



Dear Sir,

To quickly introduce, APTRA (The Asia Pacific Travel Retail Association) is a not-for-profit organization, serving the interests of multiple stakeholders in the Duty Free & Travel Retail Industry across Asia Pacific. The US\$ 35Bn Duty Free & Travel Retail Industry in Asia Pacific contributes to over 320,000 jobs across the region. Established in 2005, APTRA's members include airports, brands, retailers, food & beverage operators, airlines as well as Travel Retail industry associates.

As you would be aware, COVID-19 has led to a significant impact on the aviation industry, both globally as well as within India. In this unprecedented crisis, the path to recovery for the aviation sector is fairly uncertain. Additionally, passengers travelling during this period of uncertainty will predominantly focus on Social Distancing / Physiological needs and b) Safety for themselves and loved ones – which will directly impact their spending ability.

The duty-free market in India, estimated to be approximately INR 3500Cr, contributes significantly to nation building through employment generation as well as financial contribution in the form of tax revenues, Revenue Share payment to airport operators (which in turn subsidizes the charges levied by the airports to passengers) as well as payments to AAI – directly or through private airport operators, which in turn is used by AAI to boost aviation growth in the country.

It is highly likely that the international air traffic movement as well as consumer spending will remain muted for the next 2-3 years, which will put a significant dent on the Indian Duty Free industry since the industry works on very low margins and has to carry a large fixed cost in terms of manpower, concession / retail fees and inventory cost.

In these troubled times, we understand that the Indian Government's priorities would be focussed towards providing subsistence and sustenance for the weaker sections of the society and the players / sectors which are most impacted. Respecting the needs of players / segment who are worse-off, and may need direct subsidies / grants, we would request your kind attention towards an attached letter from the Indian Duty Free operators which identifies certain changes / modifications which can ensure the survival of the Indian Duty Free industry.

We look forward to your favourable consideration and support in taking these matters forward to ensure sustainable operations of the Duty Free Industry in India.

Sincerely,

A handwritten signature in black ink, appearing to read 'Sunil Tuli', is written over a horizontal line.

Sunil Tuli
President
APTRA