Q.No.1 Please indicate whether the following statements are TRUE or FALSE. All parts are compulsory. [1x10=10]

(i) Cenvat Credit cannot be used for payment of Interest.
(ii) Exemption notifications issued under Section 5A(1), invariably apply, in case of excisable goods which are produced or manufactured by a hundred percent export oriented undertaking.
(iii) An assessee can choose not to avail exemption if the notification is conditional.
(iv) Commissioner (Appeal) cannot condone delay in filing appeal beyond 90 days.
(v) In case of excisable goods are used within the factory, the date of removal cannot be ascertained.
(vi) There is only one commodity under Central Excise Law where the duty payable is to be assessed by the department, before removal thereof.
(vii) There is no commodity the duty payable on which is to be paid by the recipient instead of manufacturer.
(viii) Provisional assessment can be ordered by the department even if, assessee has not requested for the same.
(ix) The returns prescribed under Central Excise Law cannot be filed before due date.
(x) There is no situation in which an assessee can avail 100% of the credit of duty paid on capital goods received by him.

Q.No.2 Fill in the Blanks: All parts are compulsory. [1x10=10]

(i) Adjudication order passed by Commissioner (Appeal) in case the order relates to rebate of duty of excise on goods exported can be challenged before………….
(ii) The amount of fees payable in case of appeal filed by or on behalf of department shall be ……….
(iii) The minimum rank Central Excise officer empowered to summon person to give evidence and to produce documents in inquiries under the Central Excise Act is ……….
(iv) Where duty involved in a case of remission of duty exceeds Rupee Ten Thousand but does not exceed Rs.1 lakh, the power to grant remission would be with…….
(v) The duty on the goods removed from the factory or the warehouse during a month shall be paid by…. of the following month if duty is paid electronically.
(vi) All records maintained under Rule 10 of the Central Excise Rules shall be preserved for a period of …. Immediately after the financial year to which such records pertains.
(vii) The Cenvat credit in respect of Capital goods shall be allowed for the whole amount of the duty paid on such capital goods in the same financial year if ……..
(viii) The manufactured or the provider of output service shall not take Cenvat credit after one year of …….. of documents specified in sub Rule (1) of Rule (9) of the Cenvat credit Rules 2004.
(ix) When the inputs on which Cenvat credit has been taken, are removed as such from the factory, the manufacture shall pay……….
(x) If the capital goods are cleared as waste & scrap, the manufacture shall pay………..

Q.No.3 Answer any FIVE parts of this question. Explain your answer with support of law. [2x5=10]

(i) Normally goods manufactured and cleared for consumption within India are chargeable to Central Excise Duty which is paid by the manufacture. However, in certain situations, manufacture has to pay an amount equal to Customs duty which would be leviable under the Customs Act. What is the given situation and who are such manufacturers?
(ii) A court orders in favour of party and as a consequence of this order refund becomes admissible. One view is that department is under compulsions to grant this refund, even without examining whether the incidence of duty has been passed on to buyer or not. Do you think this is correct? If not, why?

(iii) If any amount is payable by the buyer to the manufacture, after 6 months from the date of purchase of excisable goods, manufactured by manufacture, do you think department can charge duty on this amount? If yes, why?

(iv) Government has granted exemption from payment of duty to manufacturer supplying goods to certain area. However, the exemption has been granted by issuing an order instead of notification. Do you think, it can be done? If yes, what are the circumstances?

(v) In case of evasion of duty amounting to Rs.5 Crores, adjudicating authority has awarded 6 months imprisonment to a manufacture. Do you think, the departmental Adjudicating authority has correctly awarded the sentence? Please explain your answer.

(vi) An order passed by appellate tribunal has decided classification of a particular product in favour of assessee. Department wants to go in appeal. What is the appropriate forum for the department for pursuing this appeal? Explain your answer quoting authority.

Q.No.4   Explain any five the following:--  [2X5=10]

(i) Special audit under section 14A and 14AA of the Central Excise Act
(ii) Seizure of goods & confiscation of goods
(iii) Awarding of Punishment & Imposition of penalty
(iv) Detention of goods & seizure of goods
(v) Export and deemed export
(vi) Refund & rebate
(vii) Short levy & short payment
(viii) Compounding & Settlement.

Q.No.5   (a) A unit manufacturing product ‘A’ has been setup with an investment of Rs.400 crores. The product ‘A’ manufactured by the unit is eligible for small scale exemption under Notification no.8/2003. During the financial year in which the unit started production, the unit has made clearance of excisable goods worth 1 crore but has not paid any duty. Is unit eligible small scale exemption. Is there any duty liability? Please explain your answer.  [5]

(b) A manufacture ‘x’ during the financial year (17-18) year has made clearances worth Rs.1.25 crore of excisable goods ‘A’ that are eligible for small scale exemption under notf.8/2003. The unit has now been purchased by a manufacture ‘Y’ in the month of march, who also manufactures product ‘A’ and makes clearances worth 30 lakh in march, and does not pay any duty. Is there any duty liability on manufacture ‘Y’. If Yes, calculate duty liability, if rate of duty is assumed at 10% Adv.  [5]

Q.No.6   (a) A manufacture availing Cenvat & paying duty during the financial year 2016-17 wants to avail small scale exemption notification in the financial year 2017-18. He has credit balance in his account of Rs.2,00,000/- at the end of the financial year. Further his stock balance is as under:-  [7]

(i) Cenvat credit involved in input lying in store Rs.100000/-.
(ii) Cenvat credit involved in inputs contained in the work in progress Rs.50000/-.  
(iii) Cenvat credit involved in inputs contained in final product Rs.25000/-

Please calculate the duty/Cenvat liability of the unit assuming that it is otherwise eligible for small scale exemption. Please explain your answer.

(b) What is straight line method for calculation of depreciation under Cenvat Credit Rules? Please explain your answer by giving example.  [3]
Q.No.7  
(a) A unit is availing small scale exemption and has made Clearances of excisable goods worth Rs.450 Lakhs during the preceding Financial Year. This 450 Lakhs includes clearances of exempted goods worth Rs.50 Lakhs and 1 Crore worth goods of others brand name. The unit wants to avail Tax small scale exemption in next financial year. Is the unit eligible for that? Please explain your answer.  
(b) A unit has cleared excisable goods worth Rs.3 Crore bearing brand name of other person, and 1 Crore worth excisable goods under its own brand. The unit has not paid any duty, on goods sold under his brand claiming exemption under notification 8/2003. Do you think, there is any liability on the unit? Please explain your answer.  

Q.No.8  
(a) Please explain whether superior Kerosine Oil used to generate steam for captive use is eligible for Cenvat Credit. 
(b) Please explain whether excisable goods falling under Chapter 82 but used as component in the manufacture of final product is eligible for Cenvat Credit as Capital goods or Input. 
(c) An assess has purchased excisable goods falling under chapter 85 of the Central Excise Tariff Act at the rate of Rs.5,000/ per piece. Can the assessee take full credit of duty paid on such purchases at the time of receipt of Goods in factory? 
(d) M/s ABC Ltd, a unit engaged in manufacture of product ‘X’ is not eligible to avail exemption under a notification based on value of clearances, in a financial year. During the month of Feb’17 the unit has procured the following. Calculate the amount of Cenvat available during Feb ‘17 considering opening balance as NIL and provide reasons for calculation. 

<table>
<thead>
<tr>
<th>Items of Purchase</th>
<th>Duty involved (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Raw material</td>
<td>2,00,000/-</td>
</tr>
<tr>
<td>Motor Car</td>
<td>50,000/-</td>
</tr>
<tr>
<td>Dumper</td>
<td>1,00,000/-</td>
</tr>
<tr>
<td>Storage tank</td>
<td>2,500/-</td>
</tr>
</tbody>
</table>

Q.No.9  
(a) What is the basic condition for seizure of excisable goods under the Central Excise Act 1944? 
(b) While adjudicating a seizure case, the adjudicating authority wants to absolutely confiscate the seized goods. Is it permissible under the Law? Please explain. 
(b) Are there any circumstances under which seized goods can be disposed of immediately after the seizure? Please quote the authority & give examples? 
(d) Explain the Principal of natural justice. In what way it is applied in proceeding consequent upon seizure of excisable goods? 

Q.No.10  
(a) What is basic condition for arrest of a person under the Central Excise Act? 
(b) What is basic condition for issuing a search warrant under the Central Excise Law? What methodology is adopted by the department for conducting search & seizure? 
(c) Can a vehicle transporting goods which have been removed in Contravention of Central Excise Law, be seized. If yes what are the provisions for seizure of such vehicle? Quote the legal provision in this regard. 
(d) Explain the term “provisional attachment” under the Central Excise Law. 

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