

DEPARTMENTAL EXAMINATION OF INSPECTORS OF CENTRAL TAX

(PAPER-I) CENTRAL EXCISE (Without Books)

Date : 26.02.2024

Time : 10.00 AM To 1.00 PM

MAXIMUM MARKS: 100

PASS MARKS: 50

Note:

- All questions are compulsory.
- Candidates have option to answer in Hindi.
- Use of Mobile/Smart Phones is strictly prohibited during examination.

Q.No.1 This section consists multiple choice Questions. Identify the most appropriate or correct choice. All questions are compulsory. [1x20=20]

- (i) Central Excise Act come into force w.e.f
- 28-2-1944
 - 28-2-1985
 - 28-2-1945
 - 28-2-1946
- (ii) Central Excise Act Extends to:
- Whole of India and extended further upto the designated areas in the Continental Shelf and Exclusive Economic Zone
 - Whole of India except Jammu & Kashmir
 - Whole of India except Continental Shelf and EEZ
 - Whole of India except Himachal Pradesh
- (iii) In Central Excise Act Adjudicating Authority means:
- Customs Officer
 - Judicial Officer
 - Central Excise Officer
 - Administrative Officer
- (iv) What are Excisable goods in Central Excise Act
- goods that find place in Customs Tariff (Schedule I).
 - goods that find place in Central Excise Tariff (Schedule I).
 - goods notified by the Central Excise department annually
 - all of the above
- (v) Under Excise law excisable goods should possess the following characteristics
- Mobility, Marketability & Excisibility
 - Mobility, Saleable
 - Marketability and Saleable
- (vi) Money in the Consumer Welfare Fund is used for
- Welfare of the Central Excise Officers
 - Welfare of the Consumers
 - Welfare of the poor and sick people.
- (vii) What is manufacture under central excise law:
- As a result, a new product quite different from the inputs should be obtained
 - The finished product must have a distinct name, character and use quite different from the inputs.
 - Both A and B
- (viii) If the valuation is not possible under Section 4 of the Central Excise Act, in such case valuation shall be done in accordance with
- Central Excise Tariff Act, 1985
 - Central Excise Valuation Rules, 2000
 - Customs Valuation Rules, 2000
- (ix) In respect of the Transaction Value Which of the following is not correct
- must be a sale of the goods manufactured by the assessee
 - the sale should be for the delivery of goods at the time and place of removal.
 - the buyer should not be a person related to the assessee
 - the price should not be the sole consideration
- (x) Which of the following is includable in the assessable value
- Sales Tax
 - Excise Duty
 - Additional consideration flowing from the buyer to the seller
- (xi) Which of the following is not correct in respect of Related Person
- the assessee and buyer are inter-connected undertakings
 - the assessee and buyer are relatives
 - the assessee and buyer are friends
 - the assessee and buyer have mutual interest in the business of one another
- (xii) Section 4-A of Central Excise Act, 1944 deals with
- Whole Sale Price valuation
 - MRP based valuation
 - Specific rate-based valuation
 - Advoleram based valuation

DEPARTMENTAL EXAMINATION OF INSPECTORS OF CENTRAL TAX

- (xiii) Remission of duty on goods found deficient in quantity due to natural deficiencies is allowed by the Central Excise Officer under
- a) Section 5 of the Central Excise Tariff Act
 - b) Section 5(1) of the Central Excise Act, 1944
 - c) Section 5(3) of the Central Excise Act, 1944
- (xiv) Time Limit for issue of SCN in the case of other than suppression of facts, fraud, collusion etc. is
- a) 2 years
 - b) 3 years
 - c) 1 year
 - d) 5 years
- (xv) Time Limit for issue of SCN in the case of frauds/collusion/willful misstatement of facts/willful suppression of facts/contravention of Act/Rules, with an intent to evade payment of duty by the assessee or his agent is
- a) 2 years
 - b) 3 years
 - c) One year
 - d) 5 years
- (xvi) Application for refund of Excise duty is submitted to:
- a) Superintendent of Central Excise
 - b) Assistant/Deputy Commissioner of Central Excise
 - c) Development Commissioner of SEZ
- (xvii) Time limit for refund claim to be made
- a) Two years
 - b) Six months
 - c) 30 days
 - d) within one year from the relevant date with documentary proof
- (xviii) Under which rule assessee may clear goods on provisional assessment basis
- a) Rule 6 of Central Excise Rules 2002
 - b) Rule 7(1) of Central Excise Rules 2002
 - c) Rule 6(1) of Central Excise Rules 2002
- (xix) The first page and the last page of the daily stock account shall be authenticated by the
- a) Commissioner of Central Excise
 - b) Superintendent of Central Excise
 - c) assessee or his authorized agent
- (xx) What is the full form of HSN
- a) Harmonised status of numbers
 - b) Harmonised System of Nomenclature
 - c) Hexa system of Nomenclature

Q.No.2 Fill in the blanks in respect of the following questions. [1x10=10]

- (i) In case of transfer of business, the successor in business is _____ (liable/not liable) for the excise dues of the predecessor.
- (ii) W.e.f. 10-09-2004, a manufacturer producing both exempt as well as non-exempt services, not maintaining separate accounts would pay excise duty at 10%. Education cess is _____ (payable/not payable) on the same.
- (iii) Captive consumption means _____.
- (iv) Affixing brand name, labeling or re-labeling and repacking from bulk back to small pack of readymade garment _____ (is/is not) manufacture.
- (v) Job work is not _____.
- (vi) A service provider _____ avail CENVAT credit of special CVD paid u/s 3(9) of Customs Tariff Act.
- (vii) In case of Central Excise and Customs, appeals must be filed within _____ days from the date of communication of order.
- (viii) The adjudicating authority _____ review the order passed by it earlier.
- (ix) Show cause notice issued by an officer beyond his power will be _____.
- (x) In addition to departmental audit, C & AG carries out selective audits which is termed as _____.

Q.No.3 True or False: [1x10=10]

- (i) Delay in filling appeal can be condoned but condonation is not a matter of right.
- (ii) There is provision for payment of Central Excise Duty "under protest".
- (iii) According to Central Excise Act, 1944, 'Assessment' includes self-assessment of duty and also provisional assessment.
- (iv) Cenvat credit on capital goods can be availed in full in the year of purchase.
- (v) Goods mentioned in Central Excise tariff but fully exempt from excise duty are not "excisable goods".
- (vi) Waste and scrap are always treated as excisable goods.
- (vii) Excise duty is payable on all sample, even if given free.

DEPARTMENTAL EXAMINATION OF INSPECTORS OF CENTRAL TAX

- (viii) Parts used for repair or replacement during warranty period are excisable.
- (ix) Trade discount is permissible as deduction from assessable value for Central Excise, only if it is given before removal from factory. Discount given later is not allowable as deduction.
- (x) In case of CIF contract, the assessee will be entitled to deduction of outward insurance and freight while calculating assessable value.
- Q.No.4** Expand the following abbreviations. [2x5=10]
- (i) EPCGS
(ii) CVD
(iii) LUT
(iv) EHTP
(v) MEIS
- Q.No.5** Write the general description of goods for following four-digit tariff heading- [2x5=10]
- (i) 1704
(ii) 2402
(iii) 7202
(iv) 6205
(v) 8501
- Q.No.6** Write short notes on any five of the following: [4x5=20]
- (i) Tariff value and transaction value
(ii) Warranty charges and Discounts
(iii) Self-assessment and Provisional assessment
(iv) Seizure and confiscation
(v) Appeals and Revision
(vi) Authority of Advance Rulings and settlement commission
(vii) Concept of related person in central excise
(viii) Redemption fine and penalty
(ix) Summon
(x) Remission of duty.
- Q.No.7** Answer any four from the following questions [5x4=20]
- (i) Explain the meaning and nature of CENVAT Credit, who are the persons eligible to avail CENVAT credits and what are the documents required to avail CENVAT credit.
- (ii) Explain the principles of adjudications and quote the provision under which power of adjudication has been provided.
- (iii) Describe the principle of unjust enrichment and refer the legal provision relating to unjust enrichment under Central Excise Act.
- (iv) What is the procedure to be followed for movement of inputs/raw materials for job work to another premise? Whether 10% profit is to be added to arrive at the assessable value for payment of duty when inputs /capital goods are cleared as such?
- (v) Describe the procedures for conducting search and also outline the basic parameters of search.
- (vi) Explain the procedure for testing and re testing of sample drawn by the central excise department.
- (vii) What is Arrest? What are the precautions to be taken during arrest explain in brief?
- (viii) Explain the general Rules for the interpretation of central excise tariff.
