

**DEPARTMENTAL EXAMINATION OF THE INDIAN REVENUE SERVICE (CUSTOMS AND CENTRAL EXCISE) GROUP 'A' PROBATIONERS - APRIL-MAY, 2009**

**PART-I PAPER-I**  
**CENTRAL EXCISE LAW, TARIFF AND PROCEDURE (WITHOUT BOOKS)**

Date: 23-04-2009

Maximum Marks: 150

Time: 1015 Hrs. to 1315 Hours

Pass Marks: 100

- Note: (a) All questions carry equal marks of 25 each.  
(b) Answer **ANY SIX** questions. In each question there are 6 parts. **Any five** of the six parts only need be answered.  
(c) Candidates may answer either in Hindi or in English

Question No.1 (Answer any five of (a) to (f))

(Marks 5x5=25)

- (a) What are the different types of duties of excise collected by Central Excise Department? (Mention at least six types of duty).
- (b) Please specify the Acts where the rates of duty for different types of duty (at least six) collected by the Central Excise Department are specified.
- (c) Please give five examples of commodities on which at least four types of excise duty is collected.
- (d) Explain the interpretative rules for deciding classification of goods which are prima facie classifiable in two or more headings in the Central Excise Tariff.
- (e) If in any emergency, the Central Government wants to increase excise duty rates above the rates specified in the Tariff, which legal provision will help the government? Explain the provision briefly.
- (f) What is meant by "heading", "sub-heading" and "tariff item" in Central Excise Tariff? Which provision in Tariff Act explains these terms?

Question No.2 (Answer any five of (a) to (f))

(Marks 5x5=25)

- (a) What is meant by a 100% EOU?
- (b) Compare the benefits available to a 100% EOU with that available to a unit in a Special Economic Zone.
- (c) When goods are cleared from a 100% EOU to Domestic Tariff Area what are the duties payable? What is the major account head number under which such duties should be credited to government account?
- (d) Explain the legal provision for charging duty on goods cleared from EOU to Domestic Tariff Area.
- (e) Explain the provisions of Section 4A of the Central Excise Act, 1944 dealing with levy of duty on the basis of MRP.

- (f) Explain the meaning of manufactured goods as decided in various decisions of Supreme Court.

Question No.3 (Answer any five of (a) to (f))

(Marks 5x5=25)

- (a) If an assessee has paid excise duty, by mistake, in excess of what is payable, who can claim refund of such excess duty paid? What is the time limit for filing refund claim in such situation?
- (b) What is the definition of the "relevant date" from which time limit is reckoned?
- (c) What is meant by unjust-enrichment?
- (d) Will this principle apply for duty paid on goods captively consumed?
- (e) What are the provisions relating to interest on delayed payment of eligible refund?
- (f) If erroneous refund is granted how can it be recovered by the department?

Question No.4 (Answer any five of (a) to (f))

(Marks 5x5=25)

- (a) What is meant by Cenvat Credit Scheme? What is its objective?
- (b) Explain the scope of "inputs" and "input services" under Cenvat Credit Rules, 2004.
- (c) What are the types of duties and taxes on which credit can be taken under Cenvat Credit Rules, 2004?
- (d) If an assessee takes credit of excise duty paid on inputs used partially in dutiable goods and partially in exempted goods what is the extent to which credit can be allowed in such situation?
- (e) What is the nature of changes made in Rule 6 of Cenvat Credit Rules, 2004, in the Budget of 2008?
- (f) Specify two services in respect of which full credit of tax paid can be taken even if the service is used partially in relation to dutiable goods and partially in relation to exempted goods.

Question No.5 (Answer any five of (a) to (f))

(Marks 5x5=25)

- (a) What is the time limit for issue of Show Cause Notice to recover duties short levied or short paid?
- (b) What benefits accrue to an assessee if duty short levied is paid before issue of such Show Cause Notice?
- (c) Who can adjudicate a Show Cause Notice issued under section 11A of the Central Excise Act? Mention the details of powers delegated by CBEC in this regard.
- (d) How can an assessee get relief from penalty, equal to duty evaded, that may be imposed under section 11AC of the Central Excise Act?
- (e) In which type of cases can an assessee approach Settlement Commission for

- settling a dispute with the department?
- (f) What are the advantages to an assessee in approaching the Settlement Commission? Is there any advantage to the department if a case is settled by Settlement Commission?

Question No.6 (Answer any five of (a) to (f))

(Marks 5x5=25)

- (a) What are the different types of schemes available in Central Excise Rules to help a manufacturer to export excisable goods without having to factor the incidence of excise duty into the cost of product exported?
- (b) Give the outline of procedures prescribed for one such scheme?
- (c) A manufacturer located in Jammu Kashmir manufactured excisable goods during Nov 2006. He claimed refund of excise duty paid through PLA claiming benefit of Notfn. No. 57/2002 dated 14-11-2002 for goods manufactured in Jammu Kashmir. He exported the goods and claimed rebate of duty paid on the goods which was already refunded under Notfn. No. 57/2002 dated 14-11-2002. Is he eligible for the rebate?
- (d) What special provisions have been made in Finance Act 2008 in respect of situation given in (c) above?
- (e) Can rebate and drawback be claimed on the same export goods?
- (f) What are the special provisions relating to rebate of excise duty paid on goods exported to Nepal?

Question No.7 (Answer any five of (a) to (f))

(Marks 5x5=25)

- (a) What is Excise Audit 2000?
- (b) How is it different from the system of audit followed earlier?
- (c) Explain what is meant by Computer Assisted Audit Programme.
- (d) What is the role of Central Excise Revenue Audit?
- (e) What types of manufacturers are exempted from taking Central Excise registration?
- (f) What types of persons other than manufacturers of excisable goods are required to take Central Excise registration?

Question No.8 (Answer any five of (a) to (f))

(Marks 5x5=25)

Write Short Notes (about 150 words):

- (a) Excisable Goods (Discuss important case laws).
- (b) Meaning of "transaction value" and its relevance for levying excise duty.
- (c) Appellate remedies available to the department against erroneous orders passed by a Commissioner (Appeals).
- (d) The Central Excise (Removal of Goods at Concessional Rate of Duty for

- Manufacture of Excisable Goods) Rules, 2001.
- (e) The Third Schedule to Central Excise Act, 1944.
  - (f) Powers of Central Excise Officer for conducting search of premises and seizing excisable goods.

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