DEPARTMENTAL EXAMINATION OF INSPECTORS OF CENTRAL EXCISE

(PAPER – II) — (CUSTOMS WITH BOOKS)

DATE: 19-01-2016
TIME: 2.00 PM to 5.00 PM

MAXIMUM MARKS: 100
PASS MARKS: 50

Note:
1. All Questions are compulsory.
2. Candidates have options to answer in Hindi.
3. Relevant authority must be quoted with all answers.
4. Use of Mobile/Smart Phones is strictly prohibited during examination.

CONCERNED BOOKS:
1. The Customs Act, 1962 (52 of 1962)
2. The Customs Tariff Act, 1975 (51 of 1975)
3. Customs Rules and Procedures
5. Handbook of Export and Import Procedure
6. Customs, Allied Acts and Rules made there under
7. The Special Economic Zone Act, 2005 and Rules made there under.

Q.No.1 Write the full form of the following Abbreviations. 

(a) AIR  
(b) SEIS  
(c) FOB  
(d) NFEP  
(e) PMLA

(f) WCO  
(g) FICN  
(h) IGM  
(i) NDB  
(j) SAFema

Q.No.2 Differentiate between the following terms in terms of provisions of Customs Act, 1962. Also write the relevant section of the Customs Act, 1962 and relevant Rules issued under the Customs Act, 1962. Wherever any Allied Act is applicable, write name of the Allied Act. Answer any five. 

a) Seizure and Confiscation  
b) Importation of Goods and Re-importation of Goods  
c) Remission of Duty and Abatement of Duty  
d) Demand of Duty and Recovery of Duty  
e) Prohibited goods and Restricted goods  
f) Adhoc exemption and General Exemption

Q.No.3 Classify the following items in Customs Tariff Act, 1975. 

(a) Stuffed Animals and Birds (taxidermy)  
(b) Green House – in CKD condition  
(c) LPG Cylinder  
(d) Detonators  
(e) Mats made of Bamboo

Q.No.4 Name the Allied Act applicable to the Import/Export of following commodities. Answer any five. 

(a) Import of Horses  
(b) Import of Dry Ginger  
(c) Import of Ammonium Nitrate

(d) Import of Pesticides  
(e) Import of packaged food items  
(f) Import of Hazardous Wastes
Q.No.5  Answer **any two** of the following:  

(a) Whether unaccompanied baggage can be cleared as baggage? If yes, please quote the provisions under which it can be cleared as baggage. Identify the legal provision relating to clearance of Baggage under Customs Act & Rules framed thereunder?  

(b) An Indian resident passenger aged about 16 years returns after 5 days stay in UK by air. He brings one Camera valued at Rs. 30,000/- and one LED Television valued at Rs. 50,000/- in his baggage. If the aggregate duty on baggage is 10% then calculate the amount of duty to be paid by the passenger on his baggage after allowing free allowance, as admissible?  

(c) A lady Indian passenger residing abroad continuously for the last 10 months arrives in India by air with jewellery having aggregate value of Rs. 90,000/-. How much jewellery can be cleared free of duty under Baggage Rules, 1998? Please also calculate the duty chargeable thereon.

Q.No.6  Answer **any two** of the following:  

(a) Under what circumstances the property of an alleged offender can be attached provisionally? For how much period such attachments can be made/extended? Give your answer quoting relevant provisions.  

(b) An importer collects customs duty from the buyer in excess of the customs duty paid by him at the time of import. Whether this excess amount can be demanded from the importer? Further, whether interest is also chargeable on the excess amount so collected. Give your answer quoting relevant provisions.  

(c) What are the provisions for disposal of perishable seized goods? Whether owner of the seized goods should also be informed before disposal of such goods? Give your answer quoting relevant provisions.

Q.No.7  Answer **any two** of the following:  

(a) What do you mean by drawback? What are the factors which are considered for determination of drawback rate? Give your answer with relevant provisions.  

(b) What is the prescribed time limit for issue of show cause notice in case of seizure of goods? What will happen if the show cause notice is not issued within the prescribed time limit? Give your answer with relevant provisions.  

(c) In what type of cases appeal shall not lie before CESTAT. Which forum is competent to decide such cases? Give your answer with relevant provisions.

Q.No.8  Answer **any two** of the following:  

(a) Describe the procedure prescribed for taking X-Ray of the body of a suspected person entering into India. What action shall be taken if such suspected person refuses to be X-Rayed? Give your answer with relevant provisions.  

(b) Please mention the authority under which a person is summoned by a gazetted Customs Officer to give evidence or to produce documents. What action shall be taken if the person so summoned does not appear intentionally before the officer? Give your answer with relevant provisions.
(c) Under what circumstances a person can be arrested under Customs Act, 1962. Describe the procedure and precautions to be taken in case a person is arrested under Customs Act, 1962 giving relevant provisions.

Q.No.9 Answer any four of the following. [4x4]

(a) What do you mean by “computed value” in terms of imported goods? How is it determined? Give your answer with relevant provisions.

(b) What is meant by ATA Carnet? Give the Notification Number by which import/export of ATA Carnet has been regularized.

(c) What is meant by the term ‘Customs Port’?

(d) Please explain under which provision of the Customs Act a Land Customs Station is appointed & How?

(e) Under which provision the owner of a baggage has to make a declaration of its contents to the proper officer.

(f) Whether an officer of Customs can be prosecuted under Customs Act for his connivance in fraudulent export of prohibited goods. If yes, what is the maximum punishment prescribed. Give your answer with relevant provision.

Q.No.10 Consider that you are working at an Inland Container Depot. A shipping bill for export of a 40 ft container said to contain 1000 cartons of readymade garments total valued at Rs. 50 Lakh has been filed by a manufacturer exporter. The container was sealed in the factory with one time bottle seal by the jurisdictional Central Excise Officer. On scrutiny of the shipping bill it was found in order and accordingly let export order is issued. The exporter had claimed drawback amounting to Rs.5,50,000/-. In the meantime information is received by you that red sanders are concealed under the cartons of readymade garments.

On receipt of the said information you, after completing necessary formalities, opened the container and examined the goods. It was found that 15 MT of red sanders were kept under the cartons of readymade garments. Only 100 cartons of readymade garments were found. On interrogation the exporter admitted that in earlier consignments he had exported red sanders fraudulently. In the light of the above position please answer following questions:-

(a) What precaution should have been taken and procedure adopted before re-examination of the container? [8]

(b) Whether 100 cartons of readymade garments found in the container as per declaration in the Shipping Bill should also be seized under the Customs Act, 1962. Give your answer with relevant provisions. [4]

(c) Identify all the relevant provisions of the Customs Act, 1962 and the relevant Rules framed there under, which will be invoked in the show cause notice to be issued to the exporter. [8]

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