



सीमा शुल्क (निवारक) के आयुक्त का कार्यालय
OFFICE OF THE COMMISSIONER OF CUSTOMS (PREVENTIVE)
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C.No. VIII/09/01/2017-Cus.Tech

Date: 02.01.2018

PUBLIC NOTICE No. 01 /2018-Cus.

Subject: - Sale of goods and display of prices at duty free shops in Indian Currency – amendment of circular 31/2016 – Customs dated 6th July 2016 – Regarding.

Attention of all the Importers, Exporters, Customs Brokers, Steamer Agents Custodians/Customs Cargo Service Providers, Trade Associations/Chamber of Commerce, Members of the RAC/PGC and the public is invited to the Boards Circular No. 50/2017-Customs dated 18.12.2017 issued from F.No.473/07/2017-LC on the above subject.

2. Representations have been received regarding lack of clarity in use of INR credit cards/debit cards for making payments by passengers at duty free shops located at International Passenger Terminals. It has been stated that merchandise on display at duty free shops is denominated in foreign currency and passengers have to bear conversion charges alongside of transaction fee and other charges. The matter was taken up with the Reserve Bank of India and DGFT. The Foreign Trade Amendment Order, 2017 dated 25.07.2017 has removed the restriction on duty free shops to sell merchandise to outgoing or incoming passengers against payment in foreign exchange. Further, the RBI has clarified that passengers can make payments through INR Credit Cards / Debit cards at Duty Free shops, directly in Indian Rupees.

2. In view of the Foreign Trade (Exemption in application of Rules in certain cases) Order 2017 and clarification of RBI, it has been decided to extend the facility of payments in Indian rupees, through INR debit cards or credit cards at Duty Free Shops, without any need for conversion of foreign currency into Indian Rupees.
3. Further, it has also been decided that for the effective implementation of the above, DFSs shall, henceforth, mandatorily display the price of all goods on sale in Indian rupees only.
4. In view of the foregoing –
 - (i) Instructions contained in para 2 and 3 of circular 31/2016 dated 6th July 2016 regarding ceiling in payment in Indian Currency (i.e. in cash) at Duty Free Shops remain unaltered (i.e. Rs. 25,000);
 - (ii) Payments made through an INR credit card / debit card at Duty Free Shops located in the arrival hall shall also be subject to a limit of Rs 25,000/- for an incoming passenger;
 - (iii) However, payments through a INR credit card or debit card at Duty Free Shops located in the departure hall shall be without limit for an outgoing passenger;
 - (iv) Duty Free Shops shall ensure that passenger making payments through an INR credit/debit card are not subject to paying for merchandise in foreign currency and accordingly do not have to bear any attendant charges for conversion of foreign exchange;
 - (v) Since prices of merchandise for sale at a Duty Free Shops shall, henceforth, only be displayed in INR, any passenger desiring to make a payment in any foreign currency, shall be charged in foreign currency by applying the rate of exchange notified under Section 14 of the Customs Act, 1962 from time to time;
5. Difficulties, if any, in following the above instructions may please be brought to the notice of the undersigned.


(SUDHA KOKA)
COMMISSIONER

To

Importers, Exporters and Customs Brokers of Customs (Preventive) Commissionerate, Vijayawada (Through the Joint Commissioner of Customs, Krishnapatnam / Kakinada, Customs House and Asst./Deputy Commissioner of Customs, ICD, MARRIPALEM, GUNTUR).

1. Copy submitted to the Chief Commissioner of Customs & Central Tax, Visakhapatnam Zone, G.S.T. Bhavan, Port area, Visakhapatnam for information.

Copy to :

1. The Commissioner of Central Tax Guntur Commissionerate / Visakhapatnam Commissionerate / Tirupati Commissionerate with a request to circulate the same to all concerned.
2. The Joint Commissioner of Customs, Kakinada Customs House/ Krishnapatnam Customs House.
3. The Assistant / Deputy Commissioner of Customs, ICD, MARRIPALEM, GUNTUR.
4. The Assistant/Deputy Commissioner of Customs, Customs Preventive Divisions, Tirupathi / Kakinada / Visakhapatnam.
5. Copy to Computer Section, CPC, Hqrs. Office, Vijayawada to upload into website.
6. Copy to Notice Board.