Government of India
Ministry of Tourism
(H&R Division)

C-1 Hutments
Dara Shukoh Road
New Delhi – 110 011
Tel: 011-23012810

No. 4-TH-II(21)/2016-H&R

Dated: 10.12.2018

To,

1. Secretary (Tourism), All State Governments/UT Administrations
2. Secretary General, Federation of Hotel & Restaurant Associations of India (FHRAI)
3. President, Indian Association of Tour Operators (IATO)
4. Principal, IHMs
5. All Indiatourism Offices in India

Subject: Guidelines for Approval of Online Travel Aggregators.

Madam / Sir,

1. Enclosed please find enclosed a copy of the Guidelines for Approval of Online Travel Aggregators (OTAs).

2. These guidelines are required to be adhered to by all the OTAs seeking Approval / Re-Approval under the OTA Category by the Ministry of Tourism and will come into force with immediate effect.

3. You are requested to kindly circulate these revised guidelines to all concerned.

4. These guidelines are also available on the official website of the Ministry of Tourism *www.tourism.gov.in*

Yours faithfully,

(Sagnik Chowdhury)
Assistant Director General
& Member Secretary (HRACC)



GOVERNMENT OF INDIA
MINISTRY OF TOURISM

GUIDELINES FOR APPROVAL OF ONLINE TRAVEL AGGREGATORS (OTA)

The aims and objectives of the scheme for Approval of Online Travel Aggregators (OTAs) are to encourage quality standards and services in this category so as to promote tourism in India and abroad. This is a voluntary scheme open to bonafide online travel aggregators to bring them on a common platform in the organized sector.

Definition: An Online Travel Aggregator (OTA) is an intermediary / agent selling travel products and services such as the airlines, car rental, cruise lines, Hotels / Accommodation, railways and vacation packages on behalf of suppliers using internet as a medium. They establish an online market place and earn profits on the discounts commonly referred to as commission offered by the suppliers. In doing so, an OTA may:

- List the travel related service providers/agents or other service providers like hotels, homestays on its platform under its brand.
- Connect the buyers with potential travel, hospitality and related service providers/ sellers on its platform under its brand
- Prescribe amenities and/or quality standards and influence the service providers to match the potential customer's needs.
- Enter into agreements with such service providers laying down benchmarks, standards, commission rates and other services required from such service providers.

The application for **approval** shall be submitted online through the website www.hotelcloud.nic.in . In this regard any query may be addressed to the Assistant Director General, Hotels & Restaurants Division, Ministry of Tourism, Government of India, C – 1 Hutments, Dara Shukoh Road, New Delhi - 110 011, Tel No. 011 2301 2810, Email ID: hraccdivision@gmail.com

1. The recognition as an approved OTA shall be granted by the Ministry of Tourism (MOT), Government of India (GOI), New Delhi, for five years, based on the Inspection Report / Recommendations of a Committee comprising the concerned Regional Director (RD), a representative of FHRAI, and a representative of IATO, and approval of Competent Authority (Chairman, HRACC).

2. The re-approval, thereafter, shall be granted for five years after inspection conducted by a Committee of the same constitution, based upon an application, complete and free from all deficiencies, made by OTA along with the requisite fee / documents on the online platform, at least a clear 6 months prior to the expiry of the previous approval. In case the application complete in all respect and free from all deficiencies is not received at least a clear 6 months prior to the expiry of the previous approval, it will be treated as a case for fresh approval.

3. The documents received from applicants after scrutiny in all respects would be acknowledged online. The inspection for first approval / re-approval shall be conducted by the Inspection Team within a period of forty working days from the receipt of complete and deficiency-free application and confirmation of payment of fees by Pay & Accounts Office, Ministry of Tourism.

4. The following conditions must be fulfilled by OTA for grant of approval/ re-approval by MOT:

i) The application for grant of approval/ re-approval shall be in the prescribed form and submitted online along with the required documents through the portal hotelcloud.nic.in along with the required documents.

ii) OTA should have been in continuous operation for a minimum period of three years prior to the date of application.

iii) OTA should have a minimum Paid up Capital (or Capital employed) of **Rs.1.00 Crore**, duly supported by the latest Audited Balance Sheet / certificate of the Statutory Auditor of the firm.

iv) OTA should have an office premises under the charge of the owner/ director/ partner or a full time member of their staff, who is adequately trained and experienced in matters regarding the business and processes of the firm; and is in know of the fiscal and monitory policies of Indian currency, customs regulations and tourism and travel related services.

v) The minimum office space should be at least **1000 sq. ft.** Besides, the office may be located in neat and clean surroundings and equipped with telephone, fax and computer reservation system etc. There should be sufficient space for reception and easy access to toilets.

vi) OTA should be an income tax assessee and should have filed Income Tax Returns for the last 2 assessment years (may include the current assessment year).

5. OTA would be required to pay a non - refundable fee of **Rs.25, 000/-** while applying for the approval/ re-approval. The fee would be made payable to the Pay & Accounts Officer, Ministry of Tourism in the form of online payment.

6. The OTA should adhere to the tenets of the Code of Conduct for "Safe & Honourable Tourism" for which the following action would have to be taken:

i) A signed copy of the pledge of commitment towards "Safe & Honourable Tourism" should be attached with the application. The pledge is enclosed at **Annexure V**.

ii) On the day a staff member joins the OTA, he / she would be required to take / sign the pledge. The pledge would be incorporated in the appointment letter / joining report of the staff **(Annexure IV)**.

iii) Two focal points would be nominated (i.e., from HRD, security side etc.) at the time of applying for approval by the OTA in the case of organizations which have more than 25 personnel. In the case of OTA with less than 25 personnel, one focal point would have to be nominated.

iv) The training would be provided to the staff of the approved OTA by MOT under its Capacity Building of Service Providers (CBSP) scheme in connection with "Safe & Honourable Tourism". The focal points of the OTA would be trained first within first six months of MOT approval. Subsequently, the trained focal points in turn would impart further in – house training to the staff which would be arranged within next six months.

v) The Pledge of Commitment towards "Safe & Honourable Tourism" would have to be displayed by the OTA prominently in the front office area / lobby of the service provider, and on its online portal/ website under a prominent link on the home page.

vi) The signatories of the Code of Conduct would be required to maintain a record of action taken by them in compliance of the provisions of this para, which shall be kept in their office & shown to the Committee(s) at the time of renewal.

7. OTA granted approval / re-approval shall be entitled to such incentives and concessions as may be granted by the Government from time to time and shall abide by the terms and conditions of recognition as prescribed from time to time by MOT, GOI.

8. It shall be mandatory for an approved OTA to prominently display the Certificate of approval given by MOT in the office premises by displaying it in a photo frame so that it is visible to a potential tourist and also under a prominent link on the home page of its main website/ online portal.

9. The decision of MOT, GOI in the matter of approval/ re-approval shall be final. However, MOT may at their discretion refuse to re-approve any firm or withdraw / withhold at any time approval/ re-approval already granted. Before such a decision is taken, necessary Show Cause Notice would invariably be issued and the reply considered on merit. This would be done after careful consideration. Circumstances in which withdrawal is effected would also be indicated.

10. Appellate Authority: In case of any dissatisfaction with the decision of the HRACC, the hotel may appeal to Secretary (Tourism), Government of India for review and reconsideration within 30 days of receiving the communication regarding Classification/Re-classification. No request will be entertained beyond this period

11. The OTA shall designate a Grievance Officer and publish his name and contact details on its website.

12. Documentary requirements for Approval as Online Travel Aggregator:

i) At the time of submitting the application, the Applicant shall ensure that it satisfies/fulfils the requirements for registration as stipulated under this Guideline.
ii) The Applicant firm should be registered in India under appropriate Authority and fulfil all statutory and legal provisions pertaining to Foreign Direct Investment (FDI) on E-commerce, FEMA Act etc. for conducting business in India.
iii) The applicant must have already obtained the registration of its firm as per Section 24(x) of the CGST Act, 2017, irrespective of the value of supply made by them and irrespective of whether or not the benefit of threshold exemption is available to them.

iv) The applicant (other than an operator required to pay tax under section 9(5) of the CGST Act, 2017) shall be required to submit an undertaking to the effect that it shall collect the taxes due from the hosts listed on its platform against the transactions that the host makes with regard to bookings effected through the applicant, as per the provisions of the relevant Laws in place from time to time, and that the tax collected shall be duly deposited with appropriate Authorities. (A host is a person(s) or an entity that owns/operate a travel related service such any means of transport, any type of visitor accommodation or any such services as demanded by the visitors, in consideration of their business prospects, to host the service/ facilities on an online electronic platform owned by a third party) **(Annexure III)**.

v) The Applicant firm shall undertake that it has requisite manpower possessing necessary qualifications to carry out the business of the firm smoothly and efficiently as well as comply with all legal and statutory requirements **(Annexure III)**.

vi) OTA shall submit an undertaking **(Annexure III)** to the effect that it shall ensure that:

a. The hosts (facility owners/operators) desiring to list their facility on its online ecommerce platform are duly registered with appropriate Statutory/ Government authority(ies) in India and possess all necessary statutory licenses and NOCs.
b. That it shares the responsibility along with the host entity to ensure the delivery of quality standards, comfort, safety and security of all the buyers of travel and related services and provisions agreed-upon/committed through its online platform.
c. To undertake its own visits to the premises of those suppliers (Hosts) desiring to list their facility on the online platform owned by the Applicant, in order to ascertain and ensure the veracity of the declarations made by the hosting entity.
d. It will be mandatory for the OTA to carry out physical verification of all Homestay and Bed & Breakfast establishments listed on its platform to ensure that the facilities / services / amenities / products promised to the customers are actually present on the ground.
e. That it understands the crucial nature of the sensitive personal data or information provided to it by both the buyer and seller, and that the integrity and confidentiality of such information shall be protected as per the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 and other laws/acts/rules prevailing in India from time to time.

vii) Approval/ Re-approval of OTA shall be subject to inspection of the firm and approval of competent authority and in compliance of the provisions of this Guideline.
viii) Statement on number of offices in India, total employees, deployment of employees in each location. Contact addresses of all offices in India, duly authorised contact person in each location, address, contact numbers, email ID, Lay-out Plan of all floor(s) of all such premises.
ix) Website of the applicant entity (if more than one, each website should be stated separately).
x) Paid-up capital (In INR) certified by Statutory Auditor.
xi) Copies of complete Audited Balance Sheet with the Director's Report for the immediate 02 previous years.
xii) Record of filing Income Tax Return for last 02 years (may include IT return for the current year).

xiii) Reference letter from Bank on its original letterhead regarding applicant firm's bank account and address with telephone numbers

xiv) Self-declaration by the applicant/Owner(s) (in original) on affidavit on non-judicial stamp paper of Rs. 100 in the prescribed format **(Annexure II)**.

xv) If applied in the past, copy of the order of decision

xvi) Undertaking to the effect of compliance of various Laws/Acts/Rules applicable to the OTA.

xvii) Proof of approvals/memberships- national and international, Govt. and industry and professional bodies

xviii) Every document in support of application duly stamped & attested by the Managing Director / Managing Partner/ Proprietor/ Authorized Signatory of the firm.

13. The approval of the OTA by the Ministry of Tourism is not a substitute for any NOC/ License/ Permission/ Clearance required by the OTA, and the such other NOCs/ Licenses/ Permissions/ Clearances will have to be obtained separately by the OTA from appropriate authorities (Undertaking as at **Annexure I** to be furnished).

14. If at any stage it is found that the OTA has not obtained any clearance from the local Authorities (Panchayat or Municipal) and / or State Government / Union Territory Administration and / or Government of India or it is found that such clearance (s) has / have been obtained on the basis of misrepresentation of fact (s) or if it is found that any fact mentioned in the application seeking the approval/ re-approval is incorrect, then the approval/ re-approval granted by the Ministry of Tourism, Government of India shall stand withdrawn with immediate effect and Director / Owner/ Partner / Chairman / Managing Director / CEO and Authorized representative of the OTA shall be liable for facing criminal proceedings for misrepresentation of facts to the Ministry of Tourism, Government of India.

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ANNEXURE-I

FORMAT FOR UNDERTAKING

(To be on official company letterhead)

To,
The Secretary (Tourism)
Ministry of Tourism
Govt. of India
New Delhi

UNDERTAKING

I have read and understood all the terms and conditions mentioned in the Guidelines for Approval of Online Travel Aggregators (OTA) and hereby agree to abide by them. The information and documents provided are correct and authentic to the best of my knowledge.

I understand that the approval of the Ministry of Tourism is no substitute for any statutory approval, and the approval given is liable to be withdrawn in case of any violation or misrepresentation of facts or non-compliance of directions that may be issued by the Ministry of Tourism, Government of India, without notice

In case of any dispute/ legal measure, the same may be eligible in the jurisdiction falling under the NCT of Delhi.

Signature
Name in block letters
Seal of the applicant

Place: ----------

Date: ----------

ANNEXURE II

{For Approval of Online Travel Aggregators (OTA)}

On Stamp Paper of Rs. 100.00

I, ……, son/daughter of Shri ……, a resident of ……., and Director / Partner / Owner / Chairman / Managing Director / CEO and Authorised representative of the OTA _____, on ……. day of . . . . (month), ……. (year), do hereby affirm and declare as follows:

That the OTA……... has obtained all necessary approvals from the concerned authorities for operations/ functioning of the OTA …… and that the OTA …… is being operated as per the Acts, Rules, Regulations and Guidelines prescribed by the State Government / Union Territory Administration and / or Government of India.

If at any stage it is found that the OTA has not obtained any clearance from the State Government / Union Territory Administration and / or Government of India or it is found that such clearance (s) has / have been obtained on the basis of misrepresentation of fact (s) or if it is found that any fact mentioned in the application seeking the approval / Re-approval is incorrect, then the approval / re-approval granted by the Ministry of Tourism, Government of India shall stand withdrawn with immediate effect and I, ……, Director / Owner/ Partner / Chairman / Managing Director / CEO and Authorized representative of the OTA …….. shall be liable for facing criminal proceedings for misrepresentation of facts to the Ministry of Tourism, Government of India.

(Deponent)

I, undersigned, Notary Public, do hereby affirm that Shri / Smt……. Personally appeared before me on the ……... day of ……., and signed the above Affidavit.

(Notary Public)

ANNEXURE III

{For Approval of Online Travel Aggregators (OTA)}

On Stamp Paper of Rs. 100.00

I, ……, son/daughter of Shri ……, a resident of ……., and Director / Partner / Owner / Chairman / Managing Director / CEO and Authorised representative of the OTA _____, on ……. day of . . . . (month), ……. (year), do hereby affirm and declare as follows:

That the OTA……... shall:

1. Collect all taxes due from the hosts listed on its platform against the transactions that the host makes with regard to bookings effected through the applicant, as per the provisions of the relevant laws in place from time to time, and that the tax collected shall be duly deposited with appropriate Authorities.

2. Ensure that it has requisite manpower possessing necessary qualifications to carry out its business smoothly and efficiently as well as comply with all legal and statutory requirements.

3. Ensure that the hosts (facility owners/operators) desiring to list their facility on its online ecommerce platform are duly registered with appropriate Statutory/ Government authority(ies) in India and possess all necessary statutory licenses and NOCs.

4. Share the responsibility along with the host entity to ensure the delivery of quality standards, comfort, safety and security of all the buyers of travel and related services and provisions agreed-upon/committed through its online platform.

5. Undertake its own visits to the premises of those suppliers (Hosts) desiring to list their facility on the online platform owned by the Applicant, in order to ascertain and ensure the veracity of the declarations made by the hosting entity.

I also solemnly affirm that the OTA_____ understands the crucial nature of the sensitive personal data or information provided to it by both the buyer and seller, and that the integrity and confidentiality of such information shall be protected as per the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 and other laws/acts/rules prevailing in India from time to time.

(Deponent)

I, undersigned, Notary Public, do hereby affirm that Shri / Smt……. Personally appeared before me on the ……... day of ……., and signed the above Affidavit.

(Notary Public)

ANNEXURE - IV

PLEDGE FOR COMMITMENT TOWARDS SAFE & HONOURABLE TOURISM AND SUSTAINABLE TOURISM (For internal circulation and use of OTA)

I / we solemnly pledge and reiterate our commitment to conduct our business in a manner that befits the culture and ethos of our rich and ancient civilization and the tolerant and accommodating nature of our multicultural society and protect all individuals, especially women and children from all derogatory acts which are contrary to the spirit of our country. We hereby commit to abide by the Code of Conduct for Safe and Honourable Tourism.

Recognizing that every earth resource is finite and fragile, I / we further pledge to fully implement sustainable tourism practices, consistent with the best environment and heritage protection standards, such that my / our present tourism resource requirements optimize both local community benefit and further sustainable uses.

Signature

Name

On behalf of

In the presence of

ANNEXURE-V

Format of 'Undertaking' in respect of the **"Pledge for Commitment towards Safe & Honourable Tourism"**
(To be on official company letterhead)

To
The Secretary,
Ministry of Tourism,
Govt. of India,
New Delhi.

UNDERTAKING

It is to hereby confirm that I / we have read and understood the "Code of Conduct for Safe and Honourable Tourism" adopted on 1st October 2010 as per copy attached with application with respect to approval / re-approval of OTAs and hereby agree to abide by them.

That I/ We solemnly pledge and reiterate our commitment to conduct our business in a manner that befits the culture and ethos of our rich and ancient civilization, and the tolerant and accommodating nature of our multicultural society and protect all individuals, especially women and children from all derogatory acts which are contrary to the spirit of our country. I / We hereby commit to abide by the Code of Conduct for Safe and Honourable Tourism.

Recognizing that every earth resource is finite and fragile, I / we further pledge to fully implement sustainable tourism practices, consistent with the best environment and heritage protection standards, such that my / our present tourism resource requirements optimize both local community benefit and further sustainable uses.

Signature
Name in 'BLOCK LETTERS'

Seal

Place……
Date…….

ANNEXURE VI

{For Approval of Online Travel Aggregators (OTA)}

On Stamp Paper of Rs. 100.00

I, ……, son/daughter of Shri ……, a resident of ……., and Director / Partner / Owner / Chairman / Managing Director / CEO and Authorised representative of the OTA _____, on ……. day of . . . . (month), ……. (year), do hereby affirm and declare as follows:

That the OTA……... has complied with all provisions of the Foreign Exchange Management Act 1999.

If at any stage it is found that the OTA has not complied with any provision of the Foreign Exchange Management Act 1999, then the approval / re-approval granted by the Ministry of Tourism, Government of India shall stand withdrawn with immediate effect and I, ……, Director / Owner/ Partner / Chairman / Managing Director / CEO and Authorized representative of the OTA …….. shall be liable for facing criminal proceedings for misrepresentation of facts to the Ministry of Tourism, Government of India.

(Deponent)

I, undersigned, Notary Public, do hereby affirm that Shri / Smt……. Personally appeared before me on the ……... day of ……., and signed the above Affidavit.

(Notary Public)

ANNEXURE – VII

CHECKLIST FOR APPROVAL / RE-APPROVAL OF OTAs

FACILITIES & SERVICES			**COMMENTS**
3 latest complete audited Balance Sheets (to ascertain operations for 3 years and to check minimum paid up capital of Rs. 1 crore.			
Certificate of paid up capital by Statutory Auditor of the firm.			
Latest 2 years Income Tax returns.			
Area of the office in sq.ft.(Regd. Office)			
Pledge of safe & Hon'ble Tourism to be displayed on premises & website.			
Name and contact details of grievance officer published on OTA website.			
Registration under Shops & Establishments Act.			
Certificate of Incorporation under companies Act. 1956 or Companies Act 2013/ Partnership Deed & Certificate of Registration / Certificate of Registration ID proof on lease / sale proprietorship.			
Affidavit on Non judicial stamp paper of Rs. 100 – regarding adherence to the provisions of FEMA 1999 (ANNEXURE VI)			
Registration Certificate of the Firm as per Section 24 (x) of CGST Act 2017.			
Undertaking as per Annexure I (Original)			
Affidavit as per Annexure II (Original)			
Affidavit as per Annexure III (Original)			
Pledge as per Annexure IV (Original)			
Undertaking as per Annexure VI (Original)			
Statement on number of offices in India, total employees, deployment of employees in each location. Contact addresses of all offices in India, duly authorised contact person in each location, address, contact numbers, email ID, Lay-out Plan of all floor(s) of all such premises.			
Website of the applicant entity (if more than one, each website should be stated separately).			
Reference Letter from Bank on its original Letterhead regarding applicant firm's Bank Account and address with Telephone Numbers.			
Copy of order of decision, if classified earlier.			

Proof of approvals / memberships – national & international, Govt., Industry & professional bodies.			
All documents should be signed & stamped by MD / Managing Partner/ Proprietor / Authorized Signatory of the firm.			

It is certified that the hotel has furnished valid licenses and Noc's in original for scrutiny and have been seen by the committee members. A copy of these licenses NOC's are enclosed with the inspection report.

(REGIONAL DIRECTOR -CHAIRMAN) (FHRAI) (IATO)

COMMENTS:

HRACC Members	Name	Designation	Name of Agency / Hotel / Organization	Signature & Date
Regional Director (Chairman)				
FHRAI Representative				
IATO Representative				