

CUSTOM MCQ

1. The rates at which duties of customs shall be levied under the Customs Act 1962 are specified in the First and Second Schedules

a) True	b) False
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Answer- A

2. The first schedule enlist the goods liable to

a) Import Duty	b) Export Duty

Answer- A

3. The second schedule enlist the goods liable to

a) Import Duty	b) Export Duty
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Answer- B

4. Any article which is imported into India shall, in addition, be liable to integrated tax at such rate, not exceeding _____% as is leviable under section 5 of Integrated Goods and Services Tax Act, 2017 on a like article on its supply in India, on the value of the imported article as determined under sub-section (8) or sub section 8(A)

a) 20	b) 30
c) 40	d) 50

Answer- C

5. GST compensation cess is a compensation cess levied under section 8 of the Goods and Services Tax (Compensation to State) Act, 2017. GST compensation cess is levied on intra-state supply of goods or services and inter-state supply of goods or services to provide compensation to the States for loss of revenue due to implementation of GST in India

a) True	b) False

Answer- A

6. Any article which is imported into India shall, in addition, be liable to the goods and services tax compensation cess at such rate, as is leviable under section 8 of the Goods and Services Tax (Compensation to States) Cess Act, 2017 on a like article on its supply in India, on the value of the imported article as determined under sub-section (10) or sub section 10(A)

a) True	b) False

Answer- A

7. For the purposes of calculating the integrated tax on any imported article where such tax is leviable at any percentage of its value, the value of the imported article shall, notwithstanding anything contained in section 14 of the Customs Act, 1962, be the aggregate of

a) the value of the imported article determined under sub-section (1) of section 14 of the Customs Act, 1962 or the tariff value of such article fixed under sub-section (2) of that section, as the case may be	b) any duty of customs chargeable on that article under section 12 of the Customs Act, 1962, and any sum chargeable on that article under any law for the time being in force as an addition to, and in the same manner as, a duty of customs, but does not include the integrated tax referred to in section 3(7) of the Customs Tariff Act, 1975 or the goods and services tax compensation cess referred to in section 3(9) of the Customs Tariff Act, 1975
c) Both A & B	d) None of the above

Answer- C

8. Tariff value in relation to any goods, means the tariff value fixed in respect thereof under sub-section (2) of section 14

a) True	b) False

Answer- A

9. Any article which is imported into India is also liable to a duty equal to the excise duty for the time being leviable on a like article if produced or manufactured in India. This duty is called as _____

a) Additional duty	b) Countervailing Duty
c) Special duty	d) None of the above

Answer- A

10. Special additional duty under sub-section (3) is levied to counter balance the excise duty leviable on raw materials, components and ingredients of the same nature as, or similar to those, used in the production or manufacture of the imported article. This duty is called as _____

a) Additional duty	b) Countervailing Duty
c) Special duty	d) None of the above

Answer- B

11. The maximum rate of additional duty is @ _____ %

a) 5	b) 4
c) 3	d) 2

Answer- B

12. _____ are those which are levied for the purpose of raising customs revenue.

a) Revenue duty	b) Protective Duty

Answer- A

13. _____ are intended to give protection to indigenous industries. If resort to protective duties is not made there could be a glut of cheap imported articles in the market making the indigenous goods unattractive.

a) Revenue duty	b) Protective Duty

Answer- B

14. The protective duties are levied by the _____ upon the recommendation made to it by the Tariff Commission and upon it being satisfied that circumstances exist which render it necessary to take immediate action to provide protection to any industry established in India

a) board	b) Supreme Court
c) Central Government	d) None of the above

Answer- C

15. The protective duty shall be effective only upto and inclusive of the date if any, specified in the First Schedule

a) True	b) False

Answer- A

16. If which of the following conditions are satisfied, the Central Government may provide for the enhancement of the import duty ?

a) The goods should be specified in the First Schedule	b) The Central Government is satisfied that circumstances exist, which render it necessary for the enhancement of import duties
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c) Either A or B	d) Both A&B
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Answer- D

17. Central Government can impose the safeguard duty if it is satisfied that

a) Any article is imported into India in increased quantities	b) Such increased importation is causing or threatening to cause serious injury to domestic industry
c) Either A or B	d) Both A&B

Answer- D

18. The safeguard duty is imposed for the purpose of protecting the interests of any domestic industry in India aiming to make it more competitive

a) True	b) False

Answer- A

19. Safeguard duty is product specific i.e. the safeguard duty is applicable only for certain articles in respect of which it is imposed

a) True	b) False

Answer- A

20. The duty imposed under section 8B shall be in force for a period of _____ years from the date of its imposition

a) 2	b) 3
c) 4	d) 5

Answer- C

21. The total period of levy of safeguard duty is restricted to ____ years.

a) 5	b) 10
c) 6	d) 7

Answer- B

22. Articles originating from developing country, so long as the share of imports of that article from that country does not exceed _____% of the total imports of that article into India

a) 2	b) 3
c) 4	d) 5

Answer- B

23. Articles originating from more than one developing country, so long as the aggregate of imports from developing countries each with less than 3% import share taken together does not exceed % of the total imports of that article into India

a) 2	b) 3
c) 9	d) 5

Answer- C

24. Safeguard duty shall not apply to articles imported by a 100% EOU/unit in a SEZ unless.

a) specifically made applicable	b) the article imported is either cleared as such into DTA or used in the manufacture of any goods that are cleared into DTA and in such cases safeguard duty shall be levied on that portion of the article so cleared or so used as was leviable when it was imported into India
c) Either A or B	d) Both A&B

Answer- C

25. This provisional duty may be imposed on the basis of preliminary determination that increased imports have caused or threatened to cause serious injury to a domestic industry

a) True	b) False

Answer- A

26. The provisional duty shall be in force for a maximum period of _____ days from the date of its imposition

a) 50	b) 100
c) 200	d) 300

Answer- C

27. The countervailing duty on subsidized articles is imposed if which of the following conditions are satisfied?

a) Any country or territory, directly or indirectly, pays or bestows subsidy upon the manufacture or production or exportation of any article. Such subsidy includes subsidy on transportation of such article	b) The importation may/may not directly be from the country of manufacture/production
c) The article, may be in the same condition as when exported from the country of manufacture or production or may be changed in condition by manufacture, production or otherwise	d) All the above

Answer- D

28. Countervailing duty shall not be levied unless it is determined that

a) The subsidy relates to export performance	b) The subsidy relates to the use of domestic goods over imported goods in the export article
c) The subsidy has been conferred on a limited number of persons engaged in the manufacture, production or export of articles	d) All the above

Answer- D

29. Unless revoked earlier, the duty imposed under section 9 shall be in force for a period of _____ years from the date of its imposition

a) 3	b) 4
c) 5	d) 10

Answer- C

30. If the review is not completed before the expiry of the period of imposition (5 years) then the duty may continue to remain in force pending the outcome of such review for a further period not exceeding _____ year

a) 3	b) 1
c) 5	d) 10

Answer- B

31. The retrospective date from which the duty is payable shall not be beyond __ days from the date of notification

a) 15	b) 30
c) 90	d) 120

Answer- C

32. When the export price of a product imported into India is less than the Normal Value of 'like articles' sold in the domestic market of the exporter, it is known as dumping

a) True	b) False
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33. Anti-dumping action can be taken only when there is an Indian industry which produces “like articles” when compared to the allegedly dumped imported goods

a) True	b) False

Answer- A

34. _____ in relation to an article, it means the difference between its export price and normal value

a) Margin of dumping	b) Injury margin

Answer- A

35. _____ margin is the margin adequate to remove the injury to the domestic industry

a) Margin of dumping	b) Injury margin

Answer- B

36. Where the Central Government, on such inquiry as it may consider necessary, is of the opinion that circumvention of anti-dumping duty has taken place, by which of the following ways?

a) by altering the description or name or composition of the article subject to such anti-dumping duty	b) by import of such article in an unassembled or disassembled form
c) by changing the country of its origin or export	d) All the above

Answer- D

37. Notwithstanding anything contained in sub-section (1) and sub-section (2), a notification issued under sub-section (1) or any anti-dumping duty imposed under sub-section (2), shall not apply to articles imported by a hundred per cent, export-oriented undertaking unless

a) specifically made applicable in such notifications or such impositions, as the case may be	b) the article imported is either cleared as such into the DTA or used in the manufacture of any goods that are cleared into the DTA, and in such cases anti-dumping duty shall be levied on that portion of the article so cleared or so used as was leviable when it was imported into India
c) Either A or B	d) Both A&B

Answer- C

38. The anti-dumping duty imposed under this section shall, unless revoked earlier, cease to have effect on the expiry of five years from the date of such imposition

a) True	b) False

Answer- A

39. The margin of dumping in relation to an article, exported by an exporter or producer, under inquiry under sub-section (6) shall be determined on the basis of records concerning normal value and export price maintained, and information provided, by such exporter or producer.

a) True	b) False
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40. Countervailing and anti-dumping duties shall not be levied just because such articles are exempt from duties or taxes borne by like articles when meant for consumption in the country of origin or exportation or by reasons of refund of such duties or taxes

a) True	b) False

Answer- A

41. The provisional countervailing and anti-dumping duties shall not be levied on any article imported from specified countries unless preliminary findings have been made of subsidy or dumping and consequent injury to domestic industry and a further determination has also been made that a duty is necessary to prevent injury being caused during the investigation

a) True	b) False

Answer- A

42. An appeal filed under section 9B shall be accompanied by a fee of _____ rupees:

a) 10,000	b) 15,000
c) 50,000	d) 25,000

Answer- B

43. The SWS on imported goods are in addition to any other duties of customs or tax or cess chargeable on such goods, under the Customs Act, 1962 or any other law for the time being in force

a) True	b) False

Answer- A

Chapter 15 : Valuation under Customs

1. As per section 14 of customs act, 1962, transaction value shall also include in addition to the price, any amount paid or payable for costs and services, including _____

a) commissions and brokerage	b) engineering
c) royalties and licence fees	d) all of the above

Answer- d

2. As per section 14 of customs act, 1962, transaction value shall also include in addition to the price, any amount paid or payable for costs and services, including _____

a) costs of transportation to the place of importation	b) insurance
c) design work	d) all of the above

Answer- d

3. As per section 14 of customs act, 1962, transaction value shall not include the following

a) handling charges at exporter's port	b) loading and unloading charges at exporter's port
c) insurance	d) buying agent's commission

Answer-d

4. As per section 14 of customs act, 1962 transaction value will not apply in which of the following cases

a) The price actually paid or payable for the goods	b) Where the buyer and seller of the goods are related
c) Price is the sole consideration for the sale	d) none of the above

Answer- b

5. For imported goods, the conversion in value shall be done with reference to the rate of exchange prevalent on the date of filing of _____

a) bill of entry under section 46	b) shipping bill (vessel or aircraft) under section 50.
c) bill of export (vehicle) under section 50.	d) either b or c

Answer- a

6. For export goods, the conversion in value shall be done with reference to the rate of exchange prevalent on the date of filing _____

a) bill of entry under section 46	b) shipping bill (vessel or aircraft) under section 50.
c) bill of export (vehicle) under section 50.	d) either b or c

Answer- d

7. For the purpose of customs valuation, “rate of exchange” means the rate of exchange notified by _____ shall be taken into account

a) the Foreign Exchange Dealers’ Association of India	b) CBIC
c) the Reserve Bank of India	d) none of the above

Answer-b

8. The CBIC notifies the rates periodically, and there are separate rates for imported goods and export goods. the rate for imported goods are _____

a) buying rate	b) selling rate
c) average rate	d) none of the above

Answer-b

9. The CBIC notifies the rates periodically, and there are separate rates for imported goods and export goods. the rate for export goods are _____

a) buying rate	b) selling rate
c) average rate	d) none of the above

Answer-a

10. Sub-section (2) of section 14 provides that the Board may fix _____ for any class of imported goods or export goods, having regard to the trend of value of such or like goods by notification in the Official Gazette if it is satisfied that it is necessary to do so.

a) market value	b) MRP
c) transaction value	d) tariff value

Answer-d

11. “Goods of the same class or kind”, means imported goods that are within a group or range of imported goods produced by a particular industry or industrial sector and includes _____

a) identical goods	b) similar goods
c) both a & b	d) either a or b

Answer-c

12. “identical goods” means imported goods which are same in all respects, including _____ as the goods being valued except for minor differences in appearance that do not affect the value of the goods

a) physical characteristics	b) quality
c) reputation	d) all of the above

Answer- d

13. “Identical goods” means imported goods _____

a) which are same in all respects, including physical characteristics, quality and reputation as the goods being valued	b) produced in the country in which the goods being valued were produced
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c) produced by the same person who produced the goods

d) all of the above

Answer- d

14. The term “produced” includes _____

a) grown

b) manufactured

c) mined

d) all of the above

Answer- d

15. The term “similar goods” means imported goods

a) which although not alike in all respects, have like characteristics and like component materials which enable them to perform the same functions

b) produced in the country in which the goods being valued were produced

c) produced by the same person who produced the goods being valued

d) all of the above

Answer-d

16. For the purpose of these customs valuation (determination of value of imported goods) rules, 2007, persons shall be deemed to be “related” only if –

a) they are officers or directors of one another's businesses

b) they are legally recognized partners in business

c) they are employer and employee

d) all of the above

Answer-d

17. For the purpose of these customs valuation (determination of value of imported goods) rules, 2007, persons shall be deemed to be “related” only if –

a) any person directly or indirectly owns, controls or holds five per cent or more of the outstanding voting stock or shares of both of them

b) they are members of the same family

c) they are employer and employee

d) all of the above

Answer-d

18. For the purpose of these customs valuation (determination of value of imported goods) rules, 2007, persons shall be deemed to be “related” only if –

a) one of them directly or indirectly controls the other

b) both of them are directly or indirectly controlled by a third person

c) together they directly or indirectly control a third person

d) all of the above

Answer-d

19. Which among the following are not related persons as per customs valuation (determination of value of imported goods) rules, 2007?

a) one of them directly or indirectly controls the other

b) both of them are directly or indirectly controlled by a third person

c) together they directly or indirectly control a third person

d) any person directly or indirectly owns, controls or holds two per cent or more of the outstanding voting stock or shares of both of them

Answer- d

20. For the purpose of these customs valuation (determination of value of imported goods) rules,

2007, persons shall be deemed to be “related” only if –

a) together they directly or indirectly control a third person	b) persons having business interest to each other, one of them are sole agent / sole distributor / sole concessionaire of other
c) such persons are employer and employee	d) all of the above

Answer-d

21. As per rule 3 customs valuation (determination of value of imported goods) rules, 2007, transaction value will be accepted for customs purpose, if ___ conditions are fulfilled.

- there is no restriction to importer about use of goods
- Consideration is determinable
- Subsequent resale proceeds do not accrue to seller
- Buyer and seller are not related

a) only (i) is to be fulfilled	b) only (ii) is to be fulfilled
c) (i) (ii) (iii) is to be fulfilled	d) (i) (ii) (iii) (iv) is to be fulfilled

Answer- d

22. In applying rule 4, the transaction value of identical goods is the goods being valued shall be used to determine the value of imported goods is at the _____

a) same commercial level	b) same quantity
c) both a & b	d) either a or b

Answer-c

23. In applying rule 4, if more than one transaction value of identical goods is found, _____ shall be used to determine the value of imported goods

a) highest of such value	b) lowest of such value
c) average of such value	d) none of the above

Answer- b

24. As per rule 7, while determining unit price, which of the following deductions have to be made?

a) commission usually paid or agreed to be paid	b) the additions usually made for profits
c) general expenses in connection with sales in India	d) all of the above

Answer-d

25. As per rule 7, while determining unit price, which of the following deductions have to be made?

a) customs duties and other taxes payable in India	b) costs of transport and insurance
c) general expenses in connection with sales in India	d) all of the above

Answer- d

26. If neither the imported goods nor identical nor similar imported goods are sold at or about the same time of importation of the goods being valued, the value of imported goods shall, be based on the unit price at which the imported goods or identical or similar imported goods are sold in India, at the earliest date after importation but before the expiry of ___ after such importation

a) 45 days	b) 60 days
c) 90 days	d) 120 days

Answer- c

27. The value of imported goods shall be based on a computed value, which shall consist of the sum of

a) cost or value of materials	b) general expenses
c) amount for profit	d) all of the above

Answer- d

28. The value of imported goods shall be based on a computed value, which shall consist of the sum of

a) Expenses under sub-rule (2) of rule 10.	b) cost of fabrication
c) other processing employed in production	d) all of the above

Answer- d

29. Where the value of imported goods cannot be determined under the provisions of any of the rules, the value shall be determined as per _____

a) rule 7	b) rule 8
c) rule 9	d) none of the above

Answer- c

30. No value shall be determined under the provisions of rule 9 on the basis of

a) arbitrary or fictitious values	b) minimum customs values
c) the selling price in India of the goods produced in India	d) all of the above

Answer-d

31. No value shall be determined under the provisions of rule 9 on the basis of

a) the price of the goods on the domestic market of the country of exportation	b) the price of the goods for the export to a country other than India
c) a system which provides for the acceptance for customs purposes of the highest of the two alternative values	d) all of the above

Answer-d

32. As per rule 10 in determining the transaction value, there shall be added to the price actually paid or payable for the imported goods the following to the extent they are incurred by the buyer but are not included in the price actually paid or payable for the imported goods, namely _____

a) commissions and brokerage, except buying commissions	b) the cost of containers
c) the cost of packing	d) all of the above

Answer- d

33. State which of the following are to be added to transaction value as per rule 10(1) in the following case
Where the value, apportioned of the following goods and services where supplied directly or indirectly by the buyer free of charge or at reduced cost for use in connection with the production and sale for export of imported goods (not been included in the price)

a) materials, components, parts and similar items	b) tools, dies, moulds and similar items
c) materials consumed in the production of the imported goods	d) all of the above

Answer- d

34. State which of the following are to be added to transaction value as per rule 10(1) in the following case
Where the value, apportioned of the following goods and services where supplied directly or indirectly by the buyer free of charge or at reduced cost for use in connection with the production and sale for export of imported goods (not been included in the price)

a) Engineering, development, art work, undertaken elsewhere than in India and necessary for the production of the imported goods.	b) Design work, and plans and sketches undertaken elsewhere than in India and necessary for the production of the imported goods.
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c) materials consumed in the production of the imported goods

d) all of the above

Answer- d

35. State which of the following are to be added to transaction value as per rule 10(1) to the extent they are incurred by the buyer but not included in the price

a) royalties and licence fees related to the imported goods that the buyer is required to pay, directly or indirectly, as a condition of the sale of the goods being valued

b) The value of any part of the proceeds of any subsequent resale, disposal or use of the imported goods that accrues, directly or indirectly, to the seller

c) all other payments actually made or to be made as a condition of sale of the imported goods, by the buyer to the seller, or by the buyer to a third party to satisfy an obligation of the seller

d) all of the above

Answer- d

36. State whether the following costs should be added to the transaction value

- i. Dismantling charges for removing the second hand plant at the foreign supplier's place and shipping to the Indian importer
- ii. Training charges paid to supplier, for imparting training to the indian company's personnel , on how to use the equipment

a) both i & ii are to be included

b) both i & ii are to be excluded

c) I – includible ii- excludible

d) I – excludible ii- includible

Answer- a

37. State whether the following costs should be added to the transaction value

- i) Fee charged by foreign supplier for supervision of erection and commissioning of imported plant in India
- ii) Stevedoring charges or unloading charges

a) both i & ii are to be included

b) both i & ii are to be excluded

c) I – includible ii- excludible

d) I – excludible ii- includible

Answer- b

38. State whether the following costs should be added to the transaction value

- i) Lump sum payment and annual royalty for transfer of technical know-how for manufacturing goods using imported plant
- ii)) Lump sum payment and annual royalty for transfer of technical know-how for manufacturing goods using imported plant are incurred as a condition of sale

a) both i & ii are to be included

b) both i & ii are to be excluded

c) I – includible ii- excludible

d) I – excludible ii- includible

Answer- d

39. State whether the following costs should be added to the transaction value

- i) Payment for tools, dies and moulds (imported along with the plant) for use in connection with the manufacture of excisable goods on successful commissioning of the imported plant
- ii) Service charges paid to canalizing agent (he purchases goods from overseas seller and sells to India)

a) both i & ii are to be included

b) both i & ii are to be excluded

c) I – includible ii- excludible

d) I – excludible ii- includible

Answer- a

40. Where the cost of transport of the imported goods to the place of importation is not ascertainable, then such cost shall be _____

a) 20% of customs FOB value

b) 1.125% of customs FOB value

c) actual cost	d) actual cost (or) 20% of customs FOB value, whichever is lower
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Answer-a

41. The loading, unloading and handling charges associated with the delivery of the imported goods at the place of importation shall be _____

a) 1% of customs FOB value	b) cost of transport
c) cost of insurance	d) o

Answer- d

42. Where the cost of insurance is not ascertainable, then such cost shall be _____

a) 20% of customs FOB value	b) 1.125% of customs FOB value
c) actual cost	d) actual cost (or) 20% of customs FOB value, whichever is lower

Answer-b

43. In case of goods imported by air, where the cost of transport is ascertainable, then such cost shall be

a) 20% of customs FOB value	b) 1.125% of customs FOB value
c) actual cost	d) actual cost (or) 20% of customs FOB value, whichever is lower

Answer-d

44. Where the free on board value of the goods is not ascertainable, the cost of transport of the imported goods to the place of importation, shall be _____

a) 20% of customs FOB value	b) 1.125% of (customs FOB value + cost of freight)
c) 20% of cost of insurance	d) 20% of (customs FOB value + cost of insurance)

Answer-d

45. Where the free on board value of the goods is not ascertainable, the cost of insurance, shall be _____

a) 1.125% of customs FOB value	b) 1.125% of (customs FOB value + cost of freight)
c) 1.125% of cost of insurance	d) 20% of (customs FOB value + cost of insurance)

Answer-b

46. The cost of transport of the imported goods includes

a) ship demurrage charges	b) lighterage/barge charges
c) both a & b	d) none of the above

Answer- c

47. The value of export goods shall be the _____

a) transaction value	b) market value
c) MRP	d) none of the above

Answer- a

48. The transaction value shall be accepted even where the buyer and seller are related, provided that the relationship has not influenced the price

a) yes	b) no
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Answer-a

49. The value of the export goods shall be based on the transaction value of goods of _____

a) goods of like kind and quality	b) exported at or about the same time to other buyers
c) in the same destination country of importation	d) all of the above

Answer- d

50. In determining the value of export goods in the absence same destination country of importation, the proper officer shall make such adjustments as appear to him reasonable, taking into consideration the relevant factors including _____

a) difference in the dates of exportation and difference in commercial levels and quantity levels	b) difference in composition, quality and design between the goods to be assessed and the goods with which they are being compared
c) difference in domestic freight and insurance charges depending on the place of exportation	d) all of the above

Answer-d

51. Computed value, shall include _____ the following

a) cost of production, manufacture or processing of export goods	b) charges, if any, for the design or brand
c) an amount towards profit	d) all of the above

Answer- d

DRAWBACK

1. Where the goods are sent back as such to the foreign country owing to which of the following reasons it is considered as re-exportation?

a) Goods not conforming to the specification of the order	b) Goods not permitted to be imported into the country on account of trade-restriction
c) Goods after being imported are temporarily retained in the country and later taken out of the country. In other words, the very objective of the importation was limited to temporary retention in India	d) All the above

Answer- D

2. Under Section 74(1) when goods capable of being easily identified, which have been imported into India and upon which any duty has been paid on importation _____ % of duty be paid back.

a) 50	100
c) 98	d) 48

Answer- C

3. Which of the following conditions are to be satisfied for the purpose of section 74(1)?

a) the goods are identified to the satisfaction of the Assistant Commissioner of Customs or Deputy Commissioner of Customs as the goods which were imported	b) the goods are entered for export within two years from the date of payment of duty on the importation thereof
c) Both A & B	d) Either A or B

Answer- C

4. Which of the following conditions are to be satisfied for the purpose of section 74(3)?

a) provide for the manner in which the identity of goods imported in different consignments which are ordinarily stored together in bulk, may be established	b) specify the goods which shall be deemed to be not capable of being easily identified
c) provide for the manner and the time within which a claim for payment of drawback is to be filed	d) All the above

Answer- D

5. Under sub-clause (b) of section 74(1), it has been provided that such imported goods should be entered for export within _____ years from the date of payment of duty on the importation.

a) 1	b) 2
c) 3	d) 4

Answer- B

6. The authority who has to be satisfied u/s 74 is

a) the Assistant Commissioner	b) the Deputy Commissioner
c) Both A&B	d) Either A or B

Answer- D

7. As per notification, no drawback of import duty will be allowed in respect of which of the following goods, if they have been used after their importation in India?

a) Wearing Apparel	b) Tea Chests
c) Exposed cinematograph films passed by Board of Film Censors in India	d) All the above

Answer- D

8. If the length of the period between the date of clearance for home consumption and the date when the goods are placed under the customs control for export is not more than 3 months then the percentage of import duty to be paid as drawback is _____ %

a) 95	b) 85
c) 75	d) 70

Answer- A

9. If the length of the period between the date of clearance for home consumption and the date when the goods are placed under the customs control for export more than 3 months but is not more than 6 months then the percentage of import duty to be paid as drawback is _____ %

a) 95	b) 85
c) 75	d) 70

Answer- B

10. If the length of the period between the date of clearance for home consumption and the date when the goods are placed under the customs control for export more than 6 months but is not more than 9 months then the percentage of import duty to be paid as drawback is _____ %

a) 95	b) 85
c) 75	d) 70

Answer- C

11. If the length of the period between the date of clearance for home consumption and the date when the goods are placed under the customs control for export more than 9 months but is not more than 12 months then the percentage of import duty to be paid as drawback is _____ %

a) 95	b) 85
c) 75	d) 70

Answer- D

12. If the length of the period between the date of clearance for home consumption and the date when the goods are placed under the customs control for export more than 12 months but is not more than 15 months then the percentage of import duty to be paid as drawback is _____ %

a) Nil	b) 85
c) 65	d) 60

Answer- C

13. If the length of the period between the date of clearance for home consumption and the date when the goods are placed under the customs control for export more than 15 months but is not more than 18 months then the percentage of import duty to be paid as drawback is _____ %

a) 95	b) 85
c) 65	d) 60

Answer- D

14. If the length of the period between the date of clearance for home consumption and the date when the goods are placed under the customs control for export more than 18 months then the percentage of import duty to be paid as drawback is _____ %

a) Nil	b) 85
c) 65	d) 60

Answer- A

15. If the car or specified goods are re-exported immediately _____ % of the duty paid is refundable.

a) 98	b) 85
c) 65	d) 60

Answer- A

16. Percentage of reduction of the drawback is related to use of the motor vehicle per quarter for 1st year is _____ % per quarter or part thereof

a) 4	b) 3
c) 2.5	d) 2

Answer- A

17. Percentage of reduction of the drawback is related to use of the motor vehicle per quarter for 2nd year is _____ % per quarter or part thereof

a) 4	b) 3
c) 2.5	d) 2

Answer- B

18. Percentage of reduction of the drawback is related to use of the motor vehicle per quarter for 3rd year is _____ % per quarter or part thereof

a) 4	b) 3
c) 2.5	d) 2

Answer- C

19. Percentage of reduction of the drawback is related to use of the motor vehicle per quarter for 4th year is _____ % per quarter or part thereof

a) 4	b) 3
c) 2.5	d) 2

Answer- D

20. No drawback shall be allowed if motor car or goods have been used for more than _____ years

a) 4	b) 3
c) 5	d) 2

Answer- A

21. CBIC has clarified that safeguard duties, anti-dumping duties and countervailing duties are rebatable as drawback in terms of section_____ of the Customs Act

a) 74	b) 75
c) 76	d) 77

Answer- B

22. In case the claim u/s 75 form is not complete in all respects, the exporter shall be informed of the deficiencies therein within_____days by a deficiency memo and such claim shall be deemed not to have been received

a) 7	b) 10
c) 15	d) 30

Answer- C

23. When the exporter complies with the requirements specified in deficiency memo within_ days, he shall be issued an acknowledgement

a) 7	b) 10
c) 15	d) 30

Answer- D

24. In the case of exports other than by post, the exporter shall at the time of export of the goods state on the shipping bill or bill of export, the description, quantity and such other particulars as are necessary for deciding whether the goods are entitled to drawback under section 74 and make a declaration on the relevant shipping bill or bill of export that

a) the export is being made under a claim for drawback under section 74 of the Customs Act	b) that the duties of customs were paid on the goods imported
c) that the goods imported were not taken into use after importation or that the goods were taken in use	d) All the above

Answer- D

25. Claim under section 75A to be filed within_____days from the date on which an order permitting clearance and loading of goods for exportation under section 51 is made by proper officer of customs

a) 10 days	b) 15 days
c) 7 days	d) 30 days

Answer- D

26. The period of extension for section 75A claim by AC or DC is_____months upon prescribed fee of 1% of FOB value of exports per Rs 1,000 which is less

a) 2	b) 3
c) 4	d) 5

Answer- B

27. The period of extension for section 75A claim by Principal Commissioner or Commissioner is 6 months upon prescribed fee of _____% of FOB value of exports per Rs 2,000 which is less

a) 2	b) 3
c) 4	d) 5

Answer- A In case of incomplete claim/claim without the specified documents, such claim shall be returned to the claimant with the deficiency memo within days of submission and shall be deemed not to have been filed.

a) 7	b) 10
c) 15	d) 30

Answer- C

28. Which of the following conditions to be satisfied under section 75?

a) The goods exported are entirely different from the inputs	b) The input could be either imported goods on which duty of customs has been paid or indigenous goods on which central excise duty has been paid
c) The existence of the imported/indigenous excise duty paid goods in the final product is not capable of easy verification at the point of export	d) All the above

Answer- D

29. Which of the following conditions to be satisfied under section 75?

a) The goods, namely the inputs might have undergone changes in physical shape, property etc	b) The quantity of inputs per piece of final product may not be uniform and may not also be capable of verification at the time of exportation
c) The existence of the imported/indigenous excise duty paid goods in the final product is not capable of easy verification at the point of export	d) All the above

Answer- D

30. Sub-section (1) of section 75 provides that where it appears to the Central Government that in respect of good of any class or description manufactured, processed or on which any operation has been carried out in India, being _____ a drawback should be allowed of the duties of customs chargeable under this Act

a) the goods have been entered for export and an order permitting the clearance and holding thereof for exportation has been made under section 51 by the proper officer	b) the goods have been entered for export by post under clause (a) of Section 84 and an order permitting clearance for exportation has been made by the proper officer
c) Both A&B	d) Either A or B

Answer- D

31. It has been prescribed under proviso to section 75(1) of the Customs Act that no drawback of duty shall be allowed under this section if.

a) the export value of the finished goods or the class of goods is less than the value of the imported material used in the manufacture or processing of such goods or carrying out any operation on such goods or class of goods	b) the export value is not more than such percentage of the value of the imported materials used in the manufacture or processing of such goods or carrying out any operation on such goods or class of goods as may be notified by the Central Government
c) any drawback has been allowed on any goods and the sale proceeds in respect of such goods are not received by or on behalf of the exporter in India within the time allowed under the Foreign Exchange Management Act (FEMA)	d) All the above

Answer- D

32. No drawback is allowed in the case which of the following?

a) Packing materials for export of blended tea, except tea chests	b) Goods manufactured out of duty free materials
c) Jute batching oil used in manufacture jute yarn, twine etc	d) All the above

Answer- D

33. In determining the amount or rate of drawback under this rule, the Central Government shall have regard to .

a) the average quantity or value of each class or description of the materials from which a particular class of goods is ordinarily produced or manufactured in India	b) the average quantity or value of the imported materials or excisable materials used for production or manufacture in India of a particular class of goods
c) the average amount of duties paid on imported materials or excisable materials used in the manufacture of semis, components and intermediate products which are used in the manufacture of goods	d) All the above

Answer- D

34. In determining the amount or rate of drawback under this rule, the Central Government shall have regard to .

a) the average amount of duties paid on materials wasted in the process of manufacture and catalytic agents	b) the average amount of duties paid on imported materials or excisable materials used for containing or, packing the export goods
c) any other information which the Central Government may consider relevant or useful for the purpose	d) All the above

Answer- D

35. Where no drawback is determined, the manufacturer/exporter has to apply for drawback within _____ months.

a) 2	b) 3
c) 4	d) 5

Answer- B

36. Where no drawback is determined, the manufacturer/exporter has to apply for drawback within 3 months seeking a brand rate from the Government giving all date and information about use of inputs, manufacture etc.

a) is less than the value of the imported materials used in the manufacture of such goods or class of goods	b) is not more than such percentage of the value of the imported materials used in the manufacture of such goods or class of goods as
	the Central Government may, by notification in the Official Gazette, specify in this behalf
c) Either A or B	d) Both A&B

Answer- C

37. The upper limit of drawback money or rate determined under rule 3 should not exceed one third of the market price of the export product.

a) True	b) False

Answer- A

38. Supplementary claims can be made in prescribed Form within _____ months.

a) 2	b) 3
c) 4	d) 5

Answer- B

39. Where any drawback payable to a claimant under section 74 or 75 is not paid within a period of _____ month from the date of filing a claim for payment of such drawback, there shall be paid to the claimant, in addition to the amount of drawback, interest at the rate fixed under section 27A from the date after the expiry of the said period of one month till the date of payment of such drawback.

a) 5	b) 2
c) 1	d) 10

Answer- C

40. Where any drawback has been paid to the claimant erroneously or it becomes otherwise recoverable under this Act or the Rules, the claimant shall within a period of _____ months from the date of demand, pay in addition to the said amount of drawback, interest at the rate fixed under section 28AA and the amount of interest shall be calculated for the period beginning from the date of payment of such drawback to the claimant till the date of recovery of such drawback.

a) 5	b) 2
c) 1	d) 10

Answer- B

41. Notwithstanding anything herein before contained, no drawback shall be allowed in respect of any goods, the market price of which is less than the amount of drawback due thereon where the amount of drawback in respect of any goods is less than _____ rupees.

a) 100	b) 50
c) 1,000	d) 500

Answer- B