

Mock Test Paper - Series II: April, 2026

Date of Paper: 10th April, 2026

Time of Paper: 2 P.M. to 5 P.M.

FINAL COURSE: GROUP – II
PAPER – 5: INDIRECT TAX LAWS
SOLUTIONS

Division A – Multiple Choice Questions

Question No.	Answer
1.	(d) not be liable to pay any tax or duty.
2.	(c) the order is binding on the company and the jurisdictional officer, in Rajasthan.
3.	(c) ₹ 10 lakh
4.	(a) the company shall pay such amount to the Government.
5.	(d) expenses of the examination and audit of records, including the remuneration of Chartered Accountant, shall be paid by the Commissioner.
6.	(c) ₹ 2,160 payable as IGST.
7.	(c) ₹ 1,58,400
8.	(c) Input tax credit is not available
9.	(b) GST is applicable and the place of supply is Gujarat.
10.	(a) ₹ 6,50,000
11.	(b) IGST ₹ 3,000
12.	(b) Only (ii)
13.	(b) Rahul Mehta is liable to pay interest of ₹ 4,956 but is not entitled to any interest on refund.
14.	(b) (ii) and (iii)
15.	(d) Delhi

Division B- Descriptive Questions

1. (1) Computation of ITC credited to Electronic Credit Ledger

ITC of input tax attributable to inputs and input services intended to be used for business purposes is credited to the electronic credit ledger. Input tax attributable to inputs and input services intended to be used exclusively for non-business purposes, for effecting exclusively exempt supplies and on which credit is blocked under section 17(5) of the CGST Act, 2017 is not credited to electronic credit ledger [Sections 16 and 17].

In the light of the aforementioned provisions, the ITC credited to electronic credit ledger of Vinayak Enterprises is calculated as under:

Particulars	Amount (₹)	CGST @ 9% (₹)	SGST @ 9% (₹)
GST paid on taxable goods	45,00,000	4,05,000	4,05,000
Goods not leviable to GST [Since non-taxable, no GST is paid]	4,00,000	Nil	Nil
GST paid on monthly rent for shop	3,50,000	31,500	31,500
GST paid on telephone expenses	50,000	4,500	4,500
GST paid on Chartered Accountant Fee	60,000	5,400	5,400
GST paid on premium of health insurance policies as per company policy [ITC on health insurance service is allowed only if it is obligatory for employers to provide such services to its employees under any law for the time being in force-Proviso to section 17(5)(b)].	10,000	Nil	Nil
Taxable Goods given as free samples [ITC on goods disposed of by way of free samples is blocked under section 17(5)(h)]	5,000	Nil	Nil

Particulars	Amount (₹)	CGST @ 2.5% (₹)	SGST @ 2.5% (₹)
Freight paid to GTA for outward transportation of non-taxable goods under reverse charge [Since definition of exempt supply under section 2(47) specifically includes non-taxable supply, the input service of outward transportation of non-taxable goods is being exclusively used for effecting exempt supplies.]	50,000	Nil	Nil
Freight paid to GTA for outward transportation of taxable goods under reverse charge	1,50,000	3,750	3,750
ITC credited to the electronic ledger		4,50,150	4,50,150
<i>Less: ITC reversal [ITC out of common credit, attributable to exempt supplies] (Refer point no. 2 & 3 below)</i>		(6,900)	(6,900)
Net ITC available		4,43,250	4,43,250

(2) **Computation of common credit available for apportionment**

Common Credit = ITC credited to Electronic Credit Ledger – ITC attributable to inputs and input services intended to be used exclusively for effecting taxable supplies [Section 17 read with rule 42 of the CGST Rules, 2017].

Particulars	CGST (₹)	SGST (₹)
ITC credited to Electronic Credit Ledger	4,50,150	4,50,150
<i>Less: ITC on taxable goods</i>	4,05,000	4,05,000
<i>Less: ITC on freight paid to GTA for outward transportation of taxable goods</i>	3,750	3,750
Common credit	41,400	41,400

(3) **Computation of ITC attributable towards exempt supplies out of common credit**

ITC attributable towards exempt supplies = Common credit x (Aggregate value of exempt supplies during the tax period/ Total turnover during the tax period)
[Section 17 read with rule 42].

Particulars	CGST (₹)	SGST (₹)
ITC attributable towards exempt supplies [₹ 41,400 x (₹ 10,00,000/₹ 60,00,000)]	6,900	6,900

(4) **Computation of net GST liability for the month**

Particulars	CGST (₹)	SGST (₹)
GST liability under forward charge		
Supply of taxable goods [₹ 50,00,000 x 9%]	4,50,000	4,50,000
Total output tax liability under forward charge	4,50,000	4,50,000
Less: ITC	4,43,250	4,43,250
Net GST payable [A]	6,750	6,750
GST liability under reverse charge		
Freight paid to GTA for outward transportation of taxable goods [₹ 1,50,000 x 2.5%]	3,750	3,750
Freight paid to GTA for outward transportation of non-taxable goods [₹ 50,000 x 2.5%]	1,250	1,250
Total tax liability under reverse charge [B]	5,000	5,000
Net GST liability [A] + [B]	11,750	11,750
Note: Amount available in the electronic credit ledger may be used for making payment towards output tax [Section 49]. However, tax payable under reverse charge is not an output tax in terms of definition of output tax provided under section 2(82). Therefore, tax payable under reverse charge cannot be set off against the input tax credit and thus, will have to be paid in cash.		

2. (a) **Computation of output tax liability of Orion Fuel for the month of July**

Particulars	Amount (₹)
List price of 10 valves (₹ 1,00,000 x 10)	10,00,000
Add: Amount paid by PrimeAxis Refinery to testing agency [Note 1]	15,000

Add: Special packing [Note 2]	10,000
Add: Erection and testing at site [Note 2]	15,000
Add: Freight [Note 3]	<u>5,000</u>
Value of taxable supply	10,45,000
IGST @ 18% [Note 4]	1,88,100

Notes:

- (1) As per section 15(2) of the IGST Act, 2017, any amount that the supplier is liable to pay in relation to a supply but which has been incurred by the recipient of the supply and not included in the price actually paid or payable for the goods shall be included in the value of supply.

Since, in the given case, arranging inspection was the liability of the supplier, the same should be included in the value of supply charges for the same, however, have been paid directly to the third party service provider by the recipient. Therefore, the value shall be included in taxable value.

- (2) As per section 15(2) of the CGST Act, 2017, any amount charged for anything done by the supplier in respect of the supply of goods at the time of, or before delivery of goods shall be included in the value of supply.
- (3) As per section 15(2) of the CGST Act, 2017, any amount that the supplier is liable to pay in relation to a supply but which has been incurred by the recipient of the supply and not included in the price actually paid or payable for the goods shall be included in the value of supply.

Since, in the given case, the supply contract is on FOR basis, payment of freight is the liability of supplier but the same has been paid by the recipient and thus, should be included in the value of supply.

- (4) As per section 10(1) of the IGST Act, 2017, where the supply involves movement of goods, the place of supply is the location of the goods at the time at which the movement of goods terminates for delivery to the recipient, which in the given case is Abu Road (Rajasthan). Since the location of the supplier (Gujarat) and the place of supply (Rajasthan) are in two different States, the supply is an inter-State supply liable to IGST.

- (b) (i) **Taxable:** Since there is no specific exemption with respect to services provided by a campsite for lodging purposes, services provided by Summit Seekers Camp Campsite are liable to GST.

- (ii) **Taxable:** Service of transport of passengers provided by Renu Services are liable to GST since such services are being provided in a contract carriage which is air-conditioned.
- (iii) **Exempt:** Since catering services provided to an educational institution providing pre-school education are exempt from GST, Jayanti Caters Limited is not liable to pay GST.
- (iv) **Taxable:** Since short duration programs provided by IIMs are not any qualification recognized by law, GST is payable in the given case.
- (v) **Taxable:** Since residential dwelling is rented for use other than residence, GST is payable on the same.

(c) **Computation of custom duty payable**

Particulars	Amount
CIF value (negotiated price) [Note-1]	5,500 £
Less: Air freight	500 £
Less: Insurance	<u>600 £</u>
FOB value	4,400 £
	₹
FOB Value (in ₹) [4,400 £ x ₹ 102] [Note-2]	4,48,800
Add: Vendor inspection charges [Note-3]	Nil
Add: Commission payable to local agent [1% of FOB value] [Note-4] = (US \$ 4,400 × ₹ 102) × 1%	<u>4,488</u>
FOB value as per Customs	4,53,288
Freight [Note-5] [500 £ x ₹ 102]	51,000
Insurance [Note-6] [600 £ x ₹ 102]	<u>61,200</u>
Assessable value	5,65,488
Add: Basic custom duty @ 10% [Note-7] – rounded off	56,548.80
Social Welfare Surcharge (10% of ₹ 56,548.80) [rounded off]	<u>5,655</u>
Customs duty payable [rounded off]	62,204

Notes:

1. As per section 14 of the Customs Act, 1962, the value of the imported goods is the transaction value, which means the price actually paid or payable for the goods. In this case, since the contract was re-negotiated

and the importer paid the re-negotiated price, the transaction value would be such re-negotiated price and not the contract price.

2. Rate of exchange notified by CBIC on the date of filing of bill of entry will be considered as per third proviso to section 14 of the Customs Act, 1962.
 3. Only the payments actually made as a condition of sale of the imported goods by the buyer to the seller are includible in the assessable value under rule 10(1)(e) of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007. Charges of vendor inspection on the 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 [*Bombay Dyeing & Mfg. v. CC 1997 (90) ELT 276 (SC)*].
 4. Commission paid to local agent (since it is not buying commission) is includible in the assessable value on the presumption that local agent has been appointed by the exporter [Rule 10(1)(a)(i) of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007].
 5. Actual amount incurred towards freight will be considered since freight is not more than 20% of FOB value [Fifth proviso to rule 10(2) of Customs Valuation Rules].
 6. Actual insurance charges paid are includible in the assessable value as per rule 10(2)(b) of the Customs Valuation Rules.
 7. As per proviso to section 15 of the Customs Act, 1962, rate of duty will be the rate in force on the date of presentation of bill of entry or on the date of arrival of the aircraft, whichever is later.
3. (a) Section 2(13) of the IGST Act, 2017 defines “intermediary” to mean a broker, an agent or any other person, by whatever name called, who arranges or facilitates the supply of goods or services or both, or securities, between two or more persons, but does not include a person who supplies such goods or services or both or securities on his own account.

In this case, since KMP Pvt. Ltd. is arranging or facilitating supply of goods between the foreign customer and the Indian vendor, the said services can be classified as intermediary services.

If the location of the supplier of services or the location of the recipient of service is outside India, the place of supply is determined in terms of section 13 of the IGST Act, 2017. Since, in the given case, the recipient of supply is located outside

India, the provisions of supply of intermediary services will be determined in terms of section 13.

As per section 13(8)(b) of the IGST Act, 2017, the place of supply in case of intermediary services is the location of the supplier, i.e. the location of KMP Pvt. Ltd. which is New Delhi.

As per section 2(6) of the IGST Act, 2017, export of services means the supply of any service when,—

- (a) the supplier of service is located in India;
- (b) the recipient of service is located outside India;
- (c) the place of supply of service is outside India;
- (d) the payment for such service has been received by the supplier of service in convertible foreign exchange or in Indian rupees wherever permitted by the Reserve Bank of India; and
- (e) the supplier of service and the recipient of service are not merely establishments of a distinct person in accordance with Explanation 1 in section 8.

Since, in the given case, place of supply is in India, this transaction does not tantamount to export of service.

- (b)** Since director and company are related persons in terms of Schedule I of the CGST Act, 2017, the activity of providing personal guarantee by a director to the banks/ financial institutions for securing credit facilities for their companies is to be treated as a supply of service, even when made without consideration.

Thus, the activity of providing personal guarantee by Mr. Goenka to the nationalized bank will qualify as supply.

Value of such supply will be the open market value (OMV) in terms of rule 28 of the CGST Rules, 2017.

However, as per RBI Guidelines, no consideration by way of commission, brokerage fees or any other form, can be paid to the director by the company, directly or indirectly, in lieu of providing personal guarantee to the bank for borrowing credit limits, except in exceptional cases.

Thus, it is clarified that OMV of said supply may be treated as zero / Nil and therefore, no tax is payable on such supply of service by Mr. Goenka to Flamingo Ltd.

- (c) Yes, the company will succeed. The facts of the given situation are similar to the case of *CCus vs. Biecco Lawrie Ltd. 2008 (223) ELT 3 (SC)* wherein the Supreme Court has held that where duty on the warehoused goods is paid and out of charge order for home consumption is made by the proper officer in compliance of the provisions of section 68, the goods allowed to be retained for storage in the warehouse as permitted under section 49 of the Customs Act are not treated as warehoused goods and importer would not be required to pay anything more.

Section 49 of the Customs Act, 1962 *inter alia* also provides that imported goods entered for home consumption if stored in a public warehouse, or in a private warehouse on the application of the importer and if the same cannot be cleared within a reasonable time, shall not be deemed to be warehoused goods for the purposes of this Act, and accordingly the provisions of Chapter IX shall not apply to such goods.

4. (a) Proviso to section 50 of the CGST Act, 2017 lays down that the interest on tax payable in respect of supplies made during a tax period and declared in the return for the said period KMP under section 73 or section 74 or section 74A in respect of the said period, shall be levied on that portion of the tax that is paid by debiting the electronic cash ledger.

In the given scenario, LMN Ltd. has filed its return belatedly and as per the above provisions, interest is payable on the tax component paid through Electronic Cash Ledger only. A point relevant to note here is that tax payable on reverse charge basis also carries interest for the period of delay in remittance of tax and input tax credit cannot be used to pay the same (i.e. tax payable under reverse charge has to be paid in cash).

Accordingly, interest under section 50 payable for the tax paid through Electronic Cash Ledger is computed as below:

$$\text{IGST: } 218,000 \times 18\% \times 60/365 = 6,450$$

$$\text{CGST: } 262,000 \times 18\% \times 60/365 = 7,752$$

$$\text{SGST: } 262,000 \times 18\% \times 60/365 = 7,752$$

Further, if entire tax payable for January is paid through Electronic Credit ledger, except for the taxes to be paid under reverse charge basis, then interest under section 50 is applicable only on the remittance of tax under reverse charge basis and not for tax payable on forward charge basis. Interest payable is given as below:

$$\text{IGST: } 18,000 \times 18\% \times 60/365 = 533 \text{ (rounded off)}$$

CGST: $32,000 \times 18\% \times 60/365 = 947$ (rounded off)

SGST: $32,000 \times 18\% \times 60/365 = 947$ (rounded off)

- (b) Section 54(3)(ii) of the CGST Act, 2017 allows refund of unutilized input tax credit (ITC) at the end of any tax period to a registered person where the credit has accumulated on account of inverted duty structure i.e. rate of tax on inputs being higher than the rate of tax on output supplies (other than nil rated or fully exempt supplies), except supplies of goods or services or both as may be notified by the Government on the recommendations of the Council.

In the given case, the rates of tax on inputs used in Products A and B (18% each) are higher than rates of tax on output supplies of Products A and B (5% each). However, Product B is notified as a product, in respect of which no refund of unutilised ITC shall be allowed under section 54(3)(ii). Further rate of tax on input used in the product C is carrying same rate of tax on output supplies hence it is not the case of inverted duty structure. Therefore, no refund on the Product C.

Therefore, only Product A is eligible for refund under section 54(3)(ii).

Further, rule 89(5) stipulates that in the case of refund on account of inverted duty structure, refund of ITC shall be granted as per the following formula -

$$\text{Maximum Refund Amount} = \frac{\text{Turnover of inverted rated supply of goods and services} \times \text{Net ITC}}{\text{Adjusted Total Turnover}} \times \left\{ \frac{\text{Tax payable on such inverted rated supply of goods and services}}{\text{Net ITC}} \times \frac{\text{Net ITC}}{\text{ITC availed on inputs and input services}} \right\}$$

where,-

- A. "Net ITC" means input tax credit availed on inputs during the relevant period;
- B. Adjusted Total Turnover means the sum total of the value of-
 - (a) the turnover in a State or a Union territory, as defined under section 2(112), excluding the turnover of services; and
 - (b) the turnover of zero-rated supply of services determined in specified manner and non-zero-rated supply of services, excluding-

the value of exempt supplies other than zero-rated supplies during the relevant period.

C. Relevant period means the period for which the claim has been filed.

In accordance with the aforesaid provisions, the maximum refund amount which Mintu Engineering Works is eligible to claim shall be computed as follows:

Tax payable on inverted rated supply of Product A = ₹ 5,00,000 × 5% = ₹ 25,000

Net ITC = ₹ 108000 (₹ 54,000 + ₹ 54,000) [Net ITC availed during the relevant period needs to be considered irrespective of whether the ITC pertains to inputs eligible for refund of inverted rated supply of goods or not - *Circular No. 79/53/2018-GST dated 31.12.2018*]

Adjusted Total Turnover = ₹ 9,50,000 (₹ 5,00,000 + ₹ 3,50,000 + ₹ 1,00,000)

Turnover of inverted rated supply of Product A = ₹ 5,00,000

Maximum refund amount for Mintu Engineering Works is as follows:

= [(₹ 5,00,000 × ₹ 108000)/ ₹ 9,50,000] – (₹ 25,000 × 108,000/118,000)

= ₹ 33,961 (rounded off)

(c) As per rule 3 of the Baggage Rules, 2016, tourist of foreign origin, excluding infant, is allowed duty free clearance of

(i) travel souvenirs; and

(ii) Articles up to the value of ₹ 15,000 (excluding *inter alia* fire arms, cartridges of fire arms exceeding 50 and cigarettes exceeding 100 sticks), if carried on in person.

Computation of customs duty payable

Particulars	₹
Travel souvenir	Nil
Articles carried on in person	1,50,000
Cigarettes [100 sticks can be accommodated in General Free Allowance (GFA)]	10,000
Firearms cartridge (50 cartridges can be accommodated in GFA)	<u>25,000</u>
Baggage than can be accommodated in GFA	1,85,000
Less: GFA	<u>15,000</u>
Baggage on which duty is payable	<u>1,70,000</u>
Duty payable @ 35%	<u>59,500</u>

Note: Firearms and cartridges of firearms exceeding 50 are chargeable @ 70% applicable to baggage under Heading 9803 of the Customs Tariff. Cigarettes exceeding 100 sticks are chargeable at the respective tariff rates.

5. (a) Section 107(6) of the CGST Act, 2017 read with section 20 of the IGST Act, 2017 provides that no appeal shall be filed with the Appellate Authority unless the applicant has paid in full, such part of the amount of tax, interest, fine, fee and penalty arising from the impugned order, as is admitted by him and a sum equal to 10% of the remaining amount of tax in dispute arising from the said order subject to a maximum of ₹ 40 crore. Thus, the amount of pre-deposit for filing an appeal with Appellate Authority cannot exceed ₹ 40 crore (for tax in dispute) where IGST demand is involved.

In the given case, the amount of pre-deposit for filing an appeal with the Appellate Authority against the order of Joint Commissioner, where entire amount of tax is in dispute, is:

(i) ₹ 28 crore [10% of the amount of tax in dispute, viz. ₹ 280 crore]

or

(ii) ₹ 40 crore,

whichever is less.

= ₹ 28 crore.

Further, section 112(8) provides that no appeal shall be filed with the Appellate Tribunal unless the applicant has paid in full, such part of the amount of tax, interest, fine, fee and penalty arising from the impugned order, as is admitted by him and a sum equal to 10% of the remaining amount of tax in dispute, in addition to the amount paid as pre-deposit while filing appeal to the Appellate Authority, arising from the said order subject to a maximum of ₹ 40 crores.

Thus, in the given case, the amount of pre-deposit for filing an appeal with the Appellate Tribunal against the order of the Appellate Authority, where entire amount of tax is in dispute, is:

(i) ₹ 28 crores [10% of the amount of tax in dispute, viz. 280 crores]

or

(ii) ₹ 40 crores,

whichever is less.

= ₹ 28 crores.

- (b) (i) Failure to pay any amount collected as tax beyond 3 months from due date of payment is a specified offence as per clause (d) of section 132(1) of the CGST Act, 2017.

In the present case, failure to deposit the tax ₹ 4 lakh (₹ 245 lakh – ₹ 241 lakh). As the amount of failure does not exceed ₹ 200 lakh therefore, failure to deposit ₹ 4 lakh collected as tax by 'Samyak' will not be punishable with imprisonment as per section 132(1).

Further, falsification of financial records by Samyak is a specified offence as per section 132(1)(f) and punishable with imprisonment upto 6 months or with fine or both as per clause (iv) of section 132(1) assuming that falsification of records is with an intention to evade payment of tax due under the CGST Act, 2017 and the said offence is bailable in terms of section 132(4).

- (ii) Failure to pay any amount collected as tax beyond 3 months from due date is punishable with imprisonment upto 5 years and with fine, if the amount of tax evaded exceeds ₹ 500 lakh in terms of section 132(1)(d) read with clause (i) of section 132(1) of the CGST Act, 2017.

Since the amount of tax evaded by Archit exceeds ₹ 500 lakh (₹ 550 lakh - ₹ 30 lakh), Archit is punishable with an imprisonment for a term which may extend to 5 years and with fine. It has been assumed that amount of ₹ 520 lakh collected as tax is not paid to the Government beyond 3 months from the due date of payment of tax.

Such offence is non-bailable in terms of section 132(5).

If Samyak and Archit repeat the offence, they shall be punishable for second and for every subsequent offence with imprisonment upto 5 years and with fine in terms of section 132(2) of the CGST Act, 2017.

Such imprisonment shall also be of at least 6 months in the absence of special and adequate reasons to the contrary to be recorded in the judgment of the Court.

(c) **Computation of total duties payable under the Customs Act, 1962**

S. No.	Particulars	(₹)
1	Landed price	25,00,000
2	Add: Basic customs duty @ 10%	2,50,000
3	Add: Safeguard duty @ 30% on ₹ 25,00,000	7,50,000

4	Add: Social welfare surcharge (SWS) @ 10 % on ₹ 2,50,000 [While calculating SWS, safeguard duty is excluded]	25,000
5	Add: Integrated tax 18% of ₹ 35,25,000 (₹ 25,00,000 + ₹ 2,50,000 + ₹ 7,50,000 + ₹ 25,000) [Integrated tax is levied on the sum total of the assessable value of the imported goods, customs duties and applicable SWS]	6,34,500
6	Total customs duties and tax payable [₹ 2,50,000 + ₹ 7,50,000 + ₹ 25,000 + ₹ 6,34,500]	16,59,500

6. (a) Advance ruling can be sought for the following questions:
- classification of any goods or services or both
 - applicability of a notification issued under the CGST Act
 - determination of time and value of supply of goods or services or both
 - admissibility of input tax credit of tax paid or deemed to have been paid
 - determination of the liability to pay tax on any goods or services or both
 - whether applicant is required to be registered
 - whether any particular activity with respect to any goods and/or services, amounts to/results in a supply of goods and/or services, within the meaning of that term.
- (b) The authority shall discharge the following functions, namely:
- to determine whether the reduction in tax rate or the benefit of input tax credit has been passed on by the seller to the buyer (hereinafter collectively referred to as 'benefit') by reducing the prices
 - to identify the taxpayer who has not passed on the benefit
 - to order:
 - reduction in prices
 - return to the recipient, an amount equivalent to the amount not passed on by way of commensurate reduction in prices along with interest at the rate of 18% from the date of collection of the higher amount till the date of the return of such amount or recovery of the amount not returned, as the case may be.

If the eligible person does not claim return of the amount or is not identifiable, the amount must be deposited in the Consumer Welfare Fund;

- (c) imposition of penalty
- (d) cancellation of registration
- (iv) to furnish a performance report to the GST Council by the 10th of the month succeeding each quarter [Rule 127 of the CGST Rules, 2017]

(b) Alternative Answer

Under section 72 of the CGST Act, 2017, the following officers have been empowered and are required to assist CGST officers in the execution of CGST Act:

- (i) Police;
- (ii) Railways
- (iii) Customs;
- (iv) Officers of State/UT/ Central Government engaged in collection of GST;
- (v) Officers of State/UT/ Central Government engaged in collection of land revenue;
- (vi) All village officers;
- (vii) Any other class of officers as may be notified by the Central/State Government.

- (c)** Annual Advance authorisation would be issued to exporters having past export performance in at least preceding two financial years, to enable them to import the inputs required by them on annual basis.

Advance authorization for annual requirement shall only be issued for items, notified in standard input output norms (SION) and not on basis of *ad hoc* norms under self-declared authorisations where SION does not exist.

Annual Advance Authorisation in terms of CIF value of imports will be granted upto 300% of FOB value of physical exports in preceding financial year and/or FOR value of deemed exports in preceding year or ₹ 1 crore, whichever is higher.