

CUSTOMS TARIFF

MULTIPLE CHOICE QUESTIONS

1. The First Schedule of Customs Tariff Act, 1975 contains _____ Chapters grouped under _____ sections.
 - (a) 98, 21
 - (b) 96, 20
 - (c) 21, 98
 - (d) 20, 96
2. The Customs tariff Act, 1975 contains _____ Schedules.
 - (a) Three
 - (b) Two
 - (c) Four
 - (d) One
3. There are _____ columns in every chapter of first schedule of the Customs Tariff Act, 1975.
 - (a) Five
 - (b) Four
 - (c) Three
 - (d) Two Chp seo 25
4. ✓ Heading, in respect of goods, means a description in list of tariff provisions accompanied by a _____ number.
 - (a) Four digit
 - (b) Two digit
 - (c) Six digit
 - (d) Eight digit Chp sep 25
5. ✓ Sub-heading, in respect of goods, means a description in the list of tariff provisions accompanied by a _____ number.
 - (a) Four digit
 - (b) Two digit
 - (c) Six digit
 - (d) Eight digit Chp sep 25
6. ✓ Tariff item means a description of goods in the list of tariff provisions accompanying _____ number and the rate of customs duty.
 - (a) Four digit
 - (b) Two digit
 - (c) Six digit
 - (d) Eight digit
7. The first column in a chapter of the first schedule of the CTA, 1975 is of _____.
 - (a) Tariff item
 - (b) Description of goods
 - (c) Unit
 - (d) Standard rate of duty

8. The second column in a chapter of the first schedule of the CTA, 1975 is of ____.
- (a) Tariff item
 - (b) Description of goods
 - (c) Unit
 - (d) Standard rate of duty
9. The third column in a chapter of the first schedule of the CTA, 1975 is of ____.
- (a) Tariff item
 - (b) Description of goods
 - (c) Unit
 - (d) Standard rate of duty
10. The fourth column in a chapter of the first schedule of the CTA, 1975 is of ____.
- (a) Tariff item
 - (b) Description of goods
 - (c) Preferential rate of duty
 - (d) Standard rate of duty
11. The fifth column in a chapter of the first schedule of the CTA, 1975 is of ____.
- (a) Tariff item
 - (b) Description of goods
 - (c) Preferential rate of duty
 - (d) Standard rate of duty
12. Indian custom uses _____ digit ITC-HS code to suit the national trade requirements.
- (a) Four
 - (b) Two
 - (c) Eight
 - (d) Ten
13. There are _____ rules for interpretation of the tariff schedule.
- (a) Two
 - (b) Three
 - (c) Six
 - (d) Five
14. Which of the following Rules for interpretation of tariff schedule is known as latter the better maxim?
- (a) 3(a)
 - (b) 2(a)
 - (c) 3(c)
 - (d) 5
15. Which of the following Rules for interpretation of tariff schedule is known as Akin Rule?
- (a) 3(a)
 - (b) 2(a)
 - (c) 4
 - (d) 5
16. The purpose of interpretation Rules of Tariff is –
- (a) to give clear direction as to how the nomenclature in the Schedule is to be interpreted.
 - (b) to give statutory force to the interpretation rule and general explanatory notes
 - (c) Both (a) and (b)
 - (d) None of the above
17. Which of the following statement is true :
- (i) The titles of sections, chapters and sub-chapters do not have any legal force.
 - (ii) Terms of headings read with relative section and chapter notes are legally relevant for the purpose of classification.



- (iii) The rules of interpretation need to be resorted to when classification is possible on the basis of description in heading, sub-heading, chapter notes and section notes.
- (iv) Notes of one chapter or section cannot be applied for interpreting entries in other chapters or sections.
- (a) (i), (ii) and (iv) are true
- (b) (i), (ii) and (iii) are true
- (c) All the statements are true
- (d) (ii), (iii) and (iv) are true

- (ii) Goods which cannot be classified in accordance rules with (1), (2) and (3) shall be classified under the heading appropriate to the goods to which they are most akin.
- (a) Both the statements are true
- (b) Both the statements are false
- (c) Statement (i) is true and statement (ii) is false
- (d) Statement (ii) is true and statement (i) is false

18. Which of the following statement is true;

- (i) When goods cannot be classified by reference to Rule 3(a) or Rule 3(b), they shall be classified under the heading which occurs first in numerical order among those which equally merit consideration.

Chp sep 25

ANSWERS TO MCQ'S

Question No.	Answer
1.	(a) The First Schedule of Customs Tariff Act, 1975 contains 98 Chapters grouped under 21 sections.
2.	(b) The Customs tariff Act, 1975 contains two Schedules. The First Schedule is known as, "Import Tariff" and it refers to goods liable to import duties of customs. The Second Schedule is known as, "Export Tariff" and it refers to goods liable to export duties of customs.
3.	(a) There are five columns in every chapter of first schedule of the Customs Tariff Act, 1975.
4.	(a) Heading, in respect of goods, means a description in list of tariff provisions accompanied by a four-digit number.
5.	(c) Sub-heading, in respect of goods, means a description in the list of tariff provisions accompanied by a six-digit number.



6.	(d)	Tariff item means a description of goods in the list of tariff provisions accompanying eight digit number and the rate of customs duty.
7.	(a)	The first column in a chapter of the first schedule of the CTA, 1975 is of Tariff item.
8.	(b)	The second column in a chapter of the first schedule of the CTA, 1975 is of description of goods.
9.	(c)	The third column in a chapter of the first schedule of the CTA, 1975 is of Unit.
10.	(d)	The fourth column in a chapter of the first schedule of the CTA, 1975 is of standard unit of quantity.
11.	(c)	The fifth column in a chapter of the first schedule of the CTA, 1975 is of preferential rate of revenue duty.
12.	(c)	Indian custom uses Eight-digit ITC-HS code to suit the national trade requirements.
13.	(c)	There are six set of rules for interpretation of the tariff schedule.
14.	(c)	Rule 3(c) of the Rules for interpretation of tariff schedule is known as latter the better maxim.
15.	(c)	Rule 4 of the Rules for interpretation of tariff schedule is known as Akin Rule.
16.	(c)	The purpose of interpretation Rules of Tariff is to give clear direction as to how the nomenclature in the Schedule is to be interpreted to give statutory force to the interpretation rule and general explanatory notes.
17.	(a)	Statement provided in (iii) above is false as rules of interpretation need not be resorted to when classification is possible on the basis of description in heading, sub-heading, chapter notes and section notes.
18.	(d)	Statement (i) is false. As per provisions of Rule 3(c), When goods cannot be classified by reference to Rule 3(a) or Rule 3(b), they shall be classified under the heading which occurs last in numerical order among those which equally merit consideration.

