

**DEPARTMENTAL EXAMINATION OF THE INDIAN REVENUE SERVICE (CUSTOMS
AND CENTRAL EXCISE) GROUP 'A' PROBATIONERS – MAY, 2008**

PART II - PAPER VII
CUSTOMS LAW, TARIFF AND PROCEDURE (WITHOUT BOOKS)

Date: 12.05.2008

Maximum Marks: 150

Time: 1015 to 1315 Hours

Pass Marks: 100

PLEASE CAREFULLY READ THE BELOWINDICATED NOTES:

1. Question No. 1 is compulsory

2. Attempt any four from the remaining questions.
3. All questions carry equal marks
4. Five questions are to be answered in all
5. Answers can be furnished either in Hindi or in English

Q.1 (i) Explain the provisions relating to recovery of duty and interest on duty short levied, not levied or erroneously refunded including penalty.

15 marks

(ii) What are the offences under Customs Act punishable with imprisonment or fine and extent of punishments?

15 marks

Q. 2. (i) Explain the provisions under Customs Act relating to valuation of goods for purpose of assessment.

10 marks

(ii) Explain the procedure to be followed before rejecting transaction value.

10 marks

(iii) Explain the provisions relating to date for determination of rate of duty and tariff valuation of import and export goods.

10 marks

Q.3. (i) Explain the procedure for claiming of refund of duty paid on goods short landed.

10 marks

(ii) A company imported a consignment valued at CIF Rs.1 lakh. Calculate the duty payable assuming 15% basic customs duty, 16% CVD, 2% education cess, 1 % higher education cess and landing charges at 1%.

10 marks

- (iii) A company engaged in ship breaking business imported a ship which has been scraped. On arrival of the ship, it was noticed that the ship had food and beverages for crew which was left over and fuel and oil in the tanks. The importers claim that foodstuffs and fuel & oil are to be classified under the Chapter Heading applicable to the ship that is 8901 9000 of Customs Tariff. The Customs Department contends that foodstuffs and fuel & oil have to be classified not under chapter heading meant for the ship but under the appropriate headings applicable to them. Give your views. 10 marks

Q. 4. (i) Explain the provisions relating to seizure and confiscation of conveyances. 10 marks

- (ii) Explain provisions relating to import and export by post. 10 marks

- (iii) Company (A) ordered for 55,000 sqmtrs. of fabrics from Company (B). The consignment was loaded on the ship belonging to company (C) and (D) was the agent of the shipping company in India. The ship reached in India on 30th August, 1998 after leaving China on 22nd August. On 28th August, (D) was informed by (B) that weight of the fabric was mentioned wrongly in the bill of lading as 30 tons whereas the actual weight should have been 8 tons. Accordingly, (D) filed an application for amendment of IGM which was filed on arrival of ship in India on 30th August. (A) filed Bill of entry indicating the weight of the consignment as 8 tons. On 2nd September, Cargo was examined and weighed before assessment and it was found that actual weight of the fabrics was 10 tons. The total quantity of fabric was 50,000 sqmtrs. The rate of duty on the fabrics is 25% or Rs.100 per kg. whichever is higher. Draft a show case notice to the concerned parties. 10 marks

Q.5. Explain the role and work performed in the Customs House by the following Branches with reference to Customs Act, 1962.

- (i) Review Branch
- (ii) Refund Section
- (iii) Adjudication Branch
- (iv) Appraising Main Department
- (v) Appraising Group. (6 marks each)

Q.6. (i) Explain the difference in procedure for examination of self-sealed container and the container sealed by the Central Excise officers.

(ii) Explain the difference between assessment process for import under DEEC and DFRC.

- (iii) Explain the difference between Customs work carried on Inland Container Depot and Container Freight Station.
- (iv) Explain the difference between disposal of unclaimed/abandoned goods and disposal of the confiscated goods.
- (v) Explain the difference between Anti-Dumping duty and Safeguard duty.

(6 marks each)

Q.No.7. Explain –

- (i) The procedure for clearance of unaccompanied baggage.
- (ii) Basic features of levy of merchant overtime fee.
- (iii) Limitations on drawback admissibility.
- (iv) Fine in lieu of confiscation
- (v) Goods improperly removed from warehouse.

(6 marks each)

Q.No.8. With reference to definitions in Customs Act, explain

- (i) Goods
- (ii) Importer
- (iii) Foreign going vessel
- (iv) Prohibited goods
- (v) Person in – charge

(6 marks each)
