



**KASEZ**

विकास आयुक्त कार्यालय  
**Office of the Development Commissioner**  
कांडला विशेष आर्थिक क्षेत्र  
**Kandla Special Economic Zone**  
वाणिज्य तथा उद्योग मंत्रालय  
**Ministry of Commerce & Industry**  
गांधीधाम - कच्छ  
**Gandhidham-Kutch-370 230**  
Phone (02836)-253300, 252475, 252273  
Fax (02836) - 252250 & 252194  
E-mail [kandlasez@gmail.com](mailto:kandlasez@gmail.com)  
Website: [www.kasez.com](http://www.kasez.com)

F.NO.KASEZ/IA/Worn-Used Clothing/06-07/

Date:18.12.2013

INSTRUCTION NO. 01/2013-14

Sub: Policy to regulate functioning of worn and used clothing units in SEZs – reg.

The following guidelines are hereby prescribed for allowing clearance of used clothes in DTA in the light of Point 6 of Policy issued by the Ministry of Commerce & Industry, vide F.No.C.6/35/2012-SEZ dated 17.09.2013:-

1. Before the clearance of used clothes to DTA, all imported consignments of such used clothes shall be subject to 100% scrutiny at the premises of the unit by SEZ Authorities.
2. After verifying of container number, seal number as given in the Bill of Entry with reference to Bill of Lading, the container shall be allowed to move to the factory premises as per Rule 29 of SEZ Rules, 2006.
3. Unloading of goods at factory premises shall take place and the units shall, as per existing practice, sort out and process goods for export purposes (including un-mutilated clothes to be sold in DTA) and the goods which have to be cleared to DTA after mutilation in accordance with the Customs Circular No.36/2000 dated 08.05.2000.
4. For DTA clearance there would be two types of clothes; (i) un-mutilated cloth and (ii) mutilated cloth, and the bales of un-mutilated clothes/mutilated clothes will be tied with Black Straps and Green Strap respectively.
5. The goods meant for DTA clearance, both mutilated and un-mutilated, will be brought to the demarcated area in bales. 100% inspection of these bales will be carried out and a minimum of 10% of these bales will burst-open for 100% checking of such goods at demarcated area. The bursting of bales will be as per computer generated random number every day by the Deputy Commissioner of Customs, KASEZ.

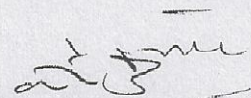


In absence of the Deputy Commissioner of Customs, KASEZ random number shall be generated by Deputy Development Commissioner. If both are not available random number shall be generated at Joint Development Commissioner's computer. The computer shall generate three lists for each unit the Appraiser on duty shall determine one of the list to be followed for bales inspected upto 02.30 PM and may adopt another list for bales to be inspected after 02.30PM on a particular day. The Appraising Officer on duty can even burst open more number of bales at his discretion or on any intelligence or suspicion.

6. If the goods in bales burst open randomly are found to be proper as per description of goods as mentioned in concerned Bill of Entry, the goods ( in bales and in loose condition) will be allowed to clear.
7. In case of any mis-declaration being detected, the firm shall be liable for imposition of penalty (during the period of 5 years block) as per provisions of FTDR Act, 1992 as amended, and the provisions of SEZ Act, 2005 and Rules framed under these Acts, as follows:
  - (a) 1<sup>st</sup> instance - Equal to re-assessed value of goods
  - (b) 2<sup>nd</sup> instance - Equal to two times of the value of re-assessed goods.
  - (c) 3<sup>rd</sup> instance - LOP of the firm to stand cancelled and firm shall not be allowed to function in the Zone.

Above penalty will be imposed after following the due procedure for imposition of penalty.

8. In case of any dispute that arises on the spot between the firm and the concerned Appraising Officer on the nature of mis-declaration or violation, the matter shall be referred to the Dy. Commissioner (Customs) for on the spot examination. The firm will also be at liberty to further appeal the matter before the Joint Development Commissioner.
9. As per the Circular No.01/2009-10 dated 21.2.2010 issued by the Development Commissioner, KASEZ under F.No.KASEZ/CUS/CIR/01/2009-10, DTA removals are permitted on all working days except Sundays & closed holidays upto 1900 hrs. However, henceforth, the DTA consignments of 'Old and used clothing units', shall be permitted on all working days except Saturdays, Sundays & closed holidays from 0900 hrs. to 1700 hrs. only. In case of other units, the existing timing of DTA clearances shall remain in force as per the said Circular.

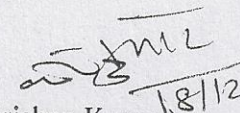
  
18/12/13



10. This instruction will supersede all other instructions with regard to procedure for clearing of goods, issued in this regard.

These instructions are subject to amendments later, at any stage.

This issues with the approval of the Development Commissioner, KASEZ

  
(Krishan Kumar)

Jt. Development Commissioner  
Kandla Special Economic Zone

To,

All Worn and used clothing units in KASEZ

Copy to: The Worn & Used Clothing Industries Association, KASEZ