

E-exercise

On

100% Export Oriented Unit
Scheme (EOUs)

Note:

In this E-exercise, attempts have been made to understand the concept of 100% EOU Scheme in the Customs and Excise Department. It is expected that it will help the new entrants into the service. Though all efforts have been made to make this exercise error free, but it is possible that some errors might have crept into the same. If you notice any errors or if you have any suggestion to improve this exercise, the same may be brought to the notice to the NACEN, RTI, Kanpur on the Email addresses: rtinacenkanpur@yahoo.co.in or goyalcp@hotmail.com (Email address of ADG, RTI, NACEN, Kanpur). This may not be a perfect E-exercise and all are requested to assist us to make it better.

Duty Free import/procurement by EOUs, availment of CENVAT credit, exports by EOU, export through post, courier, electronic mode, examination norms etc.

1. ***Within how many days of the issue of procurement certificate Re-warehousing certificate is to be submitted to the Assistant/ Deputy Commissioner in charge of the port of import?***
 - a) 15 days
 - b) 30 days
 - c) 50 days
 - d) 90 days

2. ***Which of the following are allowed the facility of self-sealing of their export containers on the export side***
 - a) Super Star Trading House
 - b) Star Trading House
 - c) Trading House, and Export House
 - d) All of the above

3. ***Which form is required to be furnished by EOUs to procure goods from DTA without payment of Central Excise duty ?***
 - a) CT-5
 - b) CT-3
 - c) B 17
 - d) None of the above

4. ***Supplies from DTA to EOUs are considered as :***
 - a) Domestic Products
 - b) Deemed Exports
 - c) Exports
 - d) None of the above

5. ***Consider the following statements:***
 - a) The duty is recoverable from EOUs in case of non receipt of imported/ indigenously procured goods in the factory premises after import / procurement.
 - b) The duty is recoverable from EOUs in case of unauthorized DTA sale.

Which of the above statements are correct?

- a) a only
- b) b only
- c) both a and b
- d) None of the above

6. In case of some sectors though CT-3 is issued by the Superintendent of Customs/Central Excise, the post facto approval of Assistant Commissioner/Deputy Commissioner in charge of Division is required to be taken. What are those sectors?

- a) Textile
- b) Chemical
- c) Both a and b
- d) None of the above

7. Consider the following statements

- a) CENVAT Credit facility has been extended to EOUs
- b) In case unit is unable to utilize the credit it cannot claim refund of the Cenvat Credit in terms of Cenvat Credit Rules, 2004

Which of the above statements are correct?

- a) a only
- b) b only
- c) both a and b
- d) None of the above

8. Consider the following statements

- a) The import consignments meant for EOU/EHTP/STP units are subjected to detailed examination at the port of import
- b) EOUs are not required to submit certificate of origin

Which of the above statements are correct?

- a) a only
- b) b only
- c) both a and b
- d) None of the above

9. What is the time period during which capital goods are required to be installed in the approved premises from the date of import?

- a) 6 months
- b) 1 year
- c) 2 year
- d) 3 year

10. Who is empowered to extend the period of utilization of capital goods at EOUs?

- a) Assistant/ Deputy Commissioner
- b) Commissioner
- c) Chief Commissioner
- d) CBEC

11. Consider the following statements:

- a) The EOUs engaged in development and export of software and units in STP are allowed to export goods through data communication links.
- b) The EOUs cannot avail the facility of exporting through foreign post office.

Which of the above statements are correct?

- a) a only
- b) b only
- c) both a and b
- d) None of the above

12. In case of EOUs using electronic mode for export, which form is required to be furnished?

- a) Shipping bill
- b) SOFTEX
- c) GR Form
- d) None of the above

13. In case of EOU, FOB value of exports refers to

- a) physical exports only
- b) Deemed Exports
- c) Sales made to SEZ
- d) Both a and c

14. Consider the following statements:

- a) Second hand capital goods cannot be imported duty free
- b) An EOU engaged in agriculture, animal husbandry, aquaculture, floriculture, horticulture, pisciculture, viticulture, poultry or sericulture may be permitted to remove specified goods in connection with its activities for use outside bonded area.

Which of the above statements are incorrect?

- a) a only
- b) b only
- c) both a and b
- d) None of the above

Sub-contracting of production or production process in DTA or other EOU/SEZ unit or abroad; Sub-contracting work for DTA unit.

15. Consider the following statements:

- a) Job-work/sub-contracting for and from DTA is not permitted
- b) FDI upto 100% permitted in EOUs

Which of the above statements are correct?

- a) a only
- b) b only
- c) both a and b
- d) None of the above

16. Unit are not required to furnish bank guarantee at the time of import or going for job work in DTA, where unit has

- a) a turnover of Rs. 5 crores or above;
- b) unit is in existence for at least three years;

Which of the above statements are correct?

- a) a only
- b) b only
- c) both a and b
- d) None of the above

Concept of 100% EOU Scheme

ANSWERS

<i>Q. No.</i>	<i>Answer</i>
1	D
2	D
3	B
4	B
5	C
6	C
7	A
8	D
9	D
10	A
11	A
12	B
13	D
14	B
15	B
16	D