

F.No: 473 / 05 / 2015 – LC  
Govt. of India  
Ministry of Finance  
Dept. of Revenue  
Central Board of Excise & Customs

North Block, New Delhi  
Dated 6<sup>th</sup> July 2016

All Principal Chief Commissioners Customs,  
All Principal Chief Commissioners of Customs & Central Excise,  
All Chief Commissioners of Customs,  
All Chief Commissioners of Customs & Central Excise,  
All Directors General, Chief Departmental Representative,  
All Principal Commissioners of Customs,  
All Principal Commissioners of Customs & Central Excise,  
All Commissioners of Customs,  
All Commissioners of Customs & Central Excise.

**Subject: - Sale of goods at Duty Free Shops in Indian Currency**

Sir / Madam,

Please refer to Circular No. 495 / 7 / 2005 – Cus VI dated 28<sup>th</sup> September 2005 regarding the ceiling in payments in Indian currency of Rs. 5000/- for purchases by passengers at duty free shops at International Airports.

2. RBI has vide Notification no. FEMA 6 (R) / RB – 2015 dated 29<sup>th</sup> December 2015 permitted export from and import into India of Indian currency up to an amount not exceeding Rs 25,000/- (Rupees twenty five thousand) per person. Any person resident in India is permitted to take outside India (other than to Nepal or Bhutan) or bring into India (other than from Nepal or Bhutan) currency notes up to an amount not exceeding Rs 25,000/-. Similarly, any person resident outside India, not being a citizen of Pakistan or Bangladesh, and visiting India, has also been allowed to take outside India or bring into India, Indian currency notes upto an amount not exceeding Rs 25,000/-.

3. In view of the aforesaid regulations notified by the RBI, the Board has reviewed the circular dated 28<sup>th</sup> September 2005. It has been decided that in consonance with the regulation of the RBI, passengers shall be permitted to purchase goods at duty free shops in Indian rupees up to an amount not exceeding Rs 25,000/-.

4. Representations have also been received from travelers that duty free shops neither display prices in Indian Rupees nor display India made goods at duty free shops, which depreciates the visibility of Indian manufactured products and Indian currency. This issue was discussed during the course of consultations with Duty Free Shop operators. It was explained that CBEC has provided the facility of duty free procurement of excisable goods by Duty Free

shop operators and the procedure has been prescribed under circular no. 970 / 04 / 2013-Cx dated 23<sup>rd</sup> May 2013 read with Notification 7/2013 C.E(NT) dated 23<sup>rd</sup> May 2013. They were also requested to display prices of goods in Indian currency alongside of international currencies. It was also suggested that as a measure of transparency and fair practice, they should display the rate of exchange published by the commercial banks for conversion of foreign currency or the rate of exchange notified by the CBEC on a fortnightly basis for import and export of goods. The Industry representatives were agreeable to implementing the above measures.

5. Accordingly, Principal Commissioners / Commissioners of Customs may advise the Duty Free Shop operators of the revised permitted limits for purchase of goods in Indian currency at Duty Free shops. Information relating to the use of Indian currency at duty free shops should be displayed at all DFSs. It may be ensured that DFSs display the rate of exchange as published by the commercial banks for conversion of foreign currency or the rate of exchange notified by the CBEC on a fortnightly basis for import and export of goods. Similarly, websites of DFS / Airports must be kept accurately updated with regard to the facility and limit in use of Indian currency for making purchases. It may also be ensured that duty free shop operators are familiarized with the procedures for procuring excisable goods, duty free, from factories in terms of the procedure prescribed from time to time. The display of prices of goods by DFSs in Indian Rupees should also be complied with at the earliest.

6. Difficulties, if any, may be brought to the notice of the Board.

7. Hindi version follows.

Yours faithfully,

(S.Kumar)  
Commissioner (Customs & EP)