

**GOVERNMENT OF INDIA
TOURISM
LOK SABHA**

UNSTARRED QUESTION NO:6441
ANSWERED ON:09.05.2005
DUTY FREE SHOPS
Reddy Shri Suravaram Sudhakar

Will the Minister of TOURISM be pleased to state:

- (a) the details of duty free shops being run by Indian Tourism Development Corporation;
(b) whether the duty free shops are making losses; and
(c) if so, the details thereof and the steps proposed to be taken to make them profitable?

Answer

THE MINISTER OF STATE OF THE MINISTRY OF TOURISM (SMT. RENUKA CHOWDHURY)

(a): India Tourism Development Corporation (ITDC) is running 37 duty free shops at ten international/domestic airports as under:-

Location No. of Shops

| | |
|------------|----|
| Delhi | 10 |
| Mumbai | 11 |
| Kolkata | 02 |
| Chennai | 02 |
| Trivandrum | 02 |
| Goa | 02 |
| Bangalore | 02 |
| Calicut | 02 |
| Hyderabad | 02 |
| Ahmedabad | 02 |

Total 37

(b) & (c): The position regarding net profit/loss of Duty Free Shops for the last five years is as under:-

Year Net Profit/Loss (Rs. in Crores)

| | | |
|-------------------------|----------|--|
| 2000-2001 | 21.35 | |
| 2001-2002 | (-) 2.66 | |
| 2002-2003 | 9.37# | |
| 2003-2004 | 5.75# | |
| 2004-2005 (Provisional) | 1.87# | |

These profit figures will turn into losses if royalty payable to Airport Authority of India is accounted for.

Following steps have been taken to improve the profitability of the duty free shops:-

- Ensuring sale promotions of the products more;
- Exercising strict control over costs and tight control over inventory;

- Refurbishing of Shops;