

5

Concession under customs or Exception to Sec 12



Think GST !
Think Vishal Sir...!!



Section 13: Duty on Pilfered Goods

1. In the context of Customs Act, 1962, the term "pilfer" means:

- a. to steal
- b. petty theft
- c. both a & b above
- d. none of the above

Ans:-(a) (b) (c) (d)

2. The duty is not payable by the importer in case of pilfered goods only if any goods are pilfered:

- a. after unloading thereof
- b. after unloading thereof but before order of clearance by proper officer for deposit in warehouse or home consumption
- c. after clearance of order by proper officer
- d. before unloading thereof

Ans:-(a) (b) (c) (d)

3. In case, goods are pilfered when they are in the custody of Port authority and officer does not pass any order for clearance of such goods either for home consumption or deposit in warehouse, then the duty liability of such pilfered goods is on:

- a. Importer
- b. Person in charge
- c. Either a or b above
- d. Port Authority or Custodian

Ans:-(a) (b) (c) (d)

4. The relevant date for duty payable on pilfered goods is the date of:

- a. filing of bill of entry
- b. order of clearance
- c. filing of Import General Manifest or Report
- d. granting entry inward

Ans:-(a) (b) (c) (d)

5. Mr. Maganlal imported crockeries from Korea on 10.04.2018 of ₹ 10 lakhs. The master of vessel filed import manifest on 12.04.2018 and entry inward granted on 13.04.2018. Mr. Maganlal filed bill of entry for home consumption on 14.04.2018 when he found that goods of ₹ 2 lakhs were pilfered. The order of clearance for home consumption was granted on 15.04.2018 only for goods worth ₹ 8 lakhs. The duty rates on various dates are as below:

Date	Exchange Rate
12.04.2018	10%
13.04.2018	12%
14.04.2018	8%
15.04.2018	12.5%

Answer the following questions on the basis of information given above:

i. The importer is liable to pay duty on goods worth ₹:

- a. 2 lakhs
- b. 10 lakhs
- c. 8 lakhs
- d. 10 lakhs if pilfered goods were restored by the custodian otherwise on 8 lakhs only

Ans:-(a) (b) (c) (d)

ii. The rate of duty applicable on goods cleared for home consumption by Mr. Maganlal is:

- a. 10%
- b. 12%
- c. 8%
- d. 12.5%

Ans:-(a) (b) (c) (d)

iii. The liability to pay duty on pilfered goods if not restored to the importer is on:

- a. Mr. Maganlal
- b. Port Trust Authority
- c. Either a or b above
- d. Neither a nor b above

Ans: (a) (b) (c) (d)

iv. The rate of duty applicable on pilfered goods is:

- a. 10%
- b. 12%
- c. 8%
- d. 12.5%

Ans: (a) (b) (c) (d)

v. Calculate the import duty payable on pilfered goods by the custodian or port trust authority.

- a. 1 lakhs
- b. 0.20 lakhs
- c. 0.80 lakhs
- d. 0.16 lakhs

6. If the pilfered goods are restored to the importer then importer is liable to pay duty at the rate prevailing on the date of:

- a. filing bill of entry by the importer
- b. filing import manifest or report by the person-in-charge
- c. restoration by the port authority to the importer
- d. order of clearance by the proper officer

Ans: (a) (b) (c) (d)

Section 22: Abatement of Duty on damaged or deteriorated goods

7. The abatement of duty on damaged or deteriorated goods can be granted by:

- a. Assistant Commissioner
- b. Deputy Commissioner
- c. Joint Commissioner
- d. a or b above

Ans: (a) (b) (c) (d)

8. Abatement of duty can be granted on any imported goods that had been damaged or deteriorated at any time:

- a. after the unloading of goods in India
- b. before the unloading of goods in India
- c. during the unloading of goods in India

d. b or c above

Ans: (a) (b) (c) (d)

9. The abatement in case of any imported goods other than warehoused goods is available if such goods are deteriorated at any time after the unloading thereof in India but before their examination u/s 17

State true or false

- a. True
- b. False

Ans: (a) (b) (c) (d)

10. If any warehoused goods had been damaged at any time before clearance for home consumption, the abatement is available only if such damaged is:

- a. on account of any accident
- b. due to willful act, negligence or default of owner, his employee or agent
- c. not due to willful act, negligence or default of owner, his employee or agent
- d. Both a and c above

Ans: (a) (b) (c) (d)

11. Mr. Purohit imported some goods from Germany the value of which is ₹ 10 lakhs and duty is payable at the rate of 20%. Some goods has been damaged before the order of clearance for home consumption has been granted by the proper officer. The value of goods after damages is ₹ 8 lakhs. Calculate the duty payable by Mr. Purohit at the time of clearance of goods for home consumption.

- a. ₹ 2 lakhs
- b. ₹ 1.6 lakhs
- c. ₹ 0.40 lakhs
- d. ₹ 0.50 lakhs

Ans: (a) (b) (c) (d)

Section 23: Remission of duty on lost, destroyed or abandoned goods

12. Remission of duty can be granted by Assistant Commissioner on any imported goods that are:

- a. lost or stolen
- b. lost or destroyed
- c. pilfered
- d. Either a or b above

Ans:-(a) (b) (c) (d)

13. An importer can relinquish his rights on any imported goods at any time after such goods has been cleared for home consumption or deposit in warehouse

State true or false

- a. True
- b. False

Ans:-(a) (b) (c) (d)

14. The owner of imported goods Mr. Atul wants to abandon his title on imported goods regarding which an offence appears to have been committed under the Act other than Customs Act. The officer does not allow Mr. Atul to abandon his rights on such goods. State whether the action taken by the officer is correct in law.

- a. Correct
- b. Incorrect

Ans:-(a) (b) (c) (d)

15. On relinquishment of title on any imported goods, the importer shall thereon.

- a. be liable to duty
- b. be liable to duty at reduced rate
- c. not be liable to duty
- d. be eligible for refund

Ans:-(a) (b) (c) (d)

16. M/s Fortuner Ltd. an oil dealer imported edible oil from Saudi Arab. The quantity imported was 10000 liters whereas, only 9500 liters of oil was found at the time of unloading

at the customs port. The concession can be granted to M/s Fortuner Ltd. for 500 liters of oil under:

- a. Section 13: Pilfered goods
- b. Section 22: Abatement of duty on damaged or deteriorated goods
- c. Section 23: Remission of duty on lost, destroyed or abandoned goods
- d. None of above

Ans:-(a) (b) (c) (d)

Section 24: Power to make rules for denaturing or mutilation of goods

17. is having the power to make rules for denaturing or mutilation of goods.

- a. Central Board of Indirect Taxes and Customs
- b. Central Board of Excise and Customs
- c. Central Government
- d. State Government

Ans:-(a) (b) (c) (d)

18. On any denatured or mutilated goods duty shall be chargeable at the rate:

- a. of original goods
- b. as if such goods are imported in denatured or mutilated form
- c. Separately notified by CG
- d. None of above

Ans:-(a) (b) (c) (d)

Section 21: Derelict, Jetsam, Flotsam & Wreck

19. Mr. Arjun found an abandoned ship along with some goods in high seas. He brought that ship along with him while returning to India. The custom officer imposed duty on such ship as if they are imported into India but Mr. Arjun denies paying the duty on the ground that it was available freely in the high seas. State whether the contention of Mr. Arjun is correct in law

- a. Correct

b. Incorrect:- as all derelict, jetsam, flotsam & wreck goods brought into India are treated as imported goods and liable to duty unless proved otherwise

Ans:- (a) (b) (c) (d)

Section 20: Re-importation of Goods

20. The exported goods which are re-imported into India for repairs are not liable to any import duty on such re-importation even though such goods are re-exported after 13 months from the date of re-importation

State true or false

a. True

b. False

Ans:- (a) (b) (c) (d)

21. The re-imported goods in India which were exported earlier are liable to duty and subject to all conditions & restrictions as goods of are liable on importation

a. identical nature

b. similar nature

c. Either a or b above

d. like kind and value

Ans:- (a) (b) (c) (d)

Answers :-

1	c	10	d
2	b	11	b
3	d	12	b
4	c	13	b
5(i)	d	14	a
(ii)	c	15	c
(iii)	b	16	c
(iv)	a	17	c
(v)	b	18	b
6	a	19	b
7	d	20	b
8	d	21	d
9	b		