

**DEPARTMENTAL EXAMINATION OF INSPECTORS OF CENTRAL TAX**

**PAPER-II :: CUSTOMS (With Books)**

**DATE: 26.02.2024**  
**TIME: 2.00 PM to 5.00PM**

**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-2021-2026 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 thereunder.

**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) In the context of Customs Act, 1962, the term "pilfer" means:
- (a) to steal  
(b) petty theft  
(c) Both (a) & (b)  
(d) none of the above
- (ii) As per Customs Act, 1962, Conveyance includes:
- (a) Vessel  
(b) Aircraft  
(c) Vehicle including railway vehicle  
(d) All of the above
- (iii) The sequential stage of imposition of taxes and duties are:
- (a) Levy, Assessment and Collection  
(b) Assessment, levy and Collection  
(c) Collection, Assessment and Levy  
(d) Levy, Collection and Assessment
- (iv) When the goods are deposited in the warehouse, the collection of duty of customs will be:
- (a) Collected immediately.  
(b) Deferred till such goods are deposited in warehouse.  
(c) Deferred till such goods are cleared Home Consumption.  
(d) Deferred forever.
- (v) As per Section 2(1) of the Customs Act, 1962, means any authority competent to pass any order or decision under this Act, but does not include the Board, Commissioner (Appeals), or Appellate Tribunal.
- (a) Adjudicating Authority  
(b) Proper Authority  
(c) Proper Officer  
(d) Custom Authority
- (vi) Which of the following is not included within the definition of "Customs Station" as defined in the Customs Act, 1962?
- (a) Land customs station  
(b) International courier terminal  
(c) Foreign post office  
(d) where goods are kept after custom clearance
- (vii) "Export goods" Means
- (a) any goods which are to be taken out of India  
(b) any goods which are to be taken out of India to a place outside India  
(c) which exporter desires to take outside India  
(d) none of the above
- (viii) In the case of export if the transaction value is not acceptable then value as per Export Valuation Rules has to be taken. Determine the proper sequence of such values.
1. Value arrived by Residual Method  
2. Value of Similar Goods  
3. Value of Identical Goods
- Select the correct answer from the options given below:
- (a) 3, 2, 1  
(b) 1, 2, 3  
(c) 2, 1, 3  
(d) 3, 1, 2
- (ix) Which section of Customs Act 1962 deals with Power to approve landing places and specify limits of customs area?
- (a) Section 12 of Customs Act 1962  
(b) Section 8 of Customs Act 1962  
(c) Section 4 of Customs Act 1962  
(d) Section 2 of Customs Act 1962
- (x) Minimum penalty under Customs Act, 1962 in case of illegal imports is
- (a) 10% of the duty sought to be evaded  
(b) Rs. 5000/-  
(c) Rs. 2000/-  
(d) penalty not exceeding the value of the goods
- (xi) Section 25 of Customs Act 1962 deals with \_\_\_\_\_?
- (a) Dutiable goods  
(b) Power to grant exemption from duty  
(c) Provisional assessment of duty.  
(d) Claim for a refund of duty
- (xii) Which was the first EPZ of Asia?
- (a) Kandla  
(b) Kolkata  
(c) Chennai  
(d) Kochi

- (xiii) About 64% of the SEZs are located in five states of India. Which of the following is not one of them?  
 (a) Tamil Nadu (c) Maharashtra  
 (b) Andhra Pradesh (d) Madhya Pradesh
- (xiv) "Indian Customs Waters" means the water extending into the sea up to  
 (a) The limit of Exclusive Economic Zone (c) 12 NM from baseline  
 (b) 24 NM from the baseline (d) None of the above
- (xv) Which of the following is a taxable event for imported goods?  
 (a) Unloading of imported goods at the customs port (c) Date of presentation of bill of entry  
 (b) Date of entry in to Indian territorial waters (d) Date on which the goods cross customs barrier

**Q.No.2: Write full form of five of the following abbreviations.**

**[5x1=5]**

- (a) NCTC (c) COROTAR (e) COIN  
 (b) DIGIT (d) WCCB (f) SCOMET

**Q.No.3: Answer any five parts of this question. Differentiate between the terms given below: - (Answer must not exceed 50 words)**

**[5x2=10]**

- (a) Redemption fine and Penalty (e) CIF and FOB  
 (b) FCL and LCL (f) ICES and ICEGATE  
 (c) ICD and ICP (g) Prohibited and restricted goods  
 (d) Accompanied Baggage and Unaccompanied Baggage (h) AIR and Brand rate

**Q.No.4: Answer the following: -**

**(a) Correctly match the following commodity with the correct choice out of several options given below: -**

**[5x1=5]**

S. No.	Commodity	S. No.	Customs Tariff Heading
(a)	Buffalo Tallow	1.	33012937
(b)	Glass Bangles	2.	10061010
(c)	Sandalwood Oil	3.	28416100
(d)	Rice of seed quality	4.	15021090
(e)	Potassium Permanganate	5.	70181010

**(b) Find the most appropriate Customs Tariff Heading for the commodities given below: -**

**[5x1=5]**

S. No.	Commodity	Customs Tariff Heading up to four digits
(a)	Nickel Ore	
(b)	Pressure Cooker of Stainless Steel	
(c)	Hospital beds with mechanical fittings	
(d)	Transmission equipment required for setting up power project under project imports	
(e)	Dutiable articles imported by a passenger in his baggage	

**Q.No.5: Find the relevant Section (including sub-section or clause) of the Customs Act, 1962 dealing with the any eight of the following and write in brief about the provision (in 30-50 words):**

**[8x1=8]**

- (a) Provisional assessment (f) Authority for advance rulings  
 (b) Provisional release of seized goods (g) Re-importation of goods  
 (c) Pre-notice consultation (h) Warehousing Bond  
 (d) Export General Manifest (i) Tariff value  
 (e) Filing of Appeal before CESTAT

**Q.No.6: Fill in the blank space by appropriate words or number as the case may be: -**

**[5x2=10]**

- (i) A passenger residing abroad for more than \_\_\_\_\_ year, on return to India, shall be allowed clearance free of duty in his bona fide baggage of jewellery upto a weight, of \_\_\_\_\_ grams with a value cap of fifty thousand rupees if brought by a gentleman passenger, or \_\_\_\_\_ grams with a value cap of one lakh rupees if brought by a lady passenger.
- (ii) \_\_\_\_\_ will be treated as application filed by the exporter for refund of IGST.
- (iii) The \_\_\_\_\_ Rules provide a procedure for verification of particulars as provided in certificates of origin issued by any other country. Under the said Rules, the \_\_\_\_\_ of the Board acts as a nodal agency.
- (iv) Declaration of foreign exchange/currency has to be made before the Custom officers in the following cases: (a. Where the value of foreign currency notes exceeds US \$ \_\_\_\_\_ or equivalent. b. Where the aggregate value of foreign exchange including currency exceeds US \$ \_\_\_\_\_ or equivalent.
- (v) vehicles can be temporarily imported into India for a period of \_\_\_\_\_ months without payment of Customs duty against a carnet-de-passage issued by a member of an Automobile Club or Association belonging to the Federation of Alliance International De Tourism. This period can be further extended for another period of \_\_\_\_\_ months.

**Q.No.7: Define the following under the provisions of the Customs act 1962 or Rules/ Regulations issued thereunder: -** **[10x1=10]**

S.No.	Term	Definition as per Customs Law
i.	Customs Airport	
ii.	Importer	
iii.	Coastal Goods	
iv.	Smuggling	
v.	Contrabanded goods	
vi.	Remission of Duty	
vii.	Customs Broker	
viii.	International Courier Terminal	
ix.	Foreign post office	
x.	Bonded warehouse	

**Q.No.8: 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.** **[5x2=10]**

- (1) Project Import Scheme
- (2) Advance Authorization Scheme
- (3) Export Promotion Capital Goods (EPCG) Scheme
- (4) Significance of COO in imports
- (5) Duty Drawback

**Q.No.9: Answer the any seven of the following Short Questions: -** **[7x2=14]**

- (1) Name two Goods which are to be disposed of immediately after seizure.
- (2) Name two Goods which are to be disposed of within Six months of seizure or before their expiry.
- (3) Name two commodities notified under Section 110 (1A) of the Customs Act, 1962.
- (4) Name the Section under which fix tariff values for any class of imported goods or export goods are fixed.
- (5) Power of Central Government to notify goods or to specify goods.
- (6) Name two commodities on which Tariff Value has been fixed by the Government and custom duty is charged with reference to Tariff value not transaction value?
- (7) Name two commodities notified under section 123 of the Customs Act, 1962.
- (8) Name two commodities notified under section 135 (1) (i) (c) of the Customs Act, 1962.

**Q.No.10: Read the following situation carefully and answer the questions:**

- (a) Police handed over the case of smuggling (import case) of Turpentine Oil from Nepal along with a vehicle at Land Customs station. Person involved in the case and the driver of the pickup van is available in the matter. You are required to draft a show cause notice in the case. **[2x3=6]**

**Answer the following: -**

1. Sequential steps to be taken before finalization of sustainable Show cause notice stage.
  2. Appropriate Sections of Customs Act, 1962 to be incorporated in the Show cause notice.
- (b) An exporter filed a Shipping Bill for export of *Artist Brush* at Land customs station. Name the PGA through which Shipping Bill may be routed and goods to be exported only after their NOC. Why role of PGA is important in Customs? **[1x2=2]**

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