COFEPOSA | (vi) CBIC | (x) ICEGATE |
| (iii) ITC (HS) | (vii) DGARM | |
| (iv) CESTAT | (viii) CCR | |

Q. No. 4: Answer all parts of this question. Differentiate between the terms given below. Answer must not exceed 50 words. **[2x10=20]**

- | | |
|---|---|
| (a) O-I-O and O-I-A | (f) Transaction value and tariff value. |
| (b) Penalty and Fine | (g) Seizure and Confiscation |
| (c) Import and Export | (h) IGST and CGST |
| (d) Schedule-I and Schedule-II of Custom Tariff Act, 1975 | (i) Bailable and Non-bailable offences. |
| (e) Safeguard and Counter Vailing Duty | (j) Civil and Criminal proceedings under the Customs Act. |

Q. No. 5: Write short note on any five topics listed below. Answer may be limited to 60-80 words. **[3x5=15]**

- (a) What do you understand by the term "Single Window system". What are the advantages of Single Window System?
- (b) How much drawback under Section 74 of the Customs Act, 1962 is available on re-export of capital goods after use? What are the different slabs prescribing percentage of drawback admissible to the exporter based on the period of usage of capital goods before export?
- (c) Under what circumstances the property of an alleged offender can be attached provisionally? For how much period such attachment can be made/ extended? Give your answer quoting relevant provisions.
- (d) What do you understand by Project Imports? In what cases/situations, the scheme of project imports is available to the importer? Write salient features of project imports Scheme.
- (e) What is the purpose of setting up advance ruling authority? Who can file application for advance ruling? What are the issues for the determination of which the application for advance ruling can be filed?
- (f) What is "Tirant Customs". Write a short note.

Q. No.6: Find out the Allied Act, which is applicable to import/export of commodity listed below: **[1x10=10]**

[Note: Candidates must write full name of the Act along with its year of enactment]

Sr. No.	Commodity	Full Name the Allied Act governing the Import/Export along with year of enactment of the Act.
1.	Insecticide /Pesticide	
2.	Ammonium Nitrate	
3.	Hazardous Waste	
4.	Food Product	
5.	Ozone Depletion Substances	
6.	Antique	
7.	Hazardous/dangerous chemicals	
8.	Endangered species of flora and fauna specified under CITES	
9.	Chemical Weapons	
10.	Weapons of Mass Destruction.	
