DEPARTMENTAL EXAMINATION OF INSPECTORS OF CENTRAL TAX

(PAPER – II) :: (CUSTOMS WITH BOOKS)

DATE: 03-03-2020
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
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. [15x1=15]

(i) Which section of the Customs Act, 1962/Customs Tariff Act, 1975 is the charging section providing for levy of Basic Custom Duty on imported goods?
(a) Section 3(3) of the Customs Tariff Act, 1975.
(b) Section 12 of Customs Act, 1962
(c) Section 3(5) of the Customs Tariff Act, 1975
(d) Section 3(7) of the Customs Tariff Act, 1975
(e) Section 3(9) of the Customs Tariff Act, 1975

(ii) If branded commodity X has been found to be declared by the Exporter as un-branded one in the Shipping Bill and during examination of goods, it was found to be of reputed and well-known brand. Under which rule of the Customs valuation (Determination of the value of Exported goods) Rule, 2007, the value of the Export goods as declared in the Shipping Bill can be rejected:-
(a) Rule 11
(b) Rule 13
(c) Rule 8
(d) Rule 12
(e) Rule 5

(iii) For determination of assessable value of Export goods, the following methods of valuation have been provided in the Customs Valuation (Determination of Value of Export goods) Rules, 2007.
A. Transaction value  C. Computed value method
B. Determination of Export value by Comparison  D. Residual method

As per above said Valuation Rules, 2007, there is certain order in which these valuation methods are to be applied. Identify the correct order in which above mentioned methods of valuation are to be applied for valuation of goods in question.
(i) (B)- (C)- (D)- (A)
(ii) (A)- (D)- (B)- (C)
(iii) (A)- (B)- (C)- (D)
(iv) (C)- (D)- (B)- (A)
(v) Only Transaction Value

(iv) Which of the following International Organization has developed and adopted the SAFE Framework of Standards?
(a) World Trade Organization (WTO)
(b) World Customs Organization (WCO)
(c) United Nations (UN)
(d) Organization for Economic Cooperation and Development (OECD)
(e) European Union (EU)

(v) In India, which one of the following is the notified agency for implementation of Scheme of Authorized Economic Operator (AEO)?
(a) The Directorate General of Human Resource Development (DGHRD)
(b) The Directorate of International Customs (DIC)
(c) The Directorate General of Performance Management (DGPM)
(d) The Directorate General of Export Promotion (DGEP)
(e) The Directorate General of Revenue Intelligence (DGRI)
(vi) Which section of the Customs Act, 1962 empowers the Central Government to prohibit import/ export of goods by issuing a notification to that effect:

(a) Section 25.  
(b) Section 5  
(c) Section 11  
(d) Section 111  
(e) Section 113

(vii) Under which of the following Export Promotion Schemes, Capital Goods are allowed to be imported duty free for manufacture of export goods?

(a) Special Economic Zone Scheme  
(b) Export Oriented Unit Scheme  
(c) Software Technology Park Scheme  
(d) Export Promotion Capital goods scheme  
(e) All of the above

(viii) Which of the convention given below is not a UN convention?

(a) HS Convention  
(b) Convention on Narcotics Drugs, 1961  
(c) Convention on Psychotropic Substances, 1971  
(d) Chemical Weapon Convention  
(e) Convention against Transnational Organized Crime.

(ix) Which Directorate / Office has been entrusted with responsibility of conducting examination for Customs Brokers?

(a) Directorate General of Performance Management  
(b) Directorate General of Export Promotion  
(c) National Academy of Customs, indirect taxes and narcotics.  
(d) Chief Commissioner of Customs  
(e) Directorate General of Foreign Trade

(x) In case of demand of duty short paid by the importer, what is the rate of interest prescribed by the Government for calculation of interest due from the Importer under section 28AA?

(a) 9%  
(b) 15%  
(c) 12%  
(d) 6%  
(e) 36%

(xi) Which of the following law is implemented at Border by the Customs Authorities in the course of International trade?

(a) Chemical Weapons Convention Act, 2000  
(b) Weapons of Mass Destruction and their delivery systems (Prohibition of unlawful activities) Act, 2005  
(c) Arms Act, 1959  
(d) Indian Explosives Act, 1884  
(e) All of the above

(xii) Which one of following is a ground for transfer of case to Call book category?

(a) Where Department has gone in appeal before the Appropriate Authority.  
(b) Where injunction has been issued by Hon’ble SC/HC.  
(c) Case which has been admitted by Settlement Commission  
(d) Where CBIC has issued instruction to keep the case in call book  
(e) All of the above

(xiii) What is the third Appellate Authority in Customs in case of Adjudication order passed by Assistant Commissioner in other than classification and valuation cases?

(a) High Court  
(b) Commissioner  
(c) Supreme Court  
(d) CESTAT  
(e) Commissioner (Appeal)

(xiv) Identify the International Convention/ Protocol which deals with transboundary movement of Hazardous waste?

(a) Revised Kyoto Convention  
(b) Cartagena Protocol  
(c) Basel Convention  
(d) Vienna Convention  
(e) Montreal Protocol

(xv) What is the WCO theme for the year 2020?

(a) Co-ordinated Border Management  
(b) Communication  
(c) Digital Customs  
(d) Customs fostering Sustainability for People, Prosperity and the Planet  
(e) Data Analysis
Q. No. 2: Write full forms of the abbreviation given below and explain the term in brief in 30-40 words [in the context of Customs Law]. Each part is of 2 marks. [10x2 =20]

(a) DIN (b) ICD (c) IGST (d) AEO (e) DPD (f) CBN (g) FCL (h) DGM (i) DRI (j) DGFT

Q. No. 3: Answer any five of this question. Differentiate between the following terms. Answer must not exceed 60 words. Wherever possible, the relevant provisions of the Customs Act, 1962 or rule issued therein must be mentioned. Each part is 3 marks and any five parts may be attempted. [5x3=15]

(a) Tariff value and Transaction value  
(b) Drawback under Section 74 and Drawback under Section 75 of the Customs Act, 1962  
(c) IGM and EGM  
(d) Tariff Rate of duty and Effective rate of duty  
(e) General Exemption and Ad-hoc exemption  
(f) Seizure and confiscation  
(g) Ad valorem and specific rate of duty

Q. No. 4: Answer any five parts of this question. Write Short Note 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. [5x3=15]

(a) Licensing of Special Warehouse  
(b) Single Window Concept in Customs  
(c) EPCG Scheme  
(d) Power of Officers of Customs  
(e) Compounding of Offence under Customs  
(f) Valuation of import goods  
(g) Compulsory Assessment of Import Goods  
(h) Filing of Bill of Entry  
(i) Filing of Shipping Bill  
(j) Power of Officers of Customs

Q. No. 5. Answer the following Short Answer Questions. [5x2=10]

(a) Name two commodities on which Tariff Value has been fixed by the Government and custom duty is charged with reference to Tariff value not on the basis of transaction value?  
(b) Name one commodity notified under section 135 (1) (i) (c) of the Customs Act, 1962.  
(c) Name two commodities notified under section 123 of the Customs Act, 1962.  
(d) Name two commodities notified under Section 110 (1A) of the Customs Act, 1962.  
(e) Name two commodities subject to Compensation Cess under GST laws.

Q. No. 6: Find the relevant Section (including sub-section or clause) of the Customs Act, 1962 dealing with the following: [10x1=10]

(a) Grant of Drawback on re-export of imported goods.  
(b) Power to the Central Government to make Regulation  
(c) Power to prescribe Tariff Value in respect of certain import goods.  
(d) Burden of proof in certain cases.  
(e) Provisional Assessment  
(f) Filing of Bill of Entry.  
(g) Filing of Shipping Bill.  
(h) Licensing of Special Warehouses  
(i) Filing of Appeal to Commissioner (Appeals)  
(j) Confiscation of improperly imported goods.

Q. No. 7: Write the full name of the Rules or Regulations Issued under the Customs Act, 1962/Customs Tariff Act, 1975 for the following purposes? [10x1=10]

(a) Valuation of import goods  
(b) Project Imports  
(c) Customs Brokers  
(d) Provisional Assessment of Import Goods  
(e) Special warehouse license  
(f) Import of personal effects through Baggage  
(g) Drawback on exported goods  
(h) Bill of Entry for paperless processing.  
(i) ATA Carnet  
(j) Public Warehouse Licensing.

Q. No. 8: Fill in the blank. [5x1=5]

(a) Improperly imported goods can be confiscated under section _________ of the Customs Act, 1962.  
(b) The term "SCOMET" stands for _________ .  
(c) The class of officers of Customs has been specified in section _________ of the Customs Act, 1962.  
(d) The Board may appoint the custom port or airport for the purpose of loading or unloading of import/export goods by issuing a notification under sub-section _________ of Section _________ of the Customs Act, 1962.  
(e) The Government has power to prohibit import /export of goods infringing copyright under clause (_____) of sub-section _________ of Section _________ of the Customs Act, 1962.

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