Circular No.22 / 2010-Customs

F.No.401/150/2010-Cus-III
Government of India
Ministry of Finance
Department of Revenue
Central Board of Excise & Customs

159-A, North Block,
New Delhi - 110001.
26th July, 2010.

To

All Chief Commissioners of Customs / Customs (Prev).
All Commissioners of Customs (Airport).
All Commissioners of Customs (Port).
All Commissioners of Customs & Central Excise.

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Subject Import of 'Worn Clothing' -- Instructions - regarding.

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Sir / Madam,

Import of 'worn clothing and other worn articles' is restricted under ITC(HS) vide DGFT Notification No.7/2004-09 with effect from 27.10.2004. Accordingly, Board had earlier instructed vide F.No.R-865/M/Cus/05 dated the 14th March, 2005 that the adjudicating officers while adjudicating such cases should fix maximum fine / penalty as per the Customs Act, 1962 so that it will be a deterrent for the unscrupulous importers to clear the same. However, it appears that 'worn clothings' are still being imported unauthorisedly in large scale and such consignments are being allowed clearance by Customs on payment of nominal fine and penalty. As a result, it is reported that domestic new clothing industries in India are badly affected.

2. In this regard, the Committee on Petitions (Fourteenth Lok Sabha) has made a recommendation that the increasing tendency of import of such worn clothing needs to be curbed. The Board has, accordingly, decided to reiterate that being a restricted item under ITC (HS), the import of 'worn clothing' should be adjudicated and fine in lieu of confiscation and penalty imposed keeping in view the 'margin of profit' on such unauthorized import and also the fact that such consignments should not get cleared by paying only nominal fine and penalty in future.

3 As recommended by the Committee on Petitions, the Board has also considered the possible health hazard associated with such imports and hence, decided that consignment of 'used / worn clothing' will be given clearance by the Customs authorities only after proper fumigation of the consignment. The cost of fumigation will have to be borne by the concerned importers.

4. The Customs field formations under your charge should be suitably sensitized for strict compliance of these instructions. Any laxity on the part of Customs officials in this regard will be viewed seriously.

5. These instructions may be brought to the notice of all concerned by way of issuance of suitable Public Notice / Standing Order.

6. Difficulties, if any, in implementation of the Circular may be brought immediately to the notice of the Board.

Yours faithfully,

(R. P. Singh)
Director (Customs)

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