



Chapter 4

VALUATION

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01. General Questions

Students, let's try to solve it



Basics

MCQ 04.01.01.00

For the purpose of Customs Tariff Act, 1975, or any other law for the time being in force, the value of imported goods and export goods shall be:

- Tariff value
- MRP based value
- Transaction value
- any of the above

Relevant date for duty rate & exchange rate

MCQ 04.01.02.00

For the purpose of valuation under customs laws, rate of exchange notified by ----- shall be taken for conversion.

- Central Board of Direct Taxes
- Central Board of Excise and Customs
- Central Board of Indirect Taxes and Customs
- Reserve Bank of India

MCQ 04.01.03.00

In case of imported goods, the conversion from foreign currency to Indian currency shall be done with reference to the rate of exchange prevalent on the date of:

- Filing bill of entry for clearance from warehouse for home consumption u/s 68
- Filing bill of entry for home consumption u/s 46
- Filing bill of entry for warehousing u/s 46
- Either b or c above

MCQ 04.01.04.00

Mr. Vinod imported mobile from US worth \$ 850 on 1/1/XX, and presented the bill of entry for warehousing on 5/1/XX. Later on, he filed the bill of entry for clearance for home consumption on 15/1/XX. The exchange rates for \$ available on various dates are as follows:

Date	Rate by RBI (₹)	Rate by CBIC (₹)
1/1/XX	60.00/\$	59.50/\$
5/1/XX	61.20/\$	62.00/\$
15/1/XX	60.35/\$	60.60/\$

Calculate the value of imported mobile.

- ₹ 50575
- ₹ 52700
- ₹ 52700
- ₹ 52020

MCQ 04.01.05.00

Arnav Industries exported readymade garments for ₹ 50,00,000 through vessel. The exchange rate at the time of:-

- Contract made for Export: ₹1 = ₹ 215.
- Date of filling shipping bill: ₹1 = ₹ 221
- Date of let export order: ₹1 = ₹ 211. The RBI rate were constant as ₹ 220

State the exchange rates which shall be considered for conversion of value into Indian currency.

- ₹ 215
- ₹ 211
- ₹ 221
- ₹ 220

Sec.14(2)- Tariff Value

MCQ 04.01.06.00

Duties of customs on imported goods or export goods can be:

- Specific duty
- Ad-valorem duty
- Either a or b above
- None of the above

MCQ 04.01.07.00

Ad-valorem duty means:

- Duty levied on quantity
- Duty levied on the basis of value
- Both of the above
- None of the above

MCQ 04.01.08.00

The tariff values for any class of imported goods or export goods may be fixed by:

- Central Board of Indirect Taxes and Customs
- Central Board of Excise and Customs
- Central Board of Direct Taxes
- None of above

MCQ 04.01.09.00

The board has fixed the tariff value for goods imported by Mr. Rohan but he filed the bill of entry on the basis of transaction value. The customs officer rejected the bill of entry of Mr. Rohan on the contention that transaction value cannot be accepted for those goods for which board had given tariff value. State whose contention is valid as per the provision of law.

- contention of Officer is invalid
- contention of Officer is valid

- c. contention of Mr. Rohan is valid
- d. Both a & c of the above

MCQ 04.01.10.00

Identify the transaction value in the following case :- List price of the imported goods was ₹ 1000/-, quantity discount offered by the supplier was ₹ 100/- and price payable to the supplier was ₹ 900/- and cash discount ₹ 100/-, if payment is made within 30 days. Mr. Raj made payment on 29th days.

- a. ₹ 1000
- b. ₹ 900
- c. ₹ 800
- d. Either b or c above

MCQ 04.01.11.00

Mr. Avdesh enters into contract with the supplier of USA to purchase goods after 4 months. The contract price was ₹ 800000. Due to recession in international market, the price of the goods reduced to ₹ 650000. The special discount offered by the seller to Mr. Avdesh was ₹ 50000. Such special discount is not offered generally to all the buyers. Identify the transaction value to be declared by Mr. Avdesh in his bill of entry.

- a. ₹ 800000
- b. ₹ 750000
- c. ₹ 650000
- d. ₹ 600000

Rule 10(1) - Adjustment in T.V.

MCQ 04.01.12.00

In case of imported goods, transaction value also includes:

- a. Commission and brokerage
- b. Cost of transportation at the place of importation

- c. Landing charges at the Indian port
- d. Only b & c above

MCQ 04.01.13.00

Mr. Bahubali imported crude oil from Iraq in huge containers. The containers were returned to the supplier by Mr. Bahubali as he executes a bond for re-export of such containers within the extended time of eight months. The cost of imported crude is ₹ 50 lakhs which includes the cost of container which is ₹ 50 thousand. Calculate the transaction value.

- a. ₹ 50 lakhs
- b. ₹ 50.50 lakhs
- c. ₹ 49.50 lakhs
- d. ₹ 0.50 lakhs

MCQ 04.01.14.00

Which of the following is not included in transaction value?

- i. Commission paid to canalizing agent
 - ii. Buying commission paid to local agent
 - iii. Cost of container which is non-returnable
 - iv. Engineering and art work undertaken in India
 - v. Dividend distributed by the seller to the buyer
- a. i, ii, iii
 - b. ii, iv & v above
 - c. ii, iii & iv above
 - d. i & iii above

MCQ 04.01.15.00

As per rule 10(1)(c), royalty & licence fees paid in relation to imported goods shall be included in the transaction value even though such royalty or fees is not actually paid or payable.

State whether the above given statement is correct in the eyes of law.

- a. Correct
- b. Incorrect

MCQ 04.01.16.00

The value of goods and services provided by the buyer to the seller which are incorporated in imported goods shall be included in the transaction value only if such goods or services are supplied free of cost and not at reduced cost.

State whether the statement is true or false

- a. True
- b. False

MCQ 04.01.17.00

Suzuki Ltd. from Japan sold automobiles to Maruti Ltd. India worth ₹ 50 crores. Maruti Ltd. paid indirectly ₹ 5 crores to Suzuki Ltd. for knowhow as a condition of sale. Such payment is made for process to be carried out in India after importation of automobiles. State whether such additional payment for knowhow to be used in India made by Maruti Ltd. be includible in transaction value or not.

- a. Includible
- b. Not includible

Rule 10(2) - Cost of transportation and insurance

MCQ 04.01.18.00

Value of imported goods means transaction value and includes:

- a. Cost of transport
- b. Cost of insurance till clearance
- c. Cost of transport, loading, unloading and handling charges associated with the delivery of

imported goods and cost of insurance, to the place of importation

d. Both a & b above

MCQ 04.01.19.00

Transaction value includes cost of transport, loading unloading and handling charges incurred for delivery of imported goods at the Custom station. State true or false

- a. True
b. False

MCQ 04.01.20.00

Ajanta Ltd. imported wrist watches from USA for ₹ 15 lakhs. The cost of transport through vessel is not ascertainable but the sum of free on board value of the goods and the cost of insurance is ₹ 15.35 lakhs. Calculate the cost of transport in case of Ajanta Ltd.

- a. ₹ 2.5 lakhs b. ₹ 3 lakhs
c. ₹ 3.07 lakhs d. ₹ 2.56 lakhs

[Hint- $15.35 \times 20\% = 3.07$]

MCQ 04.01.21.00

In case of import of goods by sea route, FOB cum transport value is ₹ 20 lakhs, where actual cost of transport & cost of insurance is ₹ 1.5 lakh & ₹ 0.5 respectively. The cost of insurance includible in transaction value is:

- a. Actual cost i.e. ₹ 0.5 lakh
b. 1.125% of FOB i.e. ₹ 0.208 lakh
c. 1.125% of FOB cum transport i.e. ₹ 0.225 lakh

d. 20% of FOB cum transport i.e. ₹ 4 lakhs

MCQ 04.01.22.00

Costs related to transshipment of goods from port to ICD, port to port, CFS to ICD or port to airport & vice versa within India will be from transaction value

Fill in the blank

- a. included
b. excluded

MCQ 04.01.23.00

The cost of transport referred to in clause (a) of rule 10(2) includes:

- a. Ship demurrage charges of normal vessels
b. Ship demurrage charges of vessels from which goods are not cleared with 30 days
c. Ship demurrage charges of chartered vessels
d. All of the above

MCQ 04.01.24.00

Mr. Kumar imported storage tanks from China. The goods were loaded on big mother vessels. Due to non-availability of berth on Mumbai port, Mr. Kumar brought the goods on the dock by small boats. State whether Mr. Kumar can include such cost incurred on small boats in his transaction value (T.V.).

- a. Yes, such cost is includible in T.V.
b. No, such cost is excludible from T.V.
c. No, such cost is includible subject to some condition
d. Yes, such cost is includible in T.V. with the prior permission of the proper officer

Combine Que on Rule 10(1) and Rule 10(2)

MCQ 04.01.25.00

The value of imported goods shall be the transaction value adjusted in accordance with:

- a. Rule 12 b. Rule 10
c. Rule 3 d. Rule 4

MCQ 04.01.26.00

Adjustments in transaction value as per rule 10 includes:

- i. Free assistance by the buyer in the form goods or services
- ii. Moulds and dies supplied at reduced cost by the buyer
- iii. Buying commission paid to local agent
- iv. Engineering and design work undertaken in India
- v. Transport charges paid as a condition of sale by the buyer on behalf of the seller.

Choose the correct alternative

- a. i, ii, iii
b. All of the except (iv) Above
c. All of the except (iii) Above
d. All of the except (iii) & (iv) above

Rule 3(2)- Condition for transaction value

MCQ 04.01.27.00

Rathi Brothers imported books from UK for £ 2000 with the condition that such books should not be sold on shops other than authorized shops of the seller.

Rathi Brothers filed bill of entry by declaring transaction value (T.V.) but the officer rejected their T.V. State whether the officer can do so

- Yes, the officer can reject the T.V. on the basis of rule 10(1)
- Yes, the officer can reject the T.V. on the basis of rule 3(2)
- No, the officer cannot do so
- No, the officer has to accept the T.V. as the parties are not related to each other

MCQ 04.01.28.00

The conditions of rule 3(2) for acceptance of T.V. are:

- There is no restriction as to disposition or use of goods subject to some exceptions
- The buyer & seller are not related
- Both of the above
- None of the above

MCQ 04.01.29.00

Mr. Daruwala imported wine from Singapore and filed his bill of entry by declaring the transaction value. The restriction imposed by the seller is that the buyer should not sale those goods in Wardha District as the supply of wine is prohibited by law in Wardha. Is the transaction value of Mr. Daruwala, acceptable?

- Acceptable, as no condition of sale is imposed by the seller
- Acceptable, as restriction is imposed by law

- Not acceptable, as restriction is imposed by the seller
- Not acceptable, as restriction is related to disposition of the goods

Rule 3(3)-Transaction value acceptable even though buyer and seller are related

MCQ 04.01.30.00

In case of sale of goods to a related party, transaction value is accepted where:

- the relationship does not influence the price
- the declared value of the goods closely approximates to the transaction value of identical or similar goods to unrelated buyer in India
- the declared value of the goods closely approximates to the deductive or computed value for identical or similar goods
- All of the above

MCQ 04.01.31.00

Rio Ltd. USA holds 61% share in Jio Ltd. India. Rio Ltd. supplied some goods to Jio Ltd. through vessel at ₹ 45 lakhs on FOB basis. The identical goods were sold to an unrelated party Trio Ltd. India at ₹ 42 lakhs on FAS basis. The officer can:

- Accept the transaction value as relationship did not influence the price
- Reject the transaction value as buyer and seller are related
- Reject the transaction value as sale to unrelated

buyer is at lower price

- Both b & c above

Combine Question on Rule 2(1)(d) and Rule 2(1)(e)

MCQ 04.01.32.00

For the purpose of valuation rules, in case of identical or similar goods, choose the correct alternative from the following:

- Produced in the same country in which goods being valued were produced
- Produced by the same manufacturer or producer
- Produced by different manufacturer or producer, where no such goods were available from same person
- All of the above

Rule 4/ Rule 5-Transaction value of indential goods/similar goods

MCQ 04.01.33.00

The customs officer found more than one transaction value in case of goods imported by Sagar Industries Ltd., while applying the valuation rules. State which of the transaction value to be considered by the officer for computation of custom duty.

- highest of such values
- average of all such values
- lowest of all such values
- identical or similar value

MCQ 04.01.34.00

Mr. Batliwala, the dealer in dry fruits ordered some dry fruits, the details of which are as follows:

Date of import	Quantity	Value Declared (₹)	Country of Export
Jan. 20XY	500 M.T.	20000 per M.T.	Dubai
Mar. 20XY	450 M.T.	20500 per M.T.	Dubai

Import of similar goods by some other dealers were also found by the officer, which are as follows:

Date of import	Quantity	Value Declared (₹)	Country of Export
Dec. 20XX	100 M.T.	30000 per M.T.	Egypt
Oct. 20XX	210 M.T.	25500 per M.T.	Saudi Arabia

The officer rejected the transaction value declared by Mr. Batliwala.

The action taken by the officer is:

- Valid, as the value declared by other importer is greater than that of Mr. Batliwala
- Valid, as value of similar goods is available
- Invalid, as the value of similar goods is not available for same quantity and also the country of origin are not the same
- Both a & b above

MCQ 04.01.35.00

Mr. Raj, an importer has import 1000 M.T. of oil from Dubai at ₹ 3.5 lakhs. The customs officer finds that at the time of importation of this consignment, there were following imported of oil from Dubai:

Quantity	Unit price (₹)
500 M.T.	10 lakhs
800 M.T.	8.5 lakhs
950 M.T.	6 lakhs
1100 M.T.	5.5 lakhs

If an officer wants to reject the transaction value declared by the importer then, which of the price is to be considered by the officer for the calculation of customs duty.

- ₹ 3.5 lakhs
- ₹ 6 lakhs
- ₹ 5.5 lakhs
- ₹ 8.5 lakhs

Rule 7- Deductive Value**MCQ 04.01.36.00**

For the purpose of deductive value, unit price is the price at which greatest aggregate quantity sold to person who are:

- related to the sellers in India
- importer
- not related to the sellers in India
- All of the above

MCQ 04.01.37.00

If the imported goods are sold in India for which value of similar or identical goods is not available at or about the same time, then the value shall be based on the earliest date after importation but before the expiry of:

- thirty days after such importation
- sixty days after such importation
- ninety days after such importation
- ninety days before such importation

MCQ 04.01.38.00

Compute the deductive value from the following details

Particulars	Amount(₹)
Sale price of imported goods in India	10000
Profit included in sale price	1500
Commission paid to the local agent	200
Import duty paid	350
Insurance charges	100
Cost of transport	120
General expenses such as storage charges	150

The value of imported goods shall be:

- 8500
- 7580
- 8150
- 8000

[Hint:- 10000 - 1500 - 200 - 350 - 100 - 120 - 150]



Rule 8- Computed value

MCQ 04.01.39.00

Computed value of imported goods is the sum of:

- i. The cost of materials and fabrication or other processing done on imported goods
- ii. The amount of profit and other expenses incurred in the country of exportation
- iii. The cost of transport upto the place of importation
- iv. The cost of Insurance upto the place of importation
- v. The landing charges at the place of importation

Choose the correct alternative from the following:

- a. i, iii, & v only
- b. i, ii, & v only
- c. i, ii, iii, iv & v
- d. i, ii, iii & iv only

MCQ 04.01.40.00

Determine the value of Microwave imported by Mr. Kunal from an exporter in Japan on the basis of following information:

Particulars	US \$
Raw material price	2500
Processing charges	500
Other expenses	150
Usual Profit	250
Cost of Transport	100
Landing charges	70

The vessel arrived on 1.4.XX but the bill of entry was filed by Mr. Kunal on 25.3.XX. Insurances is not ascertainable. The exchange rates are as

follows:

Rates given by	25.3.XX	1.4.XX
RBI	₹ 55 per \$	₹ 57 per \$
CBIC	₹ 58 per \$	₹ 60 per \$

- a. ₹ 207060
- b. ₹ 214200
- c. ₹ 203000
- d. ₹ 205219

[Hint :- Adjusted FOB = 2500 + 500 + 150 + 250 = 3400]

Insurance = 3400 X 1.125% = 38.25

fright = 100. Therefore, Value = 3538.25 x 58 = 205219

Rule 9- Residual Method

MCQ 04.01.41.00

Mr. Vasu imported iron bars from Egypt but the value cannot be determined under rules 4 to 8 of customs valuation rules, then value of such imported goods shall be determined using

- a. Residual Method
- b. Reasonable means
- c. Either a or b above
- d. None of above

MCQ 04.01.42.00

Where transaction value is not acceptable under rule 3 then officer can directly apply rule 9 for determining the transaction value of an importer.

State true or false

- a. True
- b. False

Rule 11- Declaration by importer

MCQ 04.01.43.00

Under Which Rule, ----the importer shall furnish a declaration disclosing full and accurate details of value of imported goods

- a. Rule 11
- b. Rule 12
- c. Rule 13
- d. Rule 14

Rule 2(1A)-Goods of like kind and quality

MCQ 04.01.44.00

In case of export, goods of like kind and quality which perform same function and are commercially interchangeable must not be produced by the different person.

- a. True
- b. False

Rule 3- Determination of Value of Exported Goods

MCQ 04.01.45.00

The adjustment factors which are to be considered by the proper officer for determining the value of export goods includes:

- a. Differences in date of exportation
- b. Differences in quantity level
- c. Differences in quality, composition & design
- d. All of the above

MCQ 04.01.46.00

The proper officer can also make adjustments for differences in value of export goods for domestic freight, insurance charges as well as landing charges depending on the place of exportation

- a. True
- b. False

Social welfare surcharge

MCQ 04.01.47.00

Social welfare surcharge is levied at the rate of:

- a. 10% of assessable value + basic custom duty
- b. 10% of basic custom duty + additional custom duty

- c. 10% of basic custom duty
d. 10% of assessable value

Export Valuation

MCQ 04.01.48.00

Calculate the export duty from the following details

- FOB value of goods : US \$ 50,000
- Shipping bill presented on 11-02-XX
- Let export order given by the proper officer on 15-02-XX
- Exchange rates & duty rates notified by CBIC are as follows:

Date	Rate of exchange	Rate of duty
11-02-XX	₹ 60 per \$	10%
15-02-XX	₹ 62 per \$	12%

- a. ₹ 3,00,000 b. ₹ 3,10,000
c. ₹ 3,60,000 d. ₹ 3,72,000

Section 19: Determination of duty where goods consist of articles liable to different rates of duty

MCQ 03.01.49.00

Mr. Salman imported a shaving kit which includes razor, foam cream & shaving brush. The rate of duty is 18%, 12% & 5% respectively mentioned separately on each of the above items. State the rate of duty applicable on such import by Mr. Salman

- a. 18% on complete kit
b. 5% on complete kit

- c. Each item will be charged separately with their respective rate of duty
d. Either a or c above

MCQ 03.01.50.00

Mr. Vishal provided coaching service through video lectures on pen drive along with books in a kit. He exported his services to Dubai and wants to know the duty rate to be imposed on export service. Tariff rate on coaching service is 18% and on books the rates are nil. But the exporter does not have any evidence to produce before the officer for different rates. The service of Mr. Vishal will be chargeable at the rate of:

- a. 18%
b. Nil rate
c. 0%
d. 18% on pen drive value & nil rate on books value

MCQ 03.01.51.00

Any accessories supplied with main article which satisfy the condition of Accessories (condition) rule, 1963 are chargeable to duty at the:

- a. Rate of that accessories
b. Same rate as that of the main article
c. Highest of the two rates
d. Either a or b above

02. ICAI Material Questions

MCQ 04.02.52.00

Which of the following is not includible in the transaction value of goods under rule 10(1) of the

Customs Valuation (Determination of Value of Imported Goods) Rules, 2007? [ICAI Material]

- a. Buying Commission
b. Royalties
c. License fees
d. Cost of packing

MCQ 04.02.53.00

For determining the CIF price of the imported goods, certain additions have to be made to the value of imported goods under rule 10(2) of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007. If cost of insurance is not ascertainable from the documents submitted before the customs authorities, then such amount is determined as follows:

- (i) 20% of free on board value of goods
(ii) 1.125% of free on board value of goods
(iii) Where free on board value is not ascertainable, but sum of free on board value and cost of transport, loading, unloading and handling charges up to place of importation are available; then 1.125% of such sum
(iv) Where free on board value is not ascertainable, but sum of free on board value and cost of transport, loading, unloading and handling charges up to place of importation are available; then 20% of such sum

[ICAI Material]

- a. (i) or (iii) b. (i) or (iv)
c. (ii) or (iii) d. (ii) or (iv)



MCQ 04.02.54.00

Certain goods were imported by air. The free on board value of goods is ₹ 100. The cost of transport, loading, unloading and handling charges up to place of importation is ₹ 25. The cost of insurance is ₹ 10. For the purposes of rule 10(2) of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007, which of the following shall be added to the value of imported goods? [ICAI Material]

- Cost of transport, loading, unloading and handling charges – ₹ 25; and Cost of insurance ₹ 10
- Cost of transport, loading, unloading and handling charges – ₹ 25; and Cost of insurance ₹ 1.125
- Cost of transport, loading, unloading and handling charges – ₹ 20; and Cost of insurance ₹ 1.125
- Cost of transport, loading, unloading and handling charges – ₹ 20; and Cost of insurance ₹ 10

MCQ 04.02.55.00

Which of the following statements is not correct in the context of valuation of imported goods? [ICAI Material]

- Buying commission is not includible in the value of imported goods.
- Rate of exchange notified by CBIC on date of presentation of bill of entry is to be considered.
- For imports by air, the cost of transport, loading, unloading and handling charges up to place of importation cannot exceed 20% of free on board

value of goods.

d. Social welfare surcharge is leviable on basic customs duty, integrated tax and GST compensation cess.

MCQ 04.02.56.00

For valuation purposes under the Customs Act, 1962, which of the following transactions would be considered as having been made between related persons?

- A foreign company – A Ltd. having a joint venture with Indian company – B Ltd. in the name of AB Ltd. A Ltd. holds 51% shareholding in AB Ltd. The transactions between A Ltd. and AB Ltd.
- A foreign company – A Ltd. having a joint venture with Indian company – B Ltd. in the name of AB Ltd. The transactions between A Ltd. and B Ltd.
- A Inc., a company in USA, holding 5% of share capital of importer company – B Ltd. The transactions between A Inc. and B Ltd. [ICAI Material]

- (i), (ii) and (iii)
- (i) and (iii)
- (i) and (ii)
- (ii) and (iii)

MCQ 04.02.57.00

The transaction value of imported goods is not accepted for valuation purposes when:

- the use of the imported goods by the buyer is subject to the restrictions imposed by the seller which substantially affect the value of goods.
- the buyer and seller are not related.

(iii) price is not the sole consideration for sale. [ICAI Material]

- (i) and (iii)
- Only (i)
- Only (iii)
- (i), (ii) and (iii)

MCQ 04.02.58.00

Which of the following statements is/are not correct for 'identical' goods' for valuation purposes under the Customs Act, 1962?

- Identical goods are same in all respects, including physical characteristics, quality and reputation as the goods being valued except for minor differences in appearance that do not affect the value of goods.
- Identical goods can be produced in any country.
- Identical goods are produced by same person who produced the goods being valued, or where no such goods are available, goods produced by a different person. [ICAI Material]

- (i), (ii) and (iii)
- (i) and (iii)
- Only (ii)
- Only (iii)

MCQ 04.02.59.00

Which of the following statements is correct in relation to value of imported goods determined under rule 4 of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007, i.e. transaction value of identical goods: [ICAI Material]

- a. The transaction value of identical goods in a sale at any commercial level and in substantially the same quantity as the goods being valued shall be used to determine the value of imported goods.
- b. The transaction value of identical goods in a sale at same commercial level and in any quantity as the goods being valued shall be used to determine the value of imported goods.
- c. The transaction value of identical goods in a sale at same commercial level and in substantially the same quantity as the goods being valued shall be used to determine the value of imported goods.
- d. The transaction value of identical goods in a sale at any commercial level and in any quantity as the goods being valued shall be used to determine the value of imported goods.

03. Rtp & MTP Questions

MCQ 04.03.60.00

For the purpose of rule 7 (Deductive Value) of the Customs (Determination of Value of Imported Goods) Rules, 2007, determine the unit price in greatest aggregate quantity: A Ltd. makes two sales. In the first sale, 500 units are sold at a price of ₹ 95. In the second sale, 400 units are sold at a price of ₹ 100. [CA Final RTP Nov 19] [ICAI Material]

- a. 95 b. 100
- c. Average of 95 and 100 i.e. $(95+100)/2 = 97.5$
- d. Insufficient data

MCQ 04.03.61.00

Product 'Z' was imported by Mr. X by air. The details of the import transaction are as follows:

Particulars	US \$
Price of 'Z' at exporter's factory	8,500
Freight from factory of the exporter to load airport (airport in the country of exporter)	250
Loading and handling charges at the load airport	250
Freight from load airport to the airport of importation in India	4,500
Insurance charges	2,000

Though the aircraft arrived on 22.08.20XX, the bill of entry for home consumption was presented by Mr. X on 20.08.20XX.

The other details furnished by Mr. X are:

	20.08.20XX	22.08.20XX
Rate of basic customs duty	20%	10%
Exchange rate notified by CBIC	₹ 60 per US\$	₹ 63 per US\$
Exchange rate prescribed by RBI	₹ 61 per US\$	₹ 62 per US\$
Integrated tax leviable under section 3(7) of the Customs Tariff Act, 1975	18%	12%

Compute-

value of product 'Z' for the purpose of levying customs duty [RTP]

- a. 9,00,000 b. 6,60,000
- c. 7,62,600 d. 7,38,000

[Hint :- Refer Que 24 from Subjective Notes Pg. No. 43]

Answer:-

04.01.01	d	04.01.21	a	04.01.41	a
04.01.02	c	04.01.22	b	04.01.42	b
04.01.03	d	04.01.23	c	04.01.43	a
04.01.04	c	04.01.24	a	04.01.44	b
04.01.05	c	04.01.25	b	04.01.45	d
04.01.06	c	04.01.26	d	04.01.46	b
04.01.07	b	04.01.27	b	04.01.47	c
04.01.08	a	04.01.28	c	04.01.48	c
04.01.09	b	04.01.29	b	04.01.49	c
04.01.10	c	04.01.30	d	04.01.50	a
04.01.11	b	04.01.31	a	04.01.51	b
04.01.12	a	04.01.32	d	04.01.52	a
04.01.13	c	04.01.33	c	04.01.53	c
04.01.14	b	04.01.34	c	04.02.54	d
04.01.15	b	04.01.35	c	04.02.55	d
04.01.16	b	04.01.36	c	04.02.56	c
04.01.17	a	04.01.37	c	04.02.57	a
04.01.18	c	04.01.38	b	04.02.58	c
04.01.19	b	04.01.39	d	04.02.59	c
04.01.20	c	04.01.40	d	04.03.60	a
				04.02.61	d

