

DEPARTMENTAL EXAMINATION OF INSPECTORS OF CENTRAL TAX

PAPER-II :: CUSTOMS (With Books)

DATE: 02-02-2021
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. Question from (i) to (x) are of one mark each and from (xi) to (xv) are of two marks each. [1x 10 + 2x5 = 20 marks]

- (i) Which one or more of the Acts were not succeeded by the enactment of the Custom Act, 1962?
- (a) The Land Customs Act. (d) Foreign Trade (Development & Regulation) Act.
(b) The Sea Customs Act, 1878 (e) None of the above
(c) The Inland Bonded ware houses Act
- (ii) What is the quantum of pre deposit for a person filing appeal before Commissioner (Appeals)?
- (a) 10% of duty (c) 2.5 % of duty (e) None of the above
(b) 5% of duty (d) 7.5% of duty
- (iii) Which of these is/are an Original adjudicating authority under Customs Act, 1962?
- (a) Commissioner of Customs (d) Joint Commissioner of Customs
(b) Principal Commissioner of Customs (e) All the above
(c) Assistant Commissioner of Customs
- (iv) Which section of the Customs Act, 1962 provides for levy of Customs duty on Import goods?
- (a) Section 3 (c) Section 14 (e) Section 17
(b) Section 12 (d) Section 28
- (v) Where shall an appeal against the Order passed by the CESTAT involving Valuation of imported goods lie?
- (a) High Court (d) Both High court and Supreme Court
(b) Supreme Court (e) CESTAT cannot pass an order on valuation matters
(c) Central Government
- (vi) Identify the International Convention/ Protocol which deals with transboundary movement of Hazardous waste?
- (a) Revised Kyoto Convention (b) Cartagena Protocol (d) Vienna Convention
(c) Basel Convention (e) Montreal Protocol
- (vii) Under what situation, SCN transferred to the call book can be taken out of call book? Identify the correct reason.
- (a) When the Party has filed application before Settlement Commission and the same has been rejected by the Settlement Commission.
(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 ground which is not a valid ground 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) High Sea Sale of the goods
(c) Non-declaration of specifications having relevance to value.
(d) Mis-declaration of goods in parameter such as country of origin or year of manufacture.
(e) Non-declaration of parameters such as brand or grade of the goods, which are relevant to the determination of value of imported goods.

(ix) If I-Phone-6 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. 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 (b) Rule 4 (c) Rule 7 (d) Rule 12 (e) Rule 8

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

- (a) The IPR (Imported goods) Enforcement Rules, 2007
 (b) The Customs Authority for Advance Rulings Regulations, 2021.
 (c) The Foreign Trade Policy, 2020-2025.
 (d) The Customs valuation (Determination of the Value of Imported Goods) Rules, 2007
 (e) Re-export of Imported goods (Drawback of Customs duties) Rules, 1995

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

	Commodity		Chapter of Customs Tariff Act, 1975
A	Mustard Oil	1	Chapter 84
B	Iron Ore	2	Chapter 61
C	Ball bearing	3	Chapter 26
D	100 % cotton T-shirt	4	Chapter 15

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

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

	Commodity		Chapter of Customs Tariff Act, 1975
A	Inorganic Chemicals	1	Chapter 33
B	Cigarettes	2	Chapter 98
C	Cosmetics	3	Chapter 28
D	Personal Baggage	4	Chapter 24

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

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

(xiv) Match the following situations with the relevant clause of Section 113 of Customs Act, 1962:-

	Confiscation of goods attempted to be Exported		Relevant clause of section 113 of the Customs Act, 1962
A.	Attempted export of prohibited good	1.	Clause (a)
B	Goods attempted to be exported from a place other than notified port or airport appointed for loading of such goods	2.	Clause (d)
C	Goods found concealed in a package which is brought within the limits of a customs area for the purpose of export	3.	Clause (i)
D	Goods mis-declared in terms of value	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
 (b) A-4, B-2, C-3, and D-1
 (c) A-2, B-1, C-4, and D-3
 (d) A-3, B-2, C-1 and D-4
 (e) A-2, B-1, C-3 and D-4

(xv) What was the WCO theme for the year 2017?

- (a) Co-ordinated Border Management
 (b) Customs bolstering Recovery, Renewal and Resilience
 (c) Digital Customs
 (d) Customs fostering Sustainability for people, prosperity and the planet
 (e) SMART Borders for seamless Trade, Travel and Transport.

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): [10x 2= 20 marks]

- (a) Compounding of offences.
 (b) Licensing of Special Warehouse.
 (c) Payment through Electronic Cash Ledger.
 (d) Goods improperly removed from warehouse.
 (e) Power to record statement
 (f) Certain officer to assist Customs officer.
 (g) Appeals to Commissioner (Appeals)
 (h) Application for settlement of cases.
 (i) Power to prescribe tariff value
 (j) Audit of assessment of import/export goods or of an auditee

Q. No. 3: Write the full form and a short note (30 words) of the following abbreviations. (2 x 10= 20 marks)

- (a) DRI
 (b) AEO
 (c) DGFT
 (d) CESTAT
 (e) RoDETP
 (f) WCO
 (g) DGARM
 (h) NACIN
 (i) FOB
 (j) PMLA

Q. No. 4: Answer any five parts of this question. Differentiate between the terms given below:- (Answer must not exceed 50 words). [2x 5= 10 marks]

- (a) Identical and similar goods
 (b) Anti-dumping and Safeguard Duty
 (c) Prohibited goods and restricted goods
 (d) EOU and SEZ Scheme
 (e) Transaction value and tariff value.
 (f) Drawback under Section 74 and 75
 (g) SGST and CGST
 (h) Duty and Cess
 (i) Shipping Bill and Bill of Export

Q. No. 5: Find out the Rules/Regulations issued under the following section of Custom Act? If more than one rule and/or regulation have been issued under one section, please write all the other Rules/Regulations issued under the section of the Custom Act, 1962?

Note: In case of spelling errors in writing the name of rules/ regulation, the answer will be treated as wrong. [5 x 2= 10 marks]

Sr. No.	Section of the Customs Act, 1962/Custom Tariff Act, 1975	Full name of the Rule/ or Regulation notified along with year of its issuance under the section
1.	Section 75 of Custom Act, 1962	
2.	Section 142 of the Customs Act, 1962	
3.	Section 79 of the Customs Act, 1962	
4.	Section 146 of the Customs Act, 1962	
5.	Section 137 (3) of the Customs Act, 1962	

Q. No.6: Find out the Allied Act, which is applicable to import/export of commodity listed below:

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

[1x10=10]

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.	

Q. No. 7. Answer the following Short Answer Questions:-

[5x2=10]

- (1) Name two commodities which are subject to payment of export duty under Customs Tariff Act, 1975?
- (2) 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?
- (3) Name two commodities notified under section 135 (1) (i) (c) of the Customs Act, 1962.
- (4) Name two commodities notified under section 123 of the Customs Act, 1962
- (5) Name two commodities notified under Section 110 (1A) of the Customs Act, 1962.
