

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:4566
ANSWERED ON:20.08.2010
SALE OF INDIAN GOODS IN DUTY FREE SHOPS
Ray Shri Rudramadhab

Will the Minister of FINANCE be pleased to state:

- (a) whether there are specified norms for sale of Indian and foreign goods in Duty Free Shops at Airports both at arrival and departure lounge;
- (b) if so, the details thereof; and
- (c) if no, the reasons therefor?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S. S. PALAMMANICKAM)

(a) and (b): Foreign goods are allowed to be imported without payment of duty when cleared for warehousing in premises, including Duty Free Shops, licensed under Section 58 of the Customs Act, 1962. However, the value of such goods is included in the baggage allowance of passengers who purchase them from the Duty Free Shops and duty leviable, if any, as per Baggage Rules, 1998 is charged on such goods. Specified Indian products are exempted from the duty of excise under notification no.145/89-CE dated 19-05-1989, as amended, when brought for sale into duty free shops in the arrival halls at the customs airports from the factories of their manufacture situated in India, for sale to passengers arriving from abroad against payment in foreign currency, subject to conditions laid down in the said notification.

(c): Nil in view of reply at. (a) and (b) above.