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CA – Final - Customs (New & Old Course)

MCQ's

Relevant for May 2019 Exams

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Chapter 1 - Levy of and Exemptions from Customs Duty

Unit 1

1. What are the functions of Chemical examiner of customs?
 - A. Tests sample of imported/export cargo for determining true character of goods for proper classification & value
 - B. Caries out Assessment work of import & export goods.
 - C. Clears passengers & crew & their baggage
 - D. Interrogates suspects & investigation

2. What are the functions of Ministerial officer of customs?
 - A. Interrogates suspects & investigation
 - B. Maintaining record & keeping accounts
 - C. Boarding & checking ships & aircrafts
 - D. Caries out Assessment work of import & export goods.

3. What are the functions of Preventive officer of customs?
 - A. Interrogates suspects/witnesses & investigation
 - B. Supervision & control over loading & unloading of cargo
 - C. Clears passengers & crew & their baggage
 - D. All of the above

4. What are the functions of Preventive officer of customs?
 - A. Caries out Assessment work of import & export goods.
 - B. Maintaining record & keeping accounts
 - C. Patrolling Customs area
 - D. All of the above

5. The Customs Act, 1962 extends to the whole of India *and, save as otherwise provided in this Act, it applies also to any offence or contravention thereunder committed _____ India by any person*
 - A. In
 - B. Outside

ANSWERS - Unit 1

- | |
|------|
| 1. A |
| 2. B |
| 3. D |
| 4. C |
| 5. B |

Unit 2

1. If goods are manufactured or produced in India, which are exported and thereafter re-imported are treated at par with other goods, which are otherwise_____.
 - A. Exported
 - B. Imported
 - C. Manufactured
 - D. None

2. Exemption to re-import of goods and parts thereof for repairs or reconditioning under Section 20 is subject to Following Condition as specified in notification:
 - A. Goods must be re-imported within 3 Years from the date of Export & re-exported within 6 Months from the date of Re-importation.
 - B. Goods must be re-imported within 1 Years from the date of Export & re-exported within 6 Months from the date of Re-importation.
 - C. Goods must be re-imported within 3 Years from the date of Export & re-exported within 12 Months from the date of Re-importation.
 - D. Goods must be re-imported within 1 Years from the date of Export & re-exported within 12 Months from the date of Re-importation.

3. What does wreck mean?
 - A. Vessel or property cast ashore by tides after destruction of a ship
 - B. Goods thrown from vessel into sea to reduce weight of vessel
 - C. Goods stored In a warehouse
 - D. Vessel or property abandoned in Sea with No hope of recovery

4. What does Flotsam mean?
 - A. Vessel or property abandoned in Sea with No hope of recovery
 - B. Goods thrown from vessel into sea to reduce weight of vessel which does not sink but floats
 - C. Vessel or property cast ashore by tides after destruction of a ship
 - D. Goods in a vessel or ship

5. What does Derelict mean?
 - A. Vessel or property abandoned in Sea with No hope of recovery
 - B. Goods thrown from vessel into sea to reduce weight of vessel which does not sink but floats
 - C. Goods stored In a warehouse
 - D. Goods in a vessel or ship

6. What is the relevant date as per sec 15 in case of Goods entered for Home Consumption?
 - A. Date of payment of duty
 - B. Date of presentation of B.E or Entry Inward of vessel/arrival of aircraft or vehicle, whichever is Later
 - C. Date of consuming it in India
 - D. Date of vessel departing from the exporting country

7. What is the relevant date as per sec 15 in case of Goods other than the ones entered for Home Consumption or cleared from warehouse?
- Date of payment of duty
 - Date of presentation of B.E
 - Date of consuming it in India
 - Date of vessel departing from the exporting country
8. What is the relevant date as per sec 15 in case of Goods cleared from warehouse for Home Consumption?
- Date of payment of duty
 - Date of presentation of B.E
 - Date on which a bill of entry for Home Consumption is presented
 - Date of consuming it in India
9. How much bond is importer required to execute when Bill of entry for warehousing is presented?
- Equal to amount of duty assessed
 - Three times amount of duty assessed
 - Two times amount of duty assessed
 - Five times amount of duty assessed
10. In case of goods warehoused, when is the importer required to file bill of entry for home Consumption
- At time of payment of duty
 - At time of depositing it in Warehouse
 - At the time of crossing Indian territorial waters
 - At time of clearance of goods from such warehouse
11. Which are the circumstances that should exist to claim pilferage?
- Evidence available to tampering with packages
 - There should be blank space for missing articles in the package
 - The missing article should be unit articles
 - All of the above
12. What does the term 'Damage' mean for abatement as per sec 22?
- Reduction in quality of goods due to Natural causes
 - Goods removed without proper packaging
 - Goods not fit for the purpose for which they are meant
 - None
13. What will be the Amount of duty chargeable after abatement?
- Abatement on goods before damage \times value of damaged goods \div Value of goods before damage
 - Duty on goods after damage \times value of damaged goods \div Value of goods before damage
 - Duty on goods after damage \times value of damaged goods \div Value of goods after damage
 - Duty on goods before damage \times value of damaged goods \div Value of goods before damage

14. No duty shall be collected if amount of duty leviable is equal to , or less than, _____.

- A. Rs. 50
- B. Rs. 100
- C. Rs.500
- D. Rs.250

15. When will IGST be levied on High sea transactions (whether one or multiple) of imported goods?

- A. At the time of importation
- B. At the time when each sale takes place
- C. At the time when goods departed from exporting country
- D. IGST is not levied on high sea sales

ANSWERS : Unit 2

1. B	6. B	11. D
2. A	7. A	12. C
3. A	8. C	13. D
4. B	9. B	14. B
5. A	10. D	15. A

Chapter 2 - Types of Duty

1. What is the maximum rate of tax leviable u/s 5 of Integrated Goods and Service Tax Act, 2017 on an article imported into India as per Sec 3(7) of the Customs Tariff Act?

- A. Nil
- B. 20%
- C. 40%
- D. 15%

2. Is duty u/s 3(9) of Customs Tariff Act levied on goods imported into India at such rate of GST Compensation Cess as is leviable on supply of like article in India?

- A. Yes
- B. No
- C. Applicability of this sec has been postponed untill notification
- D. None of above

3. Which of the following shall be included to calculate assessable value for levying tax u/s 3(7) or 3(9) of Customs Tariff Act, 1975?

- 1. Value as per Sec 14 of the Customs Act 1962, or Tariff value
- 2. GST compensation Cess
- 3. Customs duty as per sec 12 of the Customs Act, 1962,
- 4. Integrated Goods and service tax

- A. 1, 2, 3, 4
- B. 1 & 3
- C. 2 & 4
- D. 1, 3 & 4

4. Which of the following shall be not included to calculate assessable value for levying tax u/s 3(7) or 3(9) of Customs Tariff Act, 1975 ?

- 1. Value as per Sec 14 of the Customs Act 1962, or Tariff value
- 2. GST compensation Cess
- 3. Customs duty as per sec 12 of the Customs Act, 1962,
- 4. Integrated Goods and service tax

- A. 1, 2, 3, 4
- B. 1 & 3
- C. 2 & 4
- D. 1 3 & 4

5. When goods deposited in a warehouse are sold to any person before clearance for home consumption or export & such goods are sold more than once before such clearance, what shall be the transaction value for calculating integrated tax?

- A. Each transaction shall have different taxability
- B. Transaction value of last transaction shall be relevant
- C. Integrated tax shall not be leviable
- D. This transaction is exempt from tax

6. What is the maximum total period (inclusive of extension) for imposition of duty u/s Section 8B of the Customs Tariff Act?
- A. 4 years
 - B. 10 years
 - C. 5 years
 - D. 1 year
7. Which is the duty levied u/s 8B of the Customs Tariff Act
- A. Special Additional Duty
 - B. Countervailing Duty
 - C. Safeguard Duty
 - D. GST compensation cess
8. Exemptions from safeguard duty for articles originating from more than one developing country , so long as the aggregate of imports from developing countries share taken together does not exceed___?
- A. 9% of the total imports of that article into India.
 - B. 3% of the total imports of that article into India.
 - C. 15% of the total imports of that article into India.
 - D. 20% of the total imports of that article into India.
9. Exemptions from safeguard duty for Articles originating from developing country, so long as the share of imports of that article from that country does not exceed___?
- A. 3% of the total imports of that article into India.
 - B. 15% of the total imports of that article into India.
 - C. 20% of the total imports of that article into India.
 - D. 10% of the total imports of that article into India.
10. To which of the following shall Safeguard duty not apply unless if it is Cleared into DTA or Specifically made applicable?
- A. Imports by 100% EOU
 - B. Imports by Unit in Special Economic Zone
 - C. All of the above
11. Section 9 of the Customs Tariff Act discusses about which duty ?
- A. GST compensation cess
 - B. Safeguard duty
 - C. Countervailing Duty
 - D. Antidumping duty
12. Unless revoked for how much duration can countervailing duty be in force ?
- A. 6 years from the date of its imposition.
 - B. 5 years from the date of its imposition.
 - C. 7 years from the date of its imposition.
 - D. 15 years from the date of its imposition.

13. Section 9A of the Customs Tariff Act discusses about which duty ?

- A. GST compensation cess
- B. Safeguard duty
- C. Countervailing Duty
- D. Antidumping duty

14. Anti dumping duty shall be leviable on ?

- A. Articles imported by 100% EOU
- B. Articles imported by SEZ
- C. Articles imported by DTA
- D. Articles imported by FTZ

15. How is anti dumping duty computed?

- A. Margin of dumping or injury margin , whichever is higher
- B. Amount equal to Fair selling price
- C. Amount equal to Landed value
- D. Margin of dumping or injury margin , whichever is Lower

16. What does margin of dumping mean ?

- A. Difference between article's export price & fair selling price
- B. Difference between article's export price & normal value
- C. Difference between article's fair selling price & normal value
- D. Difference between article's import price & normal value

17. The retrospective date from which the duty is payable shall not be beyond

- A. 90 days from the date of such notification.
- B. 180 days from the date of such notification.
- C. 45 days from the date of such notification.
- D. 30 days from the date of such notification.

18. Which of the following is false?

- A. An article shall be subjected to both countervailing and anti-dumping duties together
- B. Countervailing and anti-dumping duties shall not be levied just because such articles are exempt from duties in country of origin
- C. Countervailing and anti-dumping duties shall not be levied on imports from member country of WTO or from a country with whom the GOI has a most favoured nation agreement

19. Which of the following is true?

- A. Countervailing and anti-dumping duties shall be levied on imports from member country of WTO
- B. Countervailing and anti-dumping duties shall be levied on articles that are exempt from duties in country of origin
- C. An article shall be subjected to both countervailing and anti-dumping duties together
- D. Countervailing and anti-dumping duties shall not be levied on imports from a country with whom the GOI has a most favoured nation agreement

20. What is the rate of Social Welfare Surcharge on imported goods ?

- A. 3%
- B. 2%
- C. 10%
- D. 5%

21. Which are the duties that shall be excluded for computing Social welfare surcharge ?

- A. Safeguard duty
- B. Countervailing duty
- C. Anti dumping duty
- D. All of the above

22. Which of the following is false ?

- A. W.e.f 02.02.2018, all goods imported into India have been exempted from education cess and secondary and higher education cess
- B. SWS @ 10% has been levied w.e.f. 02.02.2018 in lieu of education cess and secondary and higher education cess for providing and financing education, health and social security.
- C. Social welfare surcharge leviable on integrated tax and goods and services tax compensation cess has been exempted
- D. Safeguard Duty, Anti dumping duty & Countervailing duty shall be included to calculate SWS

ANSWERS:

1. C	6. B	11. C	16. B	21. D
2. A	7. C	12. B	17. A	22. D
3. B	8. A	13. D	18. A	
4. C	9. A	14. C	19. D	
5. B	10. C	15. D	20. C	

Chapter 3 - Classification of Imported and Export Goods

1. What is the relevance of one dash ["-"]?

- A. Denotes that the said article or group of articles shall be taken to be sub-classification of the article or group of article covered by the said heading.
- B. Denotes that that the said article or group of articles shall be taken to be sub-classification of the immediately preceding article/group of articles
- C. It has no relevance
- D. It denotes the duty shall be computed at the percentage specified on the value of the goods

2. What is the relevance of two dash ["--"]?

- A. Denotes that the said article or group of articles shall be taken to be sub-classification of the article or group of article covered by the said heading.
- B. Denotes that that the said article or group of articles shall be taken to be sub-classification of the immediately preceding article/group of articles
- C. It has no relevance
- D. It denotes the duty shall be computed at the percentage specified on the value of the goods

3. What is the classification as per Rule 2(a) of First Schedule to The Customs Tariff Act?

- A. The heading which provides the most specific description shall be preferred to headings providing a more general description.
- B. Any reference in a heading to a material or substance shall be taken to include a reference to mixtures or combinations of that material or substance with other materials or substances.
- C. Any reference in a heading to an article shall be taken to include a reference to that article incomplete or unfinished, provided that, the incomplete or unfinished article has the essential character of the complete or finished article.
- D. Any reference to goods of a given material or substance shall be taken to include a reference to goods consisting wholly or partly of such material or substance.

4. What is the classification as per Rule 2(b) of First Schedule to The Customs Tariff Act ?

- A. The heading which provides the most specific description shall be preferred to headings providing a more general description.
- B. cases/containers used for packaging of goods shall be classified with a specific article or a set of articles when of a kind normally sold therewith.
- C. Any reference in a heading to an article shall be taken to include a reference to that article incomplete or unfinished, provided that, the incomplete or unfinished article has the essential character of the complete or finished article.
- D. Any reference to goods of a given material or substance shall be taken to include a reference to goods consisting wholly or partly of such material or substance.

5. What is the classification as per Rule 3(a) of First Schedule to The Customs Tariff Act ?
- A. The heading which provides the most specific description shall be preferred to headings providing a more general description.
- B. Cases/containers used for packaging of goods shall be classified with a specific article or a set of articles when of a kind normally sold therewith.
- C. Any reference in a heading to an article shall be taken to include a reference to that article incomplete or unfinished, provided that, the incomplete or unfinished article has the essential character of the complete or finished article.
- D. Any reference to goods of a given material or substance shall be taken to include a reference to goods consisting wholly or partly of such material or substance.
6. What is the classification as per Rule 3(b) of First Schedule to The Customs Tariff Act?
- A. The heading which provides the most specific description shall be preferred to headings providing a more general description.
- B. cases/containers used for packaging of goods shall be classified with a specific article or a set of articles when of a kind normally sold therewith.
- C. Mixtures, composite goods consisting of different materials or made up of different components, and goods put up in sets for retail sale, which cannot be classified with reference to Specific description shall be classified as if they consisted of material which gives them their essential character
- D. Any reference to goods of a given material or substance shall be taken to include a reference to goods consisting wholly or partly of such material or substance.
7. Which of the following is false?
- A. Goods which cant be classified in accordance with any of the Rules of Interpretation shall be classified under the heading appropriate to goods to which they are most akin .
- B. Packing materials and packing containers presented with the goods therein shall be classified with the goods, if they are of a kind normally used for packing such goods.
- C. Containers shall be classified with specific article or a set of articles when of a kind normally sold therewith even if containers give the whole its essential character.
- D. A sub-heading can be compared only with another sub-heading within the same heading.
8. Which of the following is True?
- A. Containers shall be classified with specific article or a set of articles when of a kind normally sold therewith even if containers give the whole its essential character.
- B. In Case of Project Import, Individual exemption notification will apply even for items grouped under the said heading of the customs tariff liable to duty at the project rate as per recent Supreme Court judgement.
- C. Goods requiring major adjustments can be construed as having the essential character.
- D. The different items in project imports are all imported & different rates are made applicable for all items of project import.

ANSWERS:

1. A	5. A
2. B	6. C
3. C	7. C
4. D	8. B

Answer the following with reasons considering decision of significant CASELAWS:

9. Whether operating software has to be classified along with laptop as one unit?

- A. Yes
- B. No

10. Whether the mobile battery charger is classifiable as an accessory of the cell phone or as an integral part of the same?

- A. Accessory
- B. Integral part

11. Whether a separate notice is required to be issued for payment of interest which is mandatory and automatically applies for recovery of excess drawback?

- A. Yes
- B. No

12. Will the description of the goods as per the documents submitted along with the Shipping Bill be a relevant criterion for the purpose of classification, if not otherwise disputed on the basis of any technical opinion or test?

- A. Yes
- B. No

ANSWERS:

9. A

(without operating system like windows, the laptop cannot work & thus valuation to be made as one unit.)

10. A

(battery charger cannot be held to be a composite part of the cell phone, but is an independent product which can be sold separately without selling the cell phone.)

11. B

(Notice for the payment of interest need not be issued separately as the payment of interest becomes automatic, once it is held that excess drawback has to be repaid.)

12. A

(the exported goods should not be classified under different headings contrary to the description given in the invoice and the Shipping Bill which had been assessed and cleared for export)

Chapter 4: Valuation under the Customs Act, 1962

1. What is Transaction value in case of EXPORT GOODS?

- A. the price actually paid for the goods when sold for export to India for delivery at the time and place of importation (CIF) where the buyer and seller of the goods are related
- B. the price actually paid or payable for the goods when sold for export from India for delivery at the time and place of exportation (FOB) where the buyer and seller of the goods are related
- C. the price actually paid or payable for the goods when sold for export from India for delivery at the time and place of exportation (FOB) where the buyer and seller of the goods are not related and price is the sole consideration for the sale.
- D. the price actually paid or payable for the goods when sold for export to India for delivery at the time and place of importation (CIF) where the buyer and seller of the goods are not related and price is the sole consideration for the sale.

2. What is Transaction value in case of IMPORTED GOODS?

- A. the price actually paid for the goods when sold for export to India for delivery at the time and place of importation (CIF) where the buyer and seller of the goods are related
- B. the price actually paid or payable for the goods when sold for export from India for delivery at the time and place of exportation (FOB) where the buyer and seller of the goods are related
- C. the price actually paid or payable for the goods when sold for export from India for delivery at the time and place of exportation (FOB) where the buyer and seller of the goods are not related and price is the sole consideration for the sale.
- D. the price actually paid or payable for the goods when sold for export to India for delivery at the time and place of importation (CIF) where the buyer and seller of the goods are not related and price is the sole consideration for the sale

3. The cost of transport of the imported goods includes:

- (i) Ship demurrage charges
- (ii) Lighterage
- (iii) Barge charges
- (iv) Port Demurrage
- (v) Transshipment after importation

- A. i, ii, iii
- B. i, iii, iv
- C. i, iv, v
- D. i, ii, iii, iv

4. As per the Accessories (Conditions) Rules, 1963, accessories of and spare parts and maintenance or repairing implements for, any article when imported along with that article shall be chargeable at the same rate of duty as that article, if proper officer is satisfied that:

- A. In the ordinary course of trade such accessories, parts and implements are compulsorily supplied along with that article.
- B. No separate charge is made for such supply.
- C. Their price being included in the price of the relevant article.
- D. A & B but not C
- E. A, B & C

5. Onus to prove that identical goods have been imported at a price higher than the value of the goods declared by the importer, lies with the _____

- A. Department
- B. Importer
- C. Both
- D. None

6. What is the DATE FOR DETERMINING THE RATE OF DUTY AND TARIFF VALUATION in case of goods entered for Export?

- A. Date of Presentation of Bill of Entry
OR Date of Entry Inwards of Vessel/Vehicle/Aircraft, whichever is later.
- B. Date of Presentation of Bill of Entry for Home Consumption
- C. The Date on which proper officer makes an order permitting clearance
- D. Date of Payment of Duty

7. What is the date relevant for determining of rate of exchange for conversion in value of imported goods?

- A. ROE prevalent on date of importation
- B. ROE prevalent on date of filing Bill of Entry
- C. ROE prevalent on date of filing shipping bill / bill of Export
- D. None of the above

8. What is the date relevant for determining of rate of exchange for conversion in value of export goods?

- A. ROE prevalent on date of importation
- B. ROE prevalent on date of filing Bill of Entry
- C. ROE prevalent on date of filing shipping bill / bill of Export
- D. None of the above

9. Value of imported goods shall be the transaction value of identical goods sold for export to India and imported at or about the same time as the goods being valued. In applying this rule, if more than one transaction value of identical goods is found, the _____ such value shall be used to determine the value of imported good.

- A. Lowest
- B. Highest
- C. Average of highest & lowest
- D. Mostly repetitive value

10. Charges for “vendor inspection” on the second hand goods carried out by foreign supplier on his own and not required for making the goods ready for shipment, are not includible in the assessable value of the imported goods.

- A. True
- B. False

11. If the cost of transport, loading, unloading and handling charges associated with the delivery of the imported goods to the place of importation; is not ascertainable then, it shall be

- A. 20% of free on board value of goods.
- B. 25% of free on board value of goods.
- C. 15% of free on board value of goods.
- D. 10% of free on board value of goods.

12. If the cost of insurance to the place of importation is not ascertainable then, it shall be

- A. 1.15% of free on board value of goods.
- B. 1.125% of free on board value of goods.
- C. 1.5% of free on board value of goods.
- D. 2% of free on board value of goods.

13. Where the free on board value of the goods is not ascertainable but the sum of free on board value of the goods and cost of transport, loading, unloading and handling charges is ascertainable, then the cost of insurance shall be :

- A. 1.125% of free on board value of goods.
- B. 1.125% of free on board value of goods plus cost of transport
- C. 2.5% of free on board value of goods
- D. 2.5% of free on board value of goods plus cost of transport

ANSWERS:

1. C	6. C	11. A
2. D	7. B	12. B
3. A	8. C	13. B
4. E	9. A	
5. A	10. A	

Chapter 5: Importation, Exportation & Transportation of goods

1. Which of the following is a customs station as per definition?
 - A. International courier terminal
 - B. Foreign post office
 - C. Land customs station
 - D. A, B & C
 - E. A & C but not B

2. Which one of the following is false?
 - A. Dutiable goods means any goods on which duty has been paid.
 - B. In order to be dutiable, any article must fall within the ambit of the word goods
 - C. In order to be dutiable article should find a mention in the Customs Tariff
 - D. Dutiable goods means any goods which are chargeable to duty

3. Which of the following is Exporter as per the definition?
 - A. Owner of goods exported
 - B. Beneficial owner
 - C. Any person holding himself out to be the exporter
 - D. All of the above

4. Which one of the following is false?
 - A. Stores means goods for use in a vessel or aircraft
 - B. Stores includes fuel and spare parts and other articles of equipment
 - C. Stores cover goods for use in a vehicle
 - D. Stores also includes items even if they are not for immediate fitting

5. Which one of the following is false?
 - A. Central Board of Excise and Customs is empowered to appoint inland container depots.
 - B. Principal Commissioner of Customs is empowered to appoint inland container depots.
 - C. Central Board of Excise and Customs is empowered to appoint land customs station.
 - D. Principal Commissioner of Customs is empowered to specify limits of customs area.

6. Which one of the following is false?
 - A. Person in charge of the vessel will have to report the arrival of the vessel or the landing of the aircraft to the nearest customs officer or officer in charge of police station
 - B. Any failure on the part of the person in charge of the vessel to comply with relevant provisions will render him to be liable to penalty
 - C. Any failure on the part of the person in charge of the vessel to comply with the relevant provisions will only render him to be liable to penalty but the imported goods & conveyance shall not be liable to confiscation.
 - D. Person in charge of the vessel should not allow any unloading of goods without permission, unless for reason of health, safety or preservation of life or property

7. What is Time limit for delivery of IGM/IR where the imported goods are brought in a vessel?
- A. After the arrival of the vessel
 - B. Any time prior to the arrival of vessel
 - C. On the time of arrival of vessel
 - D. Within 12 hrs after its arrival
8. Which one of the following is true?
- A. Mode of presentation for goods imported by vessel is Manual filing
 - B. Mode of presentation for goods imported by vehicle is Manual filing
 - C. Import Manifest is the import document for vehicles
 - D. Import Report is the import document for aircraft
9. If the arrival manifest or import manifest or the import report or any part thereof, is not delivered to the proper officer within the specified time and if the proper officer is satisfied that there was no sufficient cause for such delay, the person-in-charge would be liable to a penalty up to
- A. Rs 50,000
 - B. Rs 10,000
 - C. Rs 100,000
 - D. Rs 5000
10. For which of the following a separate mention in cargo declaration is not required?
- A. Furniture
 - B. Ammunition
 - C. Gold & silver
 - D. Narcotics
11. Which of the following is true?
- A. The master of a vessel shall not permit the unloading of any goods until an order has been given by the proper officer granting Entry inwards to such vessels
 - B. The master of a aircraft shall not permit the unloading of any goods until an order has been given by the proper officer granting Entry inwards to such aircraft
 - C. The master of a vehicle shall not permit the unloading of any goods until an order has been given by the proper officer granting Entry inwards to such vehicle
 - D. None of the above
12. Which of the following is true?
- A. The master of a vehicle shall not permit the unloading of any goods until an order has been given by the proper officer granting Entry inwards to such vehicle
 - B. Grant of Entry Inwards is an acknowledgement of the fact that Customs Department is ready to supervise the unloading of the cargo, and is prepared to assess the goods to duty, as and when the concerned importer comes forward to clear the imported goods
 - C. Even imported goods like animals, perishable & hazardous goods are not to be unloaded from vessel until entry inward is granted
 - D. None of the above

13. Which of the following is true?

- A. If the goods are not mentioned in the manifest or import report delivered to the proper officer at a customs port/airport/station, there is every reason to believe that the goods were intended to be smuggled into India, either without payment of duty or in contravention of any prohibition in force.
- B. At times ships cannot come to the shore for unloading or loading, so import cargo is taken from the ship to the shore and the export cargo is taken from the shore to the ship in boats & must be accompanied by a boat note.
- C. The proper officer may, at any time, board any conveyance carrying imported goods or export goods and may remain on such conveyance for such period, as he considers necessary.
- D. All of the above

14. Who is the custodian of an Inland Container Depot?

- A. Container Corporation of India
- B. Warehouse Keeper
- C. Port Trust
- D. Station Master

15. Who is the custodian of an goods brought by rail ?

- A. Container Corporation Of India
- B. Warehouse Keeper
- C. Port Trust
- D. Station Master

16. Who is the custodian in major ports?

- A. Container Corporation Of India
- B. Warehouse Keeper
- C. Port Trust
- D. Station Master

17. Who is the custodian in case of Aircargo ?

- A. Container Corporation Of India
- B. Station Master
- C. Port Trust
- D. National Airport Authority

18. Under Section 45 of The Customs Act, 1962, what is the liability of Custodian if imported goods are pilfered?

- A. Custodian is liable to pay for value of goods lost
- B. Custodian liable only if he has stolen or damaged the goods
- C. Custodian shall be liable to pay duty on such goods. The duty shall be paid at the rate prevailing on the day of delivery of the import manifest or an import report.
- D. Custodian is in no way liable in case of pilfered goods.

19. What is the due date for deferred payment of import duty when Bill of entry returned from payment from 16th Day till 31st day of March?

- A. 16th day of that month
- B. 1st day of following month
- C. 31st March
- D. 30th September

20. What is the due date for deferred payment of import duty when Bill of entry returned from payment from 16th Day till last day of any month other than March?

- A. 16th day of that month
- B. 1st day of following month
- C. 31st March
- D. 30th September

21. Importers paying Customs duty of Rs. _____ or more per bill of entry are mandatory required to make electronic payment of duty.

- A. Rs 10 lakh
- B. Rs 11 lakh
- C. Rs 5 lakh
- D. Rs 1 lakh

22. What is the Additional Allowance under Rule 5 for gentleman?

- A. Jewellery upto weight 40gms with a value cap of Rs.1,00,000.
- B. Jewellery upto weight 30gms with a value cap of Rs.1,00,000.
- C. Jewellery upto weight 20gms with a value cap of Rs.50,000.
- D. Jewellery upto weight 20gms with a value cap of Rs.5,00,000.

23. What is the general duty free baggage allowance amount for Indian Resident or Foreigner residing in India or Tourist coming from the country of Nepal, Bhutan, or Myanmar?

- A. Rs. 50,000
- B. Rs.10,000
- C. Rs.15,000
- D. Rs. 1,00,000

24. What is the general duty free baggage allowance amount for Indian Resident or Foreigner residing in India or Tourist of Indian origin coming from the country other than Nepal, Bhutan, or Myanmar?

- A. Rs. 50,000
- B. Rs.10,000
- C. Rs.15,000
- D. Rs. 1,00,000

25. What is the condition required to avail Additional Jewellery Allowance under Rule 5 ?

- A. Passenger must be residing abroad for more than 1 year.
- B. He must be a crew member
- C. He must be an infant
- D. Passenger must be residing abroad for more than 2 years.

ANSWERS:

1. D	6. C	11. A	16. C	21. D
2. A	7. B	12. B	17. D	22. C
3. D	8. B	13. D	18. C	23. C
4. C	9. A	14. A	19. C	24. A
5. B	10. A	15. D	20. B	25. A

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Chapter 6: Warehousing

1. Which is the warehouse where dutiable goods notified by CBEC may be deposited?
 - A. Public Warehouses
 - B. Special Warehouses
 - C. Confidential Warehouses
 - D. Private Warehouses

2. Which are the goods notified by CBIC to be deposited in the special warehouse?
 - A. Medicine & healthcare products
 - B. Products required by the military forces
 - C. Gold, silver, other precious metals and semi-precious metals and articles
 - D. Perishable goods like food grains

3. Which are the goods that are NOT notified by CBIC to be deposited in the special warehouse?
 - A. goods warehoused for the purpose of supply to DFS (Duty Free Shops) in a customs area
 - B. Products required by the military forces
 - C. Gold, silver, other precious metals and semi-precious metals and articles
 - D. goods warehoused for the purpose of supply to foreign privileged persons

4. Which are the goods notified by CBIC to be deposited in the special warehouse?
 - A. goods warehoused for the purpose of supply to foreign privileged persons
 - B. Goods which are a necessity
 - C. Products required by the military forces
 - D. Perishable goods like food grains

5. What is the amount of solvency certificate to be issued from a Scheduled Bank while applying for warehouse?
 - A. Rs.5 crore
 - B. Rs.1 crore
 - C. Rs.10 lakhs
 - D. Rs.2 crore

6. Which of the following makes an applicant eligible for the purpose of getting warehouse licence?
 - A. Must be citizen of India/entity incorporated in India
 - B. Must furnish solvency certificate of Rs. 2 crore from a Scheduled Bank
 - C. Must not be an insolvent/unsound mind person, convicted/penalised person
 - D. All of the above

7. Which of the following is false?
 - A. The warehouse license is required to be renewed annually
 - B. License would be cancelled on written request of the licensee.
 - C. It is not transferable & valid till its cancellation/surrender
 - D. Licence cannot be issued to insolvent/unsound mind person, convicted/penalised person.

- 8.** Which of the warehouses are under record based control?
1. Public Warehouses 2. Special Warehouses 3. Private Warehouses
A. 1 & 2
B. 2 & 3
C. 1 & 3
- 9.** Once the licence is cancelled, the warehoused goods will be removed from such warehouse within how many days ?
A. 9 days from the date on which order of such cancellation is served on the licensee.
B. 7 days from expiry of the year for which licence was granted
C. 7 days from the date on which order of such cancellation is served on the licensee.
D. 9 days from expiry of the year for which licence was granted
- 10.** Where can the warehoused goods be removed to?
A. Another Warehouse
B. For Home Consumption
C. For export
D. For any of above
- 11.** Which one of the following is false?
A. No goods will be deposited in such warehouse during the period of suspension.
B. The goods already deposited in the warehouse will continue to be governed by the warehousing provisions
C. The licence is transferable in one's blood relations.
D. The licensee will be given a reasonable opportunity of being heard before cancellation of licence.
- 12.** Which one of the following remains under physical record of Proper officer (under custom lock)?
A. Public Warehouses
B. Special Warehouses
C. Confidential Warehouses
D. Private Warehouses
- 13.** Which one of the following is true?
A. License granted for all three types of warehouses namely- Public, Private and Special Warehouses, can be cancelled.
B. License can only be cancelled for public & private Warehouses
C. License can only be cancelled for special Warehouses
D. The warehoused goods of whom licence is cancelled are supposed to be destroyed.
- 14.** What is the amount of warehousing bond importers are required to submit?
A. bond for an amount equal to twice the duty amount involved
B. bond for an amount equal to the duty amount involved
C. bond for an amount equal to five times the duty amount involved
D. bond for an amount equal to thrice the duty amount involved

- 15.** Warehousing period for capital goods for EOUs, EHTPs, STPs, or warehouses where manufacture/ other operations are permitted ?
- A. Till the clearance of such goods from warehouse
 - B. Till Consumption of such goods
 - C. Till expiry of one year from date of order
 - D. Till completion of production
- 16.** Warehousing period for other than capital goods for EOUs, EHTPs, STPs, or warehouses where manufacture/ other operations are permitted ?
- A. Till the clearance of such goods from warehouse
 - B. Till Consumption or clearance of such goods
 - C. Till expiry of one year from date of order
 - D. Till completion of production
- 17.** What is the normal time period for which goods may remain warehoused? (Not warehouse where manufacture is permitted)
- A. Till the clearance of such goods from warehouse
 - B. Till Consumption of such goods
 - C. Till expiry of one year from date of order permitting removal from customs station for deposit in warehouse was passed.
 - D. C. Till expiry of three year from date of order permitting removal from customs station for deposit in warehouse was passed.
- 18.** What is the rate of interest on warehoused goods?
- A. 20%p.a
 - B. 15%p.a
 - C. 6%p.a
 - D. 12%p.a
- 19.** From what date will the interest on goods in warehouse other than manufacturing warehouse will start ?
- A. 65 days from date on which order permitting removal from customs station for deposit in warehouse was passed.
 - B. 90 days from date on which order permitting removal from customs station for deposit in warehouse was passed.
 - C. 45 days from date on which order permitting removal from customs station for deposit in warehouse was passed.
 - D. 1 year from date on which order permitting removal from customs station for deposit in warehouse was passed.
- 20.** Period for which interest is payable ?
- A. From expiry of 1 year till date of payment of duty on Warehoused goods.
 - B. From expiry of 60 days till date of payment of duty on Warehoused goods.
 - C. From expiry of 90 days till date of payment of duty on Warehoused goods.
 - D. From deposit of goods in warehouse till date of payment of duty on Warehoused goods.

21. Which of the following is true?

- A. If no customs duty is payable at the time of clearance of goods from warehouse, no interest is payable.
- B. Interest on warehoused goods to be paid at 18%p.a
- C. Interest on warehoused goods can never be waived off.
- D. The Principal Commissioner/ Commissioner may extend the warehousing period by not more than 3 years at a time.

22. Upon relinquishment of his title to any imported goods, including the warehoused goods, the owner of such goods shall not be liable to pay duty thereon and when the owner is not liable to pay duty, the question of paying any interest on the duty and penalty would not arise.

- A. True
- B. False

23. When is the interest on warehoused goods payable ?

- A. At the date when order made under section 60(1) permitting removal of goods from the customs station for deposit in a warehouse
- B. Date on which into-bond bill of entry is presented.
- C. at the time of clearance of the goods from warehouse.
- D. On the 91st day from date of removal of goods from the customs station for deposit in a warehouse

24. What is not the owner's right to deal with warehoused goods?

- A. To see and inspect the goods
- B. To damage certain goods, if they are not of acceptable quality
- C. To sort the goods
- D. To show the goods for sale

25. Which of the following is false?

- A. Owner of any warehoused goods may, relinquish his title to the goods upon payment of penalties that may be payable in respect of the goods and upon such relinquishment, he shall not be liable to pay duty thereon.
- B. Owner of any warehoused goods may, not be allowed to relinquish his title to such goods regarding which an offence appears to have been committed
- C. The owner of any warehoused goods cannot remove goods from one warehouse to another
- D. If no customs duty is payable at the time of clearance of goods from warehouse, no interest is payable.

26. Which of the following are Not volatile goods?

- A. liquid helium gas kept in containers
- B. wine, spirit and beer, kept in casks
- C. crude stored in caverns
- D. Food grains & dairy items

27. What will be the Rate of duty applicable on goods when not removed upto expiry of permitted period from warehouse?

- A. Rate when the demand notice is issued
- B. Rate in force on the date of deemed removal
- C. Rate when goods were brought in warehouse
- D. No duty shall be charged

28. Who is the custodian of warehoused goods ?

- A. Importer
- B. Warehouse keeper
- C. Port Trust
- D. Warehoused goods have no custodian

29. Licensee is required to maintain updated & accurate records & preserve them for _____ years ?

- A. 2
- B. 7
- C. 5
- D. 10

30. Licensee shall have to file with bond officer a _____ return ?

- A. Monthly
- B. Quarterly
- C. Yearly
- D. 10 days

31. Time to file return with Bond Officer?

- A. Within 10 days after close of month to which return relates
- B. Within 1 month after close of month to which return relates
- C. On or Before the end of year
- D. Within 6 months after close of month to which return relates

ANSWERS:

1. B	6. D	11. C	16. B	21. A	26. D
2. C	7. A	12. B	17. C	22. A	27. B
3. B	8. C	13. A	18. B	23. C	28. B
4. A	9. C	14. D	19. B	24. B	29. C
5. D	10. D	15. A	20. C	25. C	30. A
					31. A

Chapter 7: Duty Drawback

1. In case of Drawback allowable on re-export of duty paid goods the goods should be entered for export within ____ from the date of payment of duty on the importation thereof
 - A. Three years
 - B. Two years
 - C. Seven years
 - D. Ten years

2. What is the % of Drawback allowable on re-export of duty paid goods u/s 74 ?
 - A. 100%
 - B. 97%
 - C. 98%
 - D. 105%

3. The time limit for Drawback u/a 74 is 2 years from ____ ?
 - A. date of payment of duty on the importation.
 - B. date of importation.
 - C. date of exportation.
 - D. Date of application

4. The authority who has to be satisfied that the goods exported should be the one which has been imported earlier on payment of duty is the ____
 - A. Assistant or Deputy Commissioner of Customs
 - B. Commissioner of Customs
 - C. Principal Commissioner of Customs
 - D. Principal Chief Commissioner of Customs

5. Who shall extend the time limit if sufficient reason is shown by importer as to why he was prevented from exporting the goods within the said period of 2 years
 - A. Central government
 - B. Supreme Court
 - C. Central Board of Indirect tax & Customs
 - D. State government

6. Who has the power to make rules under section 74 ?
 - A. Central government
 - B. Supreme Court
 - C. Central Board of Excise & Customs
 - D. State government

7. List the goods which are not entitled to drawback at all of import duty if they have been used after their importation in India:

- A. All of the below
- B. Wearing Apparel , Tea Chests
- C. Exposed cinematograph films passed by Board of Film Censors in India.
- D. Unexposed photographic films, paper and plates, and X-ray films.

8. What is the rate of Drawback if wearing Apparels or tea chests are not used after their importation into India and subsequently re-exported in the condition they were imported?

- A. 96%
- B. 95%
- C. 100%
- D. 98%

9. What is the percentage of import duty to be paid as Drawback if the length of period between date of clearance for home Consumption & date when goods are placed under Customs control for export is Not more than 3 months?

- A. 95%
- B. 85%
- C. 75%
- D. 70%

10. What is the percentage of import duty to be paid as Drawback if the length of period between date of clearance for home Consumption & date when goods are placed under Customs control for export is more than 18 months ?

- A. 95%
- B. 85%
- C. 75%
- D. Nil

11. What is the percentage of import duty to be paid as Drawback if the length of period between date of clearance for home Consumption & date when goods are placed under Customs control for export is more than 6 months but not more than 9 months ?

- A. 95%
- B. 85%
- C. 75%
- D. 70%

12. What is the percentage of import duty to be paid as Drawback if the length of period between date of clearance for home Consumption & date when goods are placed under Customs control for export is more than 12 months but not more than 15 months ?

- A. 95%
- B. 65%
- C. 75%
- D. 70%

13. What is the percentage of import duty to be paid as Drawback if the length of period between date of clearance for home Consumption & date when goods are placed under Customs control for export is more than 15 months but not more than 18 months ?

- A. 60%
- B. 65%
- C. 75%
- D. 98%

14. What is the special rate of Drawback if car or specified goods are re-exported immediately?

- A. 60%
- B. 65%
- C. 75%
- D. 98%

15. By what % shall the import duty be reduced to calculate drawback, if the car or specified goods are re-exported after being used for 1 year?

- A. 2% per quarter or part thereof
- B. 4% per quarter or part thereof
- C. 3% per quarter or part thereof
- D. 2.5% per quarter or part thereof

16. By what % shall the import duty be reduced for 2nd year to calculate drawback, if the car or specified goods are re-exported after being used for 2 years?

- A. 2% per quarter or part thereof
- B. 4% per quarter or part thereof
- C. 3% per quarter or part thereof
- D. 2.5% per quarter or part thereof

17. By what % shall the import duty be reduced for 3rd year to calculate drawback, if the car or specified goods are re-exported after being used for 3 years?

- A. 2% per quarter or part thereof
- B. 4% per quarter or part thereof
- C. 3% per quarter or part thereof
- D. 2.5% per quarter or part thereof

18. By what % shall the import duty be reduced for 4th Year to calculate drawback, if the car or specified goods are re-exported after being used for 4 years?

- A. 2% per quarter or part thereof
- B. 4% per quarter or part thereof
- C. 3% per quarter or part thereof
- D. 2.5% per quarter or part thereof

- 19.** What is the percentage of import duty to be paid as Drawback if the length of period between date of clearance for home Consumption & date when goods are placed under Customs control for export is more than 9 months but not more than 12 months ?
- A. 60%
 - B. 65%
 - C. 70%
 - D. 98%
- 20.** No drawback shall be allowed if such motor car or goods have been used for more than ____ years ?
- A. 5
 - B. 6
 - C. 4
 - D. 3
- 21.** In case of filing form for claiming Drawback on goods exported by post the exporter shall be informed of the deficiencies in form within _____ days ?
- A. 30
 - B. 15
 - C. 45
 - D. 20
- 22.** The exporter has to comply with the requirements specified in deficiency memo within ____ ?
- A. 30 days
 - B. 60 days
 - C. 20 days
 - D. 10 days
- 23.** What shall be the date of filing the claim in case of deficiencies in filing Drawback claim for goods exported by post?
- A. the date on which the aforesaid claim form is received by the proper officer of customs from the postal authorities.
 - B. The date of acknowledgment when exporter complies with requirement specified in deficiency memo
 - C. The date when exporter files claim
 - D. No drawback shall be allowed if there are any deficiencies in claim
- 24.** What is time of claiming drawback on goods exported other than by post ?
- A. within three months (extendable by another three months) from the date on which an order permitting clearance and loading of goods for exportation is made by proper officer of customs.
 - B. within nine months (extendable by another three months) from the date on which an order permitting clearance and loading of goods for exportation is made by proper officer of customs.

C. within six months (extendable by another three months) from the date on which an order permitting clearance and loading of goods for exportation is made by proper officer of customs.

D. within eight months (extendable by another three months) from the date on which an order permitting clearance and loading of goods for exportation is made by proper officer of customs.

25. What is the application fee for grant of extension of time limit for claiming drawback on goods exported other than by post to Assistant/Deputy Commissioner of Customs?

A. 1% of FOB value of exports.

B. Rs. 10000/-

C. 1% of FOB value of exports, or, Rs.1000, whichever is less

D. 2% of FOB value of exports, or, Rs.2000, whichever is less

26. What is the application fee for grant of extension of time limit for claiming drawback on goods exported other than by post to Principal Commissioner/ Commissioner of Customs?

A. 1% of FOB value of exports.

B. Rs. 10000/-

C. 1% of FOB value of exports, or, Rs.1000, whichever is less

D. 2% of FOB value of exports, or, Rs.2000, whichever is less

27. What is the time for which extension can be granted by Assistant/ Deputy Commissioner of Customs under Rule 5 ?

A. 3 months

B. 6 months

C. 4 months

D. 2 months

28. What is the FURTHER time for which extension can be granted by Principal Commissioner/ Commissioner of Customs under Rule 5 ?

A. 3 months

B. 2 months

C. 4 months

D. 6 months

29. For which of the following Drawback u/s 75 is allowed?

A. Tea chests

B. Goods manufactured out of duty free materials.

C. Packing materials for export of blended tea

D. Packing material used for jute yarn, fabrics

30. What to do in Cases where amount or rate of drawback u/s has not been determined ?

A. Manufacturer has to apply for drawback within 1year seeking brand rate from Government.

B. Apply Drawback rate as per your own calculations

C. It means there is no Drawback admissible in this case

D. Manufacturer has to apply for drawback within 3months seeking brand rate from Government.

- 31.** When can it be concluded that the rate of drawback determined is low ?
- Where the rate is lower than 75% of the duties paid
 - Where the rate is lower than 70% of the duties paid
 - Where the rate is lower than 80% of the duties paid
 - Where the rate is lower than 85% of the duties paid
- 32.** The upper limit of drawback money or rate determined under rule 3 should not exceed _____.
- one half of the market price of the export product.
 - one third of the market price of the export product.
 - Three fourth of the market price of the export product.
 - one fourth of the market price of the export product.
- 33.** Where any drawback payable to a claimant under section 74 or 75 is not paid interest at the rate fixed under section 27A shall be paid from?
- From the date after the expiry of the period of one month from the date of filing claim till the date of payment of such drawback.
 - From the date after the expiry of the period of two month from the date of filing claim till the date of payment of such drawback.
 - From the date after the expiry of the period of four month from the date of filing claim till the date of payment of such drawback.
 - None of the above
- 34.** Where any drawback has been paid to the claimant erroneously or it becomes otherwise recoverable, interest shall be paid by claimant from?
- the date of payment of such drawback to the claimant till the date of application for recovery.
 - the date of payment of such drawback to the claimant till the date of recovery of such drawback.
 - 2 months after date of payment of such drawback to the claimant till the date of recovery of such drawback.
 - None of the above

ANSWERS:

1. B	6. A	11. C	16. C	21. B	26. D	31. C
2. C	7. A	12. B	17. D	22. A	27. A	32. B
3. A	8. D	13. A	18. A	23. B	28. D	33. A
4. A	9. A	14. D	19. C	24. A	29. A	34. B
5. C	10. D	15. B	20. C	25. C	30. D	

Chapter 8: Demand & Recovery

1. What is the minimum amount of customs duty below which there would be no recovery?
 - A. Rs.100
 - B. Rs.1000
 - C. Rs.500
 - D. Rs.300

2. What is the time limit for issuance of SCN in cases other than fraud ?
 - A. Within 3 years from relevant date
 - B. Within 2 years from relevant date
 - C. Within 1 years from relevant date
 - D. Within 5 years from relevant date

3. What is the time limit for issuance of SCN in cases of fraud ?
 - A. Within 3 years from relevant date
 - B. Within 2 years from relevant date
 - C. Within 1 years from relevant date
 - D. Within 5 years from relevant date

4. In cases of fraud, if duty, interest and penalty is paid within 30 days of the SCN then what is the effect on penalty ?
 - A. Penalty is waved completely
 - B. Penalty reduced to 25% of duty
 - C. Penalty reduced to 15% of duty
 - D. Penalty remains the same

5. What is the time-limit for determination of amount of duty in cases involving wilful suppression?
 - A. One year from date of notice
 - B. Six months from date of notice
 - C. Nine months from date of notice
 - D. Two years from date of notice

6. What is the time-limit for determination of amount of duty in cases other than involving wilful suppression?
 - A. One year from date of notice
 - B. Six months from date of notice
 - C. Nine months from date of notice
 - D. Two years from date of notice

7. What is the relevant date in case of provisional assessment of duty ?
 - A. Date of payment of duty or interest
 - B. Date of refund
 - C. Date of adjustment of duty after final assessment or re assessment
 - D. Date of order of clearance

- 8.** What is the relevant date in case of erroneous refund of duty or interest?
- A. Date of payment of duty or interest
 - B. Date of refund
 - C. Date of adjustment of duty after final assessment or re assessment
 - D. Date of order of clearance
- 9.** What is the relevant date in case of Non levy or nonpayment or short levy or short payment of duty or non charging of interest?
- A. Date of payment of duty or interest
 - B. Date of refund
 - C. Date of adjustment of duty after final assessment or re assessment
 - D. Date on which proper officer makes an order for clearance of goods
- 10.** What is the interest on delayed payment of duty?
- A. 12% p.a
 - B. 15% p.a
 - C. 18% p.a
 - D. 21% p.a
- 11.** What is the time limit for which interest shall be calculated?
- A. from the day in which the duty ought to have been paid up to the date of payment of such duty
 - B. From 3 months after the day in which the duty ought to have been paid up to the date of payment of such duty
 - C. from the first day of the month succeeding the month in which the duty ought to have been paid up to the date of payment of such duty
 - D. None of the above
- 12.** Within how many days should voluntary payment of duty to be made so as to avoid interest on delayed payment of duty consequent to issue of an order, instruction or direction by the Board under section 151A?
- A. within 30 days from the date of issue of such order
 - B. within 45 days from the date of issue of such order
 - C. within 90 days from the date of issue of such order
 - D. within 15 days from the date of issue of such order
- 13.** As per Sec 28A, what is the time limit where whole of the duty paid or duty paid in excess of that payable on such goods is to be claimed as refund ?
- A. Before the expiry of nine months from the date of issue of the said notification
 - B. Before the expiry of one month from the date of issue of the said notification
 - C. Before the expiry of six months from the date of issue of the said notification
 - D. Before the expiry of three months from the date of issue of the said notification

14. What shall be the treatment of duty collected from buyer in excess of the amount assessed or determined, in any manner as representing duty of customs ?

- A. pay amount so collected to the credit of fund maintained by assessee himself
- B. Pay amount so collected to the credit of the Central Government
- C. Return it back to all from whom the amount were collected
- D. Pay the amount to Consumer Welfare Fund

15. In which of the following cases duties to be deposited with CG ?

- A. One who is liable to pay duty has collected any amount in excess of the duty assessed
- B. Has collected any amount as representing duty of customs on any goods which are wholly exempt
- C. Has collected any amount as representing duty of customs on any goods which are chargeable to nil rate of duty
- D. All of the above cases

16. When can Provisional attachment of property be resorted to by the proper officer?

- A. In case of recovery of duties not levied or short levied not involving wilfull suppression, collusion
- B. In relation to duties collected from buyers but not deposited with the Central Government.
- C. In case of recovery of duties not levied or short levied involving wilfull suppression, collusion
- D. All of the above

17. Whose previous approval by order in writing, is prerequisite for provisional attachment?

- A. Principal Commissioner/Commissioner of Customs
- B. Assistant Commissioner of Customs
- C. No previous approval required
- D. Deputy Commissioner of Customs

18. What is the time for which the attachment can be done ?

- A. 6 months from the date of the order of the Principal Commissioner/Commissioner of Customs permitting such provisional attachment.
- B. 9 months from the date of the order of the Principal Commissioner/Commissioner of Customs permitting such provisional attachment.
- C. 18 months from the date of the order of the Principal Commissioner/Commissioner of Customs permitting such provisional attachment.
- D. Attachment can be done for indefinite period of time by Principal Commissioner/Commissioner of Customs

19. Can period of attachment be extended by Principal Commissioner/Commissioner of Customs ?

- A. No
- B. Yes , untill the Proceedings are not over
- C. Yes, but total period of extension in any case shall not exceed 2 years.
- D. Since Attachment can be done for indefinite period of time, hence the question of extension doesn't arise at all.

20. What are the effect if application to Settlement Commission is made when the property is provisionally attached ?

- A. The period commencing from the date on which such an application is made and ending with the date on which an order is made shall be excluded from the extension period
- B. No application can be made to settlement Commission once property is attached
- C. The attached property has to be released
- D. The amount equivalent to Stamp Duty value of attached property has to be paid by Department to assessee

21. What is/are the pre requisites for a lawful provisional attachment of property ?

- A. When Proper officer feels the need to Attach property of the assessee
- B. When the proceedings have been completed in full.
- C. Attachment shall be done only when the proper officer is of the opinion that the attachment is necessary for the purpose of protecting the interests of revenue.
- D. All of the above

ANSWERS:

1. A	6. B	11. C	16. D	21. C
2. B	7. C	12. B	17. A	
3. D	8. B	13. C	18. A	
4. C	9. D	14. B	19. C	
5. A	10. B	15. D	20. A	

Chapter 9: Refund

1. Who can apply for refund of import duty or interest?
 - A. the person who paid the duty or interest in excess;
 - B. the person who bore the incidence of such duty or interest.
 - C. The person who appeals against departments order
 - D. A or B

2. To whom is the application for refund to be made?
 - A. Assistant / Deputy Commissioner
 - B. Principal Commissioner
 - C. Chief Commissioner
 - D. Assessing Officer

3. What is the time period for claim of application of refund by importer / exporter?
 - A. 2 years from date of payment of such duty or interest
 - B. 1 year from date of payment of such duty or interest
 - C. 5 years from date of payment of such duty or interest
 - D. No time limit

4. What is the time period for claim of application by another person, from whom duty was collected ?
 - A. 2 years from date of payment of such duty or interest
 - B. Made before expiry of one year from the date of purchase of the goods
 - C. Made before expiry of 2 years from the date of purchase of the goods
 - D. No time limit

5. What is the time period for claim of application of refund in case of duty paid under protest ?
 - A. 2 years from date of payment of such duty
 - B. 1 year from date of payment of such duty
 - C. 5 years from date of payment of such duty
 - D. No time limit

6. What is the Minimum amount of refund ?
 - A. Rs.200
 - B. Rs.100
 - C. Rs.50
 - D. No minimum amount of refund

7. When the person who applies for refund is not the person who has borne the burden of duty, the refund is paid to ?
 - A. To one who has borne the duty
 - B. Consumer welfare Fund
 - C. Customer
 - D. None

8. Does the principle of unjust enrichment apply in case of refund after provisional assessment?
- A. Yes, as what is paid at the time of provisional assessment is customs duty and not only deposit
 - B. No, as what is paid at the time of provisional assessment is only deposit
9. Does the principle of unjust enrichment apply in case of refund of excess duty paid on car imported for personal use?
- A. Not apply & the refund should not be credited to consumer welfare fund, but shall be paid to the applicant.
 - B. Shall apply & refund should be credited to consumer welfare fund
10. What is the rate of interest on delayed refunds?
- A. 15%
 - B. 6%
 - C. 10%
 - D. 18%
11. What is the time for which interest on refund has to be paid ?
- A. The interest is to be paid for the period beginning from the date of receipt of such application, till the expiry of 3 months from that date.
 - B. The interest is to be paid for the period beginning from the date of receipt of such application, till the date of refund of such duty
 - C. The interest is to be paid for the period beginning from the date immediately after the expiry of 3 months from the date of receipt of such application, till the date of refund of such duty
 - D. No interest is to be paid on refund
12. Till what time period can application for refund of duty be made under Section 26A of the Customs Act, 1962 (**Goods are defective/not as per specifications**)?
- A. There is no time limit for making application
 - B. Before the expiry of 1 year from the relevant date
 - C. Before the expiry of 6 months from the relevant date
 - D. Before the expiry of 9 months from the relevant date
13. What is relevant date (for refund application) in case of goods exported out of India under Section 26A of the Customs Act, 1962?
- A. Date of relinquishment
 - B. Date on which proper officer makes order permitting clearance & loading of goods for exportation
 - C. Date of rendering goods commercially valueless.
 - D. Date of order of the court

14. What is relevant date (for refund application) in case of relinquishment of title to the goods under Section 26A of the Customs Act, 1962?

- A. Date of relinquishment
- B. Date on which proper officer makes order permitting clearance & loading of goods for exportation
- C. Date of rendering goods commercially valueless.
- D. Date of order of the court

15. What is relevant date (for refund application) in case of goods being destroyed or rendered commercially valueless under Section 26A of the Customs Act, 1962?

- A. Date of relinquishment
- B. Date on which proper officer makes order permitting clearance & loading of goods for exportation
- C. Date of rendering goods commercially valueless.
- D. No refund shall be allowed

16. What is relevant date (for refund application) in case of perishable goods and goods which have exceeded their shelf life under Section 26A of the Customs Act, 1962?

- A. Date of relinquishment
- B. Date on which proper officer makes order permitting clearance & loading of goods for exportation
- C. Date of rendering goods commercially valueless.
- D. No refund shall be allowed

17. Which of the following is false?

- A. Refund claim cannot be filed by CH agent in his own name , without power of Attorney
- B. Burden of proof that incidence of duty has not been passed on to consumers is on assessee
- C. A refund claim is equivalent to an Appeal proceeding
- D. Interest on delayed refund is payable at rates as applicable time to time & not at rate applicable on day when refund was due

ANSWERS:

1. D	6. B	11. C	16. D
2. A	7. B	12. C	17. C
3. B	8. A	13. B	
4. B	9. A	14. A	
5. D	10. B	15. C	

Chapter 10: Provisions relating to Illegal Import

1. What will be the penalty u/s 112 (such goods liable to confiscation under section 111) in case of Prohibited Goods?
 - A. Value of goods or Rs.5000, whichever is Greater.
 - B. 10% of duty sought to be evaded on such goods, or Rs.5000, whichever is greater.
 - C. Difference between the declared value & value thereof or Rs.5,000, whichever is greater.
 - D. Value of goods or Difference between declared value & value thereof or Rs.5,000, whichever is higher.

2. What will be the penalty u/s 112 (such goods liable to confiscation under section 111) in case of dutiable goods other than Prohibited Goods?
 - A. Value of goods or Rs.5000, whichever is Greater.
 - B. 10% of duty sought to be evaded on such goods, or Rs.5000, whichever is greater.
 - C. Difference between the declared value & value thereof or Rs.5,000, whichever is greater.
 - D. Value of goods or Difference between declared value & value thereof or Rs.5,000, whichever is higher.

3. What will be the penalty u/s 112 (such goods liable to confiscation under section 111) in case of goods in respect of which value stated in Bill of entry or baggage declaration is higher than value thereof ?
 - A. Value of goods or Rs.5000, whichever is Greater.
 - B. 10% of duty sought to be evaded on such goods, or Rs.5000, whichever is greater.
 - C. Difference between the declared value & value thereof or Rs.5,000, whichever is greater.
 - D. Value of goods or Difference between declared value & value thereof or Rs.5,000, whichever is higher.

4. What will be the penalty u/s 112 (such goods liable to confiscation under section 111) in case of goods are prohibited and value is mis-declared ?
 - A. Value of goods or Rs.5000, whichever is Greater.
 - B. 10% of duty sought to be evaded on such goods, or Rs.5000, whichever is greater.
 - C. Difference between the declared value & value thereof or Rs.5,000, whichever is greater.
 - D. Value of goods or Difference between declared value & value thereof or Rs.5,000, whichever is higher.

5. What will be the penalty u/s 112 (such goods liable to confiscation under section 111) in case of goods are dutiable (other than prohibited goods) and value is mis-declared ?
 - A. Duty sought to be evaded on such goods, or Difference between declared value & value thereof or Rs.5,000, whichever is higher.
 - B. 10% of duty sought to be evaded on such goods, or Rs.5000, whichever is greater.
 - C. Difference between the declared value & value thereof or Rs.5,000, whichever is greater.
 - D. Value of goods or Difference between declared value & value thereof or Rs.5,000, whichever is higher.

6. Any person who contravenes any provision of this Act or abets any such contravention or who fails to comply with any provision of this Act with which it was his duty to comply, where no express penalty is elsewhere provided for such contravention or failure, shall be liable to a penalty u/s 117 of the Customs Act, 1962 not exceeding:

- A. Rs. 10,00,000
- B. Rs. 1,00,000
- C. Rs. 2,00,000
- D. Amount of duty

7. If the proper officer has reason to believe that any person has secreted about his person, any goods liable to confiscation or any documents relating thereto, he may search that person. This section 100 of the Customs Act 1962 applies to:

- (i) any person who has landed from or is about to board, or is on board any vessel within the Indian customs waters;
- (ii) any person who has landed from or is about to board, or is on board a foreign-going aircraft;
- (iii) any person who has got out of, or is about to get into, or is in, a vehicle, which has arrived from, or is to proceed to any place outside India;
- (iv) any person who has entered or is about to leave India;
- (v) any person in a customs area

- A. i,ii,iii,iv,v
- B. i,ii,iii,v
- C. i,ii,iii,iv
- D. i,ii,iii

8. A customs officer duly authorised by the _____ can arrest any person, in India or within the Indian customs waters, who is guilty of an offence punishable under section 132 or section 133 or section 135 or section 135A or section 136 of the Customs Act

- A. Assistant or Deputy Commissioner
- B. Principal Commissioner/ Commissioner
- C. A or B
- D. None

9.

The person from whom the goods are seized is issued a show cause notice, usually within six months. **The Principal Commissioner/Commissioner of Customs, may for reasons to be recorded in writing, can extend the time period for issue of show cause notice, by further period not exceeding _____ months and inform the person from whom such goods were seized before the expiry of the period so specified.**

- A. 9
- B. 3
- C. 12
- D. 6

10. Whenever confiscation of any goods is authorised by this Act, the officer adjudging it _____ in the case of any goods, the importation or exportation whereof is prohibited under this Act or under any other law for the time being in force, and _____ in the case of any other goods give to the owner of the goods or, where such owner is not known, the person from whose possession or custody such goods have been seized, an option to pay in lieu of confiscation such fine as the said officer thinks fit.

- A. Shall, May
- B. May, Shall
- C. Shall, Shall
- D. May, May

11. Maximum amount of redemption fine =

- A. Book Value of the goods confiscated – Duty chargeable
- B. Book Value of the goods confiscated – GST
- C. MP of the goods confiscated – Duty chargeable
- D. MP of the goods confiscated – Income Tax

12. Every person who at the time the offence was committed was in charge of, and was responsible to, the company for the conduct of business of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly.

- A. True
- B. True but if he proves that the offence was committed without his knowledge or that he exercised all due diligence to prevent the commission of such offence he shall be liable to punishment.
- C. True but if he proves that the offence was committed without his knowledge or that he exercised all due diligence to prevent the commission of such offence he shall not be liable to punishment.
- D. False

13. Whether the benefit of exemption meant for imported goods can also be given to the smuggled goods?

- A. Yes
- B. No

14. Is it mandatory for the Revenue officers to make available the copies of the seized documents to the person from whose custody such documents were seized?

- A. Yes
- B. No

ANSWERS:

1. A	6. B	11. C
2. B	7. A	12. C
3. C	8. B	13. B
4. D	9. D	14. A
5. A	10. B	

Chapter 11: Appeals & Revision

1. Any person aggrieved by any decision or order passed under this Act by an officer of Customs lower in rank than a Principal Commissioner/Commissioner of Customs may appeal to the Commissioner (Appeals) within _____ ?
 - A. within thirty days from the date of the communication to him of such decision or order.
 - B. within sixty days from the date of the communication to him of such decision or order.
 - C. within forty days from the date of the communication to him of such decision or order.
 - D. within fifteen days from the date of the communication to him of such decision or order.

2. If Commissioner (Appeals) is satisfied that the appellant was prevented by sufficient cause from presenting the appeal within the aforesaid period, then it may extend the period by further?
 - A. 30days
 - B. 60days
 - C. 10days
 - D. 15days

3. Commissioner (Appeals) may, if sufficient cause is shown, at any stage of hearing of an appeal proceeding adjourn the hearing for reasons to be recorded in writing but for NOT MORE THAN ____ to a party ?
 - A. Four times
 - B. Five times
 - C. Once
 - D. Three times

4. What is the Form to be filed for appeal before Commissioner (Appeals) ?
 - A. Form No.C.A.1
 - B. Form No.C.A.2
 - C. Form No.C.A.3
 - D. Form No.C.A.4

5. The Appeal to the Commissioner (Appeals) is to be filed in____?
 - A. Triplicate
 - B. Duplicate

6. Which of the following is true?
 - A. A person who is not a party to the original proceeding cannot file an appeal
 - B. Custom House Agent cannot file an appeal on behalf of principal
 - C. Additional grounds cannot be raised in appeal as a matter of right, if these grounds had not been raised before the original authority, however, allowed if established that the additional grounds are bonafide and could not be raised earlier before the assessing officer.
 - D. All of the above

- 12.** What is the time limit for filing appeal by Committee of Principal Commissioner/Commissioners of Customs?
- A. within two months from the date on which the order sought to be appealed against was communicated to the Principal Commissioner/Commissioner or, to the other party preferring the appeal.
 - B. within nine months from the date on which the order sought to be appealed against was communicated to the Principal Commissioner/Commissioner or, to the other party preferring the appeal.
 - C. within three months from the date on which the order sought to be appealed against was communicated to the Principal Commissioner/Commissioner or, to the other party preferring the appeal.
 - D. within four months from the date on which the order sought to be appealed against was communicated to the Principal Commissioner/Commissioner or, to the other party preferring the appeal.
- 13.** Time limit for filing Memorandum of Cross Objection by the party against whom the appeal has been preferred?
- A. 25 days of the receipt of the notice that an appeal has been preferred
 - B. 15 days of the receipt of the notice that an appeal has been preferred
 - C. 35 days of the receipt of the notice that an appeal has been preferred
 - D. 45 days of the receipt of the notice that an appeal has been preferred
- 14.** The Appellate Tribunal may, at any time within ___ months from the date of the order rectify any mistakes apparent from the record?
- A. 7
 - B. 8
 - C. 6
 - D. 9
- 15.** Which of the following is false?
- A. No fee for filling an appeal/ application shall be payable in the case of an appeal preferred by Principal Commissioner/Commissioner of Customs
 - B. No fee shall be payable in case of filing of a memorandum of cross-objections.
 - C. CESTAT can adjourn hearing but not more than 4 times
 - D. None of the above is false.
- 16.** Which of the following is true?
- A. Save as otherwise provided in section 130 or section 130E (High Court and Supreme Court), Orders passed by the Appellate Tribunal on appeal shall be final.
 - B. The powers and functions of the Appellate Tribunal are to be exercised and discharged by the Benches, & that such bench shall consist of one judicial member and one technical member.
 - C. Any proceeding before the Appellate Tribunal shall be deemed to be a judicial proceeding and the Appellate Tribunal shall be deemed to be a Civil Court.
 - D. All of the above are true

17. The Central Government may in its discretion, refuse to admit an application in respect of an order where the amount of duty or fine or penalty, determined by such order does not exceed _____.

- A. Rs.5000
- B. Rs.500
- C. Rs.50
- D. Rs.1000

18. What is Quantum of pre-deposit in case of First Appeal to Commissioner (Appeals) or CESTAT ?

- A. 7.5% of duty, where only duty or both duty & penalty are in dispute OR 7.5% of penalty, where only penalty is in dispute.
- B. 10% of duty, where only duty or both duty & penalty are in dispute OR 10% of penalty, where only penalty is in dispute.
- C. 15% of duty, where only duty or both duty & penalty are in dispute OR 15% of penalty, where only penalty is in dispute.
- D. There is No pre-deposit at First Appeal

19. What is Quantum of pre-deposit in case of Second Appeal to CESTAT ?

- A. 7.5% of duty, where only duty or both duty & penalty are in dispute OR 7.5% of penalty, where only penalty is in dispute.
- B. 10% of duty, where only duty or both duty & penalty are in dispute OR 10% of penalty, where only penalty is in dispute.
- C. 15% of duty, where only duty or both duty & penalty are in dispute OR 15% of penalty, where only penalty is in dispute.
- D. There is No pre-deposit at Second Appeal

20. Which one is false?

- A. Pre-deposit shall be computed as a percentage of only duty demanded even in cases where dispute involves both duty demanded and penalty levied.
- B. The pre-deposit of 7.5%/10% would exclude interest, if any, payable on the duty demanded.
- C. Another 10% of the duty or penalty is to be paid at the time of filing second appeal before CESTAT.
- D. Payment made during the course of investigation or audit, prior to the date on which appeal is filed, will not be considered as payments towards pre-deposit for filing the appeals.

21. What is the time within which refund of pre-deposit (along with interest) should be made?

- A. within 30 days of receipt of the letter of the appellant seeking refund
- B. within 15 days of receipt of the letter of the appellant seeking refund
- C. within 45 days of receipt of the letter of the appellant seeking refund
- D. within 50 days of receipt of the letter of the appellant seeking refund

22. What is the rate of interest payable on delayed refund of pre-deposit ?

- A. 8%
- B. 7%
- C. 6%
- D. 12%

23. The Principal Commissioner/Commissioner of Customs or the other party aggrieved by any order passed by the Appellate Tribunal may file an appeal to the High Court within ____ days from the date on which the order appealed against is received.

- A. one hundred and eighty
- B. one hundred
- C. one hundred and twenty
- D. Thirty

ANSWERS:

1. B	6. D	11. B	16. D	21. B
2. A	7. B	12. C	17. A	22. C
3. D	8. D	13. D	18. A	23. A
4. A	9. A	14. C	19. B	
5. B	10. C	15. C	20. D	

Chapter 12: Settlement Commission

1. Which of the following does not fall in meaning of the term "Case" ?
 - A. Case means any proceeding for the levy of customs duty, pending before an adjudicating authority on the date on which an application is made.
 - B. Case means any proceeding for the levy, assessment and collection of customs duty, which is referred back in any appeal or revision, by any Court, Appellate Tribunal or any other authority, to the adjudicating authority for a fresh adjudication or decision
 - C. Case means any proceeding for the assessment of customs duty, pending before an adjudicating authority on the date on which an application is made.
 - D. Case means any proceeding for the collection of customs duty, pending before an adjudicating authority on the date on which an application is made.

2. Who can apply to Settlement Commission?
 - A. Importer
 - B. Exporter
 - C. any person other than an applicant to whom show cause notice is issued in a case relating to the applicant which has been settled or is pending before the Settlement Commission and such notice is pending before an adjudicating authority
 - D. All of the above

3. Which of the following Conditions for filing the application is not true?
 - A. additional amount of duty accepted by the applicant in his application should exceed Rs. 3,00,000.
 - B. No application shall be entertained by the Settlement Commission in cases which are pending in the Appellate Tribunal or any Court.
 - C. An application for settlement once made shall be allowed to be withdrawn by the applicant only upto 1 month from date of application.
 - D. No application shall be made in relation to goods to which section 123 applies

4. Which of the following Conditions for filing the application is not true?
 - A. No application shall be made for the interpretation of the classification of the goods under the Customs Tariff Act, 1975.
 - B. the additional amount of duty accepted by the applicant in his application should exceed Rs.30,00,000.
 - C. Every application shall be accompanied by such fees as may be specified by rules.
 - D. the applicant has to pay the additional amount of customs duty accepted by him along with interest due

5. In how many days Settlement Commission shall issue a notice to the applicant asking him to explain in writing as to why the application made by him should be allowed to be proceeded with.
 - A. within 7 days from the date of receipt of the application
 - B. within 14 days from the date of receipt of the application
 - C. within 21 days from the date of receipt of the application
 - D. within 5 days from the date of receipt of the application

6. Settlement Commission shall, call for a report along with the relevant records from the Principal Commissioner/Commissioner & they will submit within how many days?
 A. within a period of 20 days from the date of the receipt of communication from the Settlement Commission
 B. within a period of 10 days from the date of the receipt of communication from the Settlement Commission
 C. within a period of 50 days from the date of the receipt of communication from the Settlement Commission
 D. within a period of 30 days from the date of the receipt of communication from the Settlement Commission
7. What is the time limit available to Settlement Commission to amend order to rectify any error apparent from record ?
 A. within 9 months from the date of passing of the order
 B. within 1 months from the date of passing of the order
 C. within 2 months from the date of passing of the order
 D. within 3 months from the date of passing of the order
8. Under what circumstances can order of Settlement Commission be void?
 A. if it is subsequently found that order has been obtained by fraud
 B. if it is subsequently found that order has been obtained by or misrepresentation of facts
 C. A or B
 D. order of Settlement Commission can never be void
9. What are the Powers of Settlement Commission?
 A. Power to order provisional attachment to protect revenue
 B. Power to send a case back to the proper officer
 C. Power to grant immunity from prosecution and penalty
 D. All of the above
10. What are the cases where there is bar on subsequent application for Settlement in certain cases ?
 A. Where an order of Settlement has been passed which provides for the imposition of a penalty on applicant for settlement, on the ground of concealment of particulars of his duty liability.
 B. Where after the passing of an order of settlement, in relation to a case, such person is convicted of any offence in relation to that case,
 C. Where the case of such person is sent back to the proper officer by the Settlement Commission
 D. All of the above

ANSWERS:

1. B	6. D
2. D	7. D
3. C	8. C
4. B	9. D
5. A	10. D

Chapter 13: Advance Ruling

1. Define 'Advance Ruling'?

- A. A written decision on any of the questions referred to in section 28H raised by the applicant in his application in respect of any goods prior to its importation or exportation
- B. Means the Authority for advance Ruling constituted u/s 245 O of Income tax act 1961
- C. Means person holding a valid IEC
- D. None of above

2. Who is Applicant for purpose of Advance Ruling?

- A. Means person holding a valid IEC who makes an application for advance Ruling
- B. Person exporting any goods to India who makes an application for advance Ruling
- C. Any person with a justiciable cause to satisfaction of Authority who makes an application for advance Ruling
- D. Can be any of the above

3. State the time limit for withdrawal of advance Ruling application?

- A. 60 days from date of application
- B. 30 days from date of application
- C. 90 days from date of application
- D. 15 days from date of application

4. When shall the Authority not allow the application?

- A. If question raised in application is already pending in the applicants case before any officer of customs, the Appellate Tribunal or any court
- B. If question raised in application is the same as in a matter already decided by the Appellate tribunal or any court
- C. Any reason from A or B
- D. Authority has to compulsorily always accept the application

5. What is the time limit for pronouncing Advance Ruling?

- A. Within six months of receipt of application
- B. Within nine months of receipt of application
- C. Within three months of receipt of application
- D. Within twelve months of receipt of application

6. Which one of the following is true ?

- A. Advance Ruling pronounced shall be binding only on Applicant who had sought it, in respect or matters referred u/s 28H on Principal Commissioner / Commissioner of Customs & authorities subordinate to him in respect of the applicant
- B. Advance Ruling shall be binding always even if there is change in law or facts on basis of which it was pronounced
- C. Advance Ruling to be given Within twelve months of receipt of application
- D. the time limit for withdrawal of advance Ruling application is 15 days from date of application

7. What is the time limit to appeal against the order of Advance Ruling to the Appellate Authority?

- A. 30 days from date of communication of such ruling
- B. 90 days from date of communication of such ruling
- C. 60 days from date of communication of such ruling
- D. 20 days from date of communication of such ruling

Answers

- | |
|------|
| 1. A |
| 2. D |
| 3. B |
| 4. C |
| 5. C |
| 6. A |
| 7. C |

Commerce Eduworld

Chapter 14: Miscellaneous Provisions

1. When does the need to recover sums due to Government arise?
 - A. on confirmation of demand for short levy of duty
 - B. on imposition of fine or penalty in an adjudication proceedings
 - C. on filing of return
 - D. A or B

2. What are the different ways in which the sums due to the Government can be recovered from any person?
 - A. Deducting the amount payable from any money owing to the defaulter which may be under the control of any Customs Officer.
 - B. Detaining and selling goods belonging to such person, which are under the control of customs authorities
 - C. Distraining and detaining any property (movable/immovable) belonging to the person and selling the same.
 - D. All of the above

3. What do you mean by Garnishee Proceedings?
 - A. The Proper Officer can recover the monies due to the Government from any person other than from whom money is due, if that other person holds money for/on account of the first person.
 - B. Distraining and detaining any property (movable/immovable) belonging to the person and selling the same.
 - C. Recovering from successor by attaching and selling goods, materials, machinery, plant etc. transferred to successor in trade or business.
 - D. Deducting the amount payable from any money owing to the defaulter which may be under the control of any Customs Officer.

4. In which cases shall Board exercise power to simplify or provide different procedures?
 - A. maintenance of transparency in import and export documentation and procedure
 - B. reduction in the transaction cost of clearance of importing or exporting goods
 - C. maintenance of balance between customs control and facilitation of legitimate trade.
 - D. All of the above

5. Which of the following is false?
 - A. The proper officer of the customs can take the samples for examination or testing
 - B. Samples may be taken at any time while such goods are being passed through the customs area.
 - C. The proper officer of the customs cannot take the samples for ascertaining the value thereof
 - D. No duty shall be chargeable on any sample of goods taken under this section which is consumed or destroyed during the course of any test or examination thereof.

6. After the purpose for which a sample was taken is carried out, such sample shall, if practicable, be restored to the owner, but if the owner fails to take delivery of the sample _____, it may be disposed of.
- A. Within 1 month of the date on which the sample was taken
 - B. Within 3 months of the date on which the sample was taken
 - C. Within 6 months of the date on which the sample was taken
 - D. Within 5 months of the date on which the sample was taken
7. Which of the following can be authorised representative ?
- A. his relative or regular employee;
 - B. customs broker licensed
 - C. any legal practitioner who is entitled to practise in any civil court in India
 - D. All of the above
8. Which of the following cannot be authorised representative ?
- A. his relative or regular employee;
 - B. who has been dismissed or removed from Government service
 - C. any legal practitioner who is entitled to practise in any civil court in India
 - D. any person who has acquired such qualifications as the Central Government may specify
9. Which of the following is false?
- A. Anything required to be done by the owner/importer/exporter of any goods can be done by his agent
 - B. The owner/importer/exporter shall be liable for all the acts of his agent
 - C. Any duty is not/short levied or erroneously refunded on account of reasons not involving any wilful act, negligence or default of the agent, such duty will be recovered from the agent even if the same can be recovered from the owner/importer/exporter.
 - D. Authorized agent will, without prejudice to the liability of the owner/ importer/ exporter be deemed to be the owner/importer/exporter of such goods for such purposes including liability under this Act
10. Which of the following is not the condition to be fulfilled for selling goods u/s 150?
- A. The goods should have been confiscated.
 - B. Notice should be given to the owner before such sale.
 - C. Goods can be sold by public auction or by tender or in any other manner with the consent of the owner.
 - D. The provisions of the Act should allow sale of such goods.
11. What is the correct chronological order for application of sale proceeds?
- A. payment of the expenses of the sale, payment of the freight and other charges, payment of the duty on the goods sold, payment of charges to custodian, payment due to Central government, Balance if any to owner
 - B. payment to Central government, payment of the freight and other charges, payment of charges to custodian, payment of the expenses of the sale, payment of the duty on the goods sold,

C. payment of charges to custodian, payment of the freight and other charges, payment of the duty on the goods sold, payment to Central government, payment of the expenses of the sale,

D. payment of the duty on the goods sold, payment of the freight and other charges, payment of the expenses of the sale, payment of charges to custodian, payment to Central government

12. After making all payments the balance of sale proceeds, to be paid to the owner of goods within ___ ?

- A. within a period of 9 months from the date of sale of such goods
- B. within a period of 12 months from the date of sale of such goods
- C. within a period of 3 months from the date of sale of such goods
- D. within a period of 6 months from the date of sale of such goods

13. Where it is not possible to pay the balance of sale proceeds, if any, to the owner of the goods within a period of 6 months from the date of sale of such goods such balance of sale proceeds shall be paid to the _____?

- A. Investor Education & Protection Fund
- B. Central government
- C. State government
- D. Held until the owner is reached.

14. The Central Government is authorized to enter into a reciprocal arrangement for exchange of information facilitating trade with the

- A. Government of any country outside India
- B. with such competent authorities of that country, as it deems fit
- C. CG cannot enter into any such agreement
- D. Both A or B

15. What is the purpose for entering reciprocal arrangement for exchange of information facilitating trade?

- A. effective risk analysis,
- B. verification of compliance and prevention,
- C. combating and investigation of offences under the provisions of this Act or under the corresponding laws in force in that country
- D. All of the above

16. Regulations have to be consistent with?

- A. Act
- B. Rules
- C. Circulars
- D. Both A & B

17. Rules are made by the _____

- A. State government
- B. Central Board of Indirect Tax and Customs (CBIC)
- C. Central Government
- D. Supreme Court

18. Regulations are made by the _____

- A. State government
- B. Central Board of Indirect Tax and Customs (CBIC)
- C. Central Government
- D. Supreme Court

19. Which one of the following is false?

- A. Rules have to be placed before the Parliament
- B. Regulations framed by CBEC are also required to be placed before the Parliament.
- C. Rules & regulations both are "subordinate legislations" and are legally valid and enforceable.
- D. Regulations are required to be consistent with the Act & rules.

20. Auditee is required to preserve records for conduct of Customs audit u/s 99A for a period of _____ years

- A. 5
- B. 7
- C. 8
- D. 4

21. Customs audit u/s 99A will be conducted at the premises of the auditee by the authorized officers who will intimate _____ days in advance of their schedule visit

- A. 30
- B. 10
- C. 15
- D. 20

22. Contravention of Regulations u/a 99A attracts penalty of _____

- A. Rs. 10,000
- B. Rs. 20,000
- C. Rs. 40,000
- D. Rs. 50,000

ANSWERS:

1. D	6. B	11. A	16. D	21. C
2. D	7. D	12. D	17. C	22. D
3. A	8. B	13. B	18. B	
4. D	9. C	14. D	19. B	
5. C	10. A	15. D	20. A	

Chapter 15: FTP

1. Who governs the affairs relating to the promotion and regulation of foreign trade in India?

- A. Ministry of Foreign Affairs
- B. Ministry of Trade & Technology
- C. Ministry of Commerce and Industry
- D. None of the above

2. What is the main legislation concerning foreign trade?

- A. Foreign Trade (Development and Regulation) Act, 1995
- B. Foreign Trade (Development and Regulation) Act, 1992
- C. Customs Act 1962
- D. Finance Act of the relevant year.

3. Government of India announces FTP in every ____ years?

- A. 2 years
- B. 7 years
- C. 10 years
- D. 5 years

4. A FTP is updated with changes in every ____ years?

- A. 5
- B. 7
- C. 1
- D. 10

5. Which of the following is true?

- A. Export-Import of goods and services is generally free unless specifically regulated by the provisions of the Policy or any other law for the time being in force.
- B. If the goods are restricted for import/export but not prohibited, the Government can give a permission/license for specific reasons.
- C. Some goods are 'free' for import and export but can be imported/exported only through State Trading Enterprises (STE).
- D. All of the above

6. The number of mandatory documents required for exports and imports of goods from/into India have been reduced to ____ each.

- A. 3
- B. 4
- C. 5
- D. 1

7. To facilitate processing of shipping bills before actual shipment, prior online filing facility for shipping bills has been provided by the Customs ____ days for air shipments & ICDs

- A. 7
- B. 14
- C. 3
- D. 1

8. To facilitate processing of shipping bills before actual shipment, prior online filing facility for shipping bills has been provided by the Customs ____ days for shipments by sea

- A. 7
- B. 14
- C. 3
- D. 1

9. Though the FTP is formulated by DGFT, it is administered in close coordination with other agencies. Which of the following are Other important authorities dealing with FTP ?

- A. Central Board of Indirect Taxes and Customs (CBIC)
- B. Reserve Bank of India (RBI)
- C. State GST Departments
- D. All of the above

10. Any changes or formulation or addition of new codes in ITC-HS Codes are carried out by

- A. RBI
- B. DGFT
- C. Ministry of Finance
- D. Central government

11. Based on _____, exporters are provided the facility to make duty-free import of inputs required for manufacture of export products under the Duty Exemption Schemes.

- A. Import Export Code
- B. AayatNiryat Forms (AANF)
- C. Standard Input-Output Norms (SION)
- D. ITC(HS) Classification

12. Indian custom uses _____ digit ITC-HS Codes to suit the national trade requirements.

- A. 7
- B. 8
- C. 15
- D. 5

13. _____ contains 9 chapters, covering procedural aspects of policy notified by Director General of Foreign Trade on 01.04.2015.

- A. Handbook of Procedures 2015-2020
- B. FTP 2015-2020
- C. AayatNiryat Forms (AANF)
- D. Appendices

14. Which of the following is true?

- A. The Foreign Trade Policy provisions per-se do not override tax laws.
- B. The exemptions extended by FTP are given effect to by issue of notifications under respective tax laws. Thus, actual benefit of the exemption depends on the language of exemption notifications issued by the CBIC.
- C. FTP, Handbook of procedures, CGST Act, SGST Act, IGST Act, Central Excise Act, Customs Act and notifications issued hereunder form an integrated scheme of indirect taxation. All these statutes have to be read as a whole and not in isolation, since they are series of statutes relating to related subject matter.
- D. All of the above.

15. _____ is pre-requisite for grant of an IEC.

- A. GSTIN
- B. AADHAR CARD
- C. VOTERS ID
- D. PAN

16. Importer-Exporter Code (IEC) is a unique _____ digit code issued by DGFT to a person.

- A. 15
- B. 10
- C. 11
- D. 7

17. Which of the following is false?

- A. Exports and Imports shall be free, except where regulated by FTP or any other law in force.
- B. No person may claim an Authorization as a right and DGFT or RA shall have power to refuse to grant or renew the same
- C. STEs are governmental and nongovernmental enterprises, including marketing boards, which deal with goods for export and/or import.
- D. STEs are strictly only governmental enterprises. Non governmental enterprises cannot be STEs.

18. Samples upto _____ can be imported by all exporters without duty.

- A. Rs. 2,00,000
- B. Rs. 4,00,000
- C. Rs. 3,00,000
- D. Rs. 5,00,000

19. Samples of tea upto _____ (CIF) per consignment will be allowed without authorization

- A. Rs.2000
- B. Rs.300000
- C. Rs.20000
- D. Rs.1000

20. After completion of projects abroad, project contractors may import, without an Authorization, goods including capital goods used in the project provided they have been used for at least _____.

- A. Six months
- B. one year.
- C. Nine months
- D. One month

21. Bonafide personal baggage may be exported either along with passenger or, if unaccompanied, within _____ before or after passenger's departure from India.

- A. Six months
- B. one year.
- C. Nine months
- D. One month

22. Goods, including edible items, of value not exceeding _____ in a licensing year, may be exported as a gift.

- A. Rs. 5,00,000
- B. Rs. 3,00,000
- C. Rs. 1,00,000
- D. Rs. 0

23. Which of the following is true?

- A. All export contracts and invoices shall be denominated either in freely convertible currency or Indian rupees but export proceeds shall be realised in freely convertible currency.
- B. All export contracts and invoices shall be denominated Indian rupees only but export proceeds shall be realised in freely convertible currency.
- C. Both export contracts , invoices and export proceeds realised shall be in freely convertible currency.
- D. Both export contracts , invoices and export proceeds realised shall be in Indian Rupees.

24. No seizure of export related stock except in exceptional cases where concerned agency may seize the stock on basis of prima facie evidence of serious irregularity, but which should be lifted in ____ day/s.

- A. 1
- B. 15
- C. 5
- D. 7

25. As a last resort to redress grievances of Foreign Trade players, DGFT may provide an opportunity for Personal hearing before _____.

- A. Policy Relaxation Committee (PRC)
- B. Import Export Committee
- C. Foreign trade Committee
- D. Commissioner

26. Advance Authorisation shall be valid for _____ months from the date of issue of such Authorisation.

- A. 12
- B. 16
- C. 18
- D. 9

27. Advance Authorisation for Deemed Export shall be co-terminus with _____

- A. contracted duration of project execution or 12 months from the date of issue of Authorisation, whichever is more.
- B. contracted duration of project execution
- C. 12 months from the date of issue of Authorisation
- D. contracted duration of project execution or 12 months from the date of issue of Authorisation, whichever is less.

28. Period of fulfillment of export obligation under Advance Authorization is _____ from the date of issue of Authorization.

- A. 15 months
- B. 24 months
- C. 18 months

29. What is the Minimum value addition required to be achieved under Advance Authorization ?

- A. 50%
- B. 20%
- C. 15%
- D. 5%

30. What is the Minimum value addition required to be achieved under Advance Authorization for Tea ?

- A. 50%
- B. 20%
- C. 15%
- D. 5%

31. The Exports under DFIA shall be completed within _____ from the date of online filing of application and generation of file number.

- A. 16 months
- B. 14 months
- C. 12 months
- D. 15 months

32. What is the time limit for request for issuance of transferable DFIA to concerned RA ?

- A. 12 months from date of export or 6 months from date of realization of export proceeds, whichever is Earlier.
- B. Within 12 months from date of export

- C. 12 months from date of export or 6 months from date of realization of export proceeds, whichever is Later.
- D. Within 6 months from date of realization of export proceeds

33. What is the minimum value addition required to be achieved under DFIA ?

- A. 50%
- B. 20%
- C. 15%
- D. 5%

34. Exports of handcraft items, handloom products, books/periodicals, leather footwear, toys and tailor made fashion garments through courier or foreign post office using e-commerce of FOB value upto _____ per consignment shall be entitled for rewards under MEIS. **(Amended)**

- A. Rs. 5,00,000
- B. Rs. 50,000
- C. Rs. 25,00,000
- D. Rs. 1,00,000

35. What shall be the basis of calculation of reward under MEIS?

- A. Realised FOB value of exports in free foreign exchange, or , FOB value of exports as given in the Shipping Bills in free foreign exchange, whichever is less.
- B. Realised FOB value of exports in free foreign exchange, or , FOB value of exports as given in the Shipping Bills in free foreign exchange, whichever is more.
- C. Realised FOB value of exports in free foreign exchange
- D. Realised FOB value of exports in Domestic Currency

36. What is the minimum net free foreign exchange earnings required for a service provider in year of rendering services to be eligible for reward under SEIS in case of individual service provider & sole proprietorship?

- A. US \$ 10,000
- B. US \$ 5000
- C. US \$ 15,000
- D. No Minimum requirement

37. What is the minimum net free foreign exchange earnings required for a service provider in year of rendering services to be eligible for reward under SEIS in case of other than individual or sole proprietorship service providers?

- A. US \$ 10,000
- B. US \$ 5000
- C. US \$ 15,000
- D. No Minimum requirement

38. Which of the following is false?

- A. Incentives of MEIS & SEIS are available to units located in SEZs also.
- B. Basic Custom duty paid in cash or through debit under Duty Credit scrip shall be adjusted for Duty Drawback

- C. Transfer of export performance from one IEC holder to another IEC holder shall not be permitted.
- D. MEIS rewards can be claimed only by the supporting manufacturer & never by the company who who has realized the foreign exchange directly from overseas.

39. An applicant shall be categorized as status holder upon achieving export performance during current and previous _____ financial years in normal case (I.e other than gems & jewellery sector)

- A. Two
- B. Five
- C. Three
- D. One

40. An applicant shall be categorized as status holder upon achieving export performance during current and previous _____ financial years in gems & jewellery sector.

- A. Two
- B. Five
- C. Three
- D. One

41. For granting status, export performance is necessary in at least _____.

- A. 2 out of 5 years.
- B. 3 out of 5 years.
- C. 2 out of 4 years.
- D. 2 out of 3 years.

42. What is the required export performance in US \$ millions to get the status of One Star Export House ?

- A. 3
- B. 25
- C. 500
- D. 2000

43. What is the required export performance in US \$ millions to get the status of Three Star Export House ?

- A. 100
- B. 25
- C. 500
- D. 2000

44. What is the required export performance in US \$ millions to get the status of Five Star Export House ?

- A. 3
- B. 25
- C. 500
- D. 2000

45. What status category does an exporter get if his performance is US \$ 100 million?
- A. Three star export House
 - B. Five star export House
 - C. Four star export House
 - D. One star export House
46. What status category does an exporter get if his performance is US \$ 500 million?
- A. Three star export House
 - B. Five star export House
 - C. Four star export House
 - D. One star export House
47. What status category does an exporter get if his performance is US \$ 25 million?
- A. Three star export House
 - B. Five star export House
 - C. Four star export House
 - D. Two star export House
48. For calculating export performance for grant of One Star Export House Status category, exports by IEC holders of Micro, Small & medium enterprises shall be granted _____ weightage
- A. Half
 - B. double
 - C. Equal
 - D. Triple
49. Which of the following is false?
- A. Export performance of one IEC holder shall not be permitted to be transferred to another IEC holder.
 - B. All exporters of goods, services and technology having an import-export code (IEC) number shall be eligible for recognition as a status holder if they fulfill the required export performance.
 - C. Exports made on re-export basis shall not be counted for recognition.
 - D. Export of items under authorization, including SCOMET items, would not be included for calculation of export performance.
50. _____ Star Export Houses and above are permitted to establish export warehouses.
- A. Two
 - B. Three
 - C. Five
 - D. Four
51. _____ Star and above Export House shall be entitled to get benefit of Accredited Clients Programme (ACP) as per the guidelines of CBEC.
- A. Two
 - B. Three
 - C. Five
 - D. Four

52. Status holders shall be entitled to export freely exportable items (excluding Gems and Jewellery, Articles of Gold and precious metals) on free of cost basis for export promotion subject to an annual limit of _____

A. Rs. 1 crore or 2% of average annual export realization during preceding 3 licensing years, whichever is lower.

B. Rs. 1 crore

C. 2% of average annual export realization during preceding 3 licensing years, whichever is lower.

D. Rs. 1 crore or 2% of average annual export realization during preceding 3 licensing years, whichever is greater.

53. What is the export obligation for import under EPCG Scheme ?

A. equivalent to 10 times of duties, taxes and cess saved on capital goods

B. equivalent to 7 times of duties, taxes and cess saved on capital goods

C. equivalent to 6 times of duties, taxes and cess saved on capital goods

D. equivalent to 5 times of duties, taxes and cess saved on capital goods

54. What is the period for which Authorisation is valid under EPCG scheme ?

A. 18 months

B. 12 months

C. 15 months

D. 6 months

55. Import under EPCG scheme shall be subject to an export obligation equivalent to 6 times of duties, taxes and cess saved on capital goods to be fulfilled in _____

A. 15 years

B. 6 years

C. 5 years

D. 18 years

56. In case of indigeneous sourcing of capital goods, specific EO shall be _____ less than the normal EO i.e. EO will be _____ times of duty saved on such goods procured.

A. 25%; 4.5

B. 25%; 1.5

C. 50%; 4.5

D. 50%; 1.5

57. Who administers the EOU Scheme?

A. Ministry of Information Technology

B. Department of Finance

C. Department of Foreign trade

D. Ministry of Commerce and industry

58. Who administers the STP/EHTP Scheme?

A. Ministry of Information Technology

B. Department of Finance

C. Department of Foreign trade

D. Ministry of Commerce and industry

59. What is the minimum investment requirement in plant & machinery for establishment in EHTP/ STP/ BTP/ EOUs in Handicrafts?

- A. Rs. 1 crore
- B. Nil
- C. Rs. 2 Crore
- D. Rs. 10 lakhs

ANSWERS:

1. C	11. C	21. B	31. C	41. C	51. B
2. B	12. B	22. A	32. C	42. A	52. A
3. D	13. A	23. A	33. B	43. A	53. C
4. C	14. D	24. D	34. A	44. D	54. A
5. D	15. D	25. A	35. A	45. A	55. B
6. A	16. B	26. A	36. A	46. C	56. A
7. A	17. D	27. A	37. C	47. D	57. D
8. B	18. C	28. C	38. D	48. B	58. A
9. D	19. A	29. C	39. C	49. D	59. B
10. B	20. B	30. A	40. A	50. A	