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## FROM THE DESK OF THE ACTING PRESIDENT

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### ***We “Deserve” More. Let’s earn it together!***

How interdependent are we? Most industries thrive on the strategic approaches by its players who turn to depend on one-another and collectively pursue their success.

In a world that is impacted by interdependence as the key to progress – in an environment where the adverse impact on one or a group of countries extends to others – in a future that is driven by an unstoppable evolution compelling everyone to embrace new norms and never – before – experiences to do the paradigm shifts – how well are we as members of a dynamic industry poised?

Surely, we are going through tough times with challenging and complex situations pushed onto us. Established practices that defined our comfort zones are now realigned to unsettle us. It is an irony that what we always considered as our “right” for the time and investment we have made – is not getting us the due recognition and appreciation.

In such a thorny situation are we geared up to evolve beyond the circumstance? Are we equipped to go beyond the complexity? It is rightly said – *Nothing splendid has ever been achieved except by those who dared believe that something inside of them was superior to circumstances.*

The urgent need to overcome the complexity is greater than ever. We need to go two-fold with our approaches. One is to identify ways to interdepend and the other is to evolve beyond our traditional practices. The world today is demanding leaders at all levels to be up – and – awake to the changing scenario. Leaders need to by-pass their tunneled visions and stretch-out into upgrades to create that sustainability.

“Might” is the first form of success. Unless, as leaders, we drive organizations to shift into higher levels; unless we intelligently

fight complexities; unless we hone our skills that drive our might - success of a higher order is not certain. We must gain control and evolve to accomplish progress.

As Travel & Tourism Industry, we are the most capable of crisis-managers. The toughness with which we encounter difficult situations – is our strength. Our resolve to overcome any challenge has been our hallmark. Despite the toughest of situations, we continue to take care of our enterprise and our people at work. We gift our personnel with traits that are much more value than their remuneration. We help build careers. We surely cannot retreat and must forge ahead no *matter what*.

Let us take a serious look at interdependence and to create solutions to take us forward. Unless we are ready to strike the gong in favour of our renewed vision to go beyond the circumstance – we cannot be freed from discontentment, if any. Let us embrace change – adopt newer technology – accept renewed roles to re-engineer our approaches for superior success.

TAAI can be better utilized to encourage such interdependence. As an association with abundant talent of learned and high quality forerunners, we cannot be distanced from the most outstanding of success. Let us unleash our unutilized potential and drive our future towards brighter success.

The world is living in teams. So are the Airlines sustaining on alliances. Why not us??

Let us commence a new form of thought process to forge ahead. To drive beyond. To learn from each other and to gain from our collective approaches.

Wishing you all the very best to create the most out of today!  
With warm regards

**Sunil Kumar**  
Acting President  
sunilkindia@gmail.com



Harmandeep Singh Anand

## SERVICE TAX PRESENTATIONS

TAAI's ongoing Service Tax Presentations have gone full circle with the last three sessions being held in the Chapters of Andhra Pradesh, Nagpur and Goa. Members were witness to a highly useful and informative presentation that made them understand the nitty - gritties of how to pay service tax, whom to pay and the proper and correct format of payments. Given below are the queries that were put to HSG Harmandeep Singh Anand and CA Manish Gadia being reproduced here for the benefit of all members. READ ON !



Manish Gadia

1. Query from Challa Prasad, Past President TAAI:  
SpiceJet has announced 2% "commission" on lines similar to Indigo. The copy of the terms are attached for your quick reference. We draw your attention to the point on Service Tax; "The commission is inclusive of Service Tax". This means that we have to pay 12.36% as Service Tax out of the 2% that we receive. Most agents are collecting Service Tax from the customer on the basic fare at 0.618% of the fare or 12.36% of the commission. That implies that we are collecting service tax from the airline and also from the passenger. Our impression is that it is illegal to do so, we cannot arbitrarily collect service tax, or for that matter any other tax, from whoever it pleases us to do so. We also suspect that we are remitting only the amount collected from the passenger and not the one collected from the airline.

Can TAAI issue a clarification on the following?

- a. Is it correct to collect from the passenger and remit Service Tax?  
ATA on Commission module: If ATA is on Commission module he has to collect Service Tax from passenger @ 12.36% on the value of TF only. He can't collect Service Tax from passenger on the value of Commission, etc. received from Airlines/consolidator and has to pay Service Tax on Commission/PLB/Incentives treating the same as inclusive of Service Tax. ATA on Basic fare module: If ATA is on Basic fare and the agreement with the airlines says that commission/PLB/Incentives are inclusive of Service Tax, in that case ATA can't collect Service Tax from passenger and has to pay service tax @ 0.618% from his pocket.
- b. Should we also remit at 12.36% on 2% paid by SpiceJet and Indigo?  
ATA on Commission module: As per the terms attached by you, SpiceJet itself is saying it is a Commission and If ATA is on Commission module he is liable to pay Service Tax on any Commission/PLB/Incentives received from Airlines. ATA on Basic fare module: In this module ATA is liable to pay Service Tax @.0618% from his pocket he neither collects the Service Tax from Airlines nor from passenger.
- c. What are the penalties/liabilities (including risk of prosecution) that we are exposed to if we are collecting two taxes and remitting only one?

If any Amount is collected by Any Service Provider including ATA and the same is not paid to the Department, then Department can recover the said service Tax along with interest @ 15% or 18% as the case may be. Over and above Department may levy the Penalty under Section 76 which may extend up to 50% of the outstanding liability and also penalty under Section 78 which may extend up to another 50% of the Service Tax. Further a personal Penalty under Section 78A of Rs. 100,000/- from the person responsible/owner for the affair of the business. If the amount of Service Tax not paid is more than Rs. 50,00,000/- the person responsible/ owner can be arrested and the term of imprisonment may extend up to 7 years.

2. We are an IATA approved Company by the name and style of M/S. Penta Travels (India) Private Limited. We have been purchasing tickets specially for international travel directly from BSP and from other consolidator. We have been following the module of charging the Service Tax to our clients i.e 1.236% on the basic fare and

depositing the same to the Service Tax Department in the case of BSP direct ticketing and in the same manner the other consolidator were also deducting from us and depositing the same to the Service Tax Department on our behalf. Now since April, 2014 we are still following the same pattern but our consolidators are deducting from our commission @12.36% without mentioning the deduction as Service Tax amount which means they are showing our commission as Rs.87.84 as against Rs.100/-. On the contrary asking us to raise the bill for Service Tax on them on the remaining of Rs100-Rs12.36 equal to Rs.87.64 which given to us as commission e,g as below:

Supposing we earn Rs.100/- as commission and they will show as Rs.87.64/- then we are required to raise a bill of Service Tax to them of 12.36% of Rs.87.64 which is Rs.10.83 .Thereby first of all we loose by 12.36-10.83 equal to 1.53%. Also as we are raising an invoice as Service Tax to the Vendors which we are also supposed to deposit this Service Tax apart from the Service Tax that we are also paying as 1.236% of basic fare on the same invoice.

The net effect is that we are required to pay Service Tax twice on the same invoice(i) 1.236% of the basic fare and secondly 12.36% of our commission there by loosing approximately 14% of the total commission from the Vendor( 12.36+1.53= 13.89).

The above transaction has been explained below in the table format where consolidator is following Commission Module and ATA is following Basic fare module:

Particulars	Amt	ST
1. Basic Fare	10,000	
2. Consolidator gets 1% Commission and 4% PLB	500	
3. Since Airlines are not giving Service Tax, net commission received by Consolidator (500/112.36*12.36)	445	55
4. Consolidator pass on 4% commission (including ST) to Sub agent	400	
5. Net Commission to Sub Agent (400/112.36*12.36)	356	0
6. TF charged to passengers on Domestic Ticket	100	61.80
7. TF charged to passengers on International Ticket	100	123.60

Since you are on Basic fare module and collecting Service tax from passenger, you can't collect service tax from consolidator on the commission received from consolidator.

3. We Are Travel agent in New Delhi working in the name of Unique Air Services Pvt. Ltd. and also member of TAAI. We want some suggestion about service tax .We charged Service Tax on basic fare of air tickets to passenger but some time we purchased air tickets from consolidator and they charged service tax on commission basis and same tickets we charged service tax on basic fare to passenger then can we claim CENVAT of service tax.

Consolidator should not charge service tax on the commission given to you. Even if wrongly you have paid the service tax to consolidator it is not your input service and CENVAT credit of the same is not available.

## TAAI CONVINCES SPICEJET & GOAIR TO START 2% COMMISSION TO TRAVEL AGENTS.

It is said that "Perseverance & Patience Pays" and it did with the TAAI - Airline Council!

The team of Jyoti Mayal, Marzban Antia and Jay Bhatia, through their constant perseverance, dialogues and even debates at times, with GoAir and SpiceJet, have achieved result.

The good news for the members is that subsequent to Indigo paying commission since January 2014, now even SpiceJet and GoAir have begun paying commission the agents @ 2%. In fact, both the airlines wanted to commence it in June 2014

itself but the delay was due to some technical glitch at their end.

Effective Dates: 01 July 2014 for Spicejet & GoAir has made it effective from 25th June 2014 from 1200 noon.

The TAAI TEAM has proved once again that one can achieve success through hard work and perseverance.

TAAI would like to assure all its members that the Association is always working in the best interests of its membership and towards a profitable future for the trade.

Continued from page 2

4. We at Caair Travels Private Ltd. Want following clarifications:

a. Agents uses his own ticket stock and also purchase tickets from consolidators, if the agent pays service tax on basic fare for own stock tickets. Can he pay service tax on commission for tickets purchased from consolidators where he becomes commission agent?

No. He has to pay Service Tax under Air travel Agent on the basic fare as defined in Rule 6(7) of The Service Tax Rules, 1994 for all the tickets including tickets from consolidator.

b. Service charges on cancellations and amendments:- for example if one ticket is sold and invoiced with transaction fees and service tax booked/paid on basic fare later same ticket comes for cancellation and agent charges service charge on that ticket at the time of cancellation, should he again pay the service tax at the time of cancellation on basic fare of that ticket? Kindly clarify.

Once ATA had paid service Tax on basic fare at the time of booking of Tickets. He is not required to pay Service Tax on Cancellation of ticket again.

c. If agent pays service tax on basic fare, can he raise invoice for service tax on consolidator for the amount of service tax charged by consolidator?

No

d. Basic fare means that part of the airfare on which commission is normally paid -- Does this means if there is no commission on a particular ticket there is no basic fare and agent should not pay service tax on that ticket, if he has taken the option of paying service tax on basic fare?

In my view even If one airline is paying Service Tax on basic + YQ + Taxes than ATA is liable to pay service Tax on basic+YQ+Taxes on all the airlines even if he has received any commission on that airline or not.

5. I ShalluNarula from Ekido Holiday Tours Private Limited, Chandigarh request you to resolve our below mentioned 02 queries on service tax.

a. **ST on Air ticket**

We pay service tax on

- Commission receive from IATA & Consolidator
- Plus on Service Charges if we charge on bill

**Query**

- On commission, we if cannot recover ST from airlines or from agent – then we can back calculate & pay the ST from our commission (what we understood from the presentation & discussions in meet)
- In case of 01 consolidator – he is charging ST in the form of service

charges (OC) on invoice & asking to raise him ST invoice & he will reimburse same later

**Our query is in this case**

- We are paying ST amount to agent in form of service charges  
No you are not paying any service tax to consolidator, He is recovering Service charge from you in the same manner you are recovering Service charges from passenger.

- We have to pay ST to govt. but cannot take any input as he is not using term ST on invoice but mentioning Service Charge  
Since he is not charging any Service tax you cannot claim any CENVAT

- How we can raise him an ST invoice for service charges

You cannot charge Service tax on the Service charge recovered by consolidator from you.

b. Hotel billing

We have sold hotel room to guest with mark-up & paying ST @1.236%. Then guest asked to pay for his all extras consumed by him during his stay for e.g. meal, laundry, internet, transfer, etc. & said will settle later.

**Query** – In this case the billing to be done @1.236% or 3.09% (NO markup keeping on extras & taking actual only from guest then will any ST (if yes then slab on entire bill or separate) will be applicable on extras).

In our view, If you are providing Meal, transfer, etc. services along with accommodation you are liable to pay service tax @3.09% on the entire amount including the accommodation also, even though there is no mark up on the extra services availed by your client.

Scope limitation:

1. Answer given above are general purpose answer. Answer may vary after going through the agreement, invoices etc. Readers are advised to obtain professional opinion or advice before taking any action
2. The answer are not binding on the TAAI or any member of the TAAI and acceptance of it including any subsequent and resultant planning or action will be at TAAI or any member of the TAAI's sole discretion and risk, without recourse to the author.
3. The answer mentioned there in are based on our understanding and interpretation of the legislations, and are not binding on any regulators or court and there can be no assurance that the regulators or court will not take a position, contrary to our opinion and comments.
4. The view given here are the personal view of the Service Tax Doctor. It is not necessary that TAAI concur the same view.



## SERVICE TAX PRESENTATIONS - A P CHAPTER



Our HSG Mr. Harmandeep Singh and C A & Service tax Consultant Mr Manish Gadia were in Hyderabad on 5th June 2014 and interacted with TAAI members who attended the Service Tax presentation specially arranged for them. Participants included a good mix of Accountants and Managers who were all keen to learn more about this complex subject. Questions flowed freely and were all attended to by the duo, much to the satisfaction and delight of the members. The Office bearers of the Chapter - Chairman Mr Ajay Kumar Ramidi, and Secretary, Mr Nagesh Pampati, made sure that there was good interaction. Members felt that they now understood Service Tax issues better and its various rules.

## NAGPUR CHAPTER

TAAI Nagpur Chapter organised the Service Tax presentation on 07th June 2014 at Hotel Centre Point. A total 42 members attended the session and found it very interactive & informative. Mr. Manish Gadia & our HSG Mr Harmandeep Singh Anand answered all the queries raised by the members & CA amidst marathon sittings to simplify Service Tax issues. Said Madhuri Deo, Chairperson TAAI Nagpur Chapter "This is a great initiative by TAAI in organising these presentations for all chapters pan India." Members were of the opinion that it was the matter of pride for Nagpur Chapter that HSG Mr. Harmandeep Singh Anand who hails from Nagpur City is the key organiser of these sessions.



## GOA CHAPTER

TAAI Goa Chapter had 35 members attending the Service Tax Presentation session organized for them at the Taj Vivanta, Panjim, Goa. Attendees included owners, managers, accountants, and agency staff. Non-members also were given an opportunity to attend. The program lasted for 3 and a half hours along with a sumptuous lunch! The topics covered in the presentation were the different heads of service tax payable by travel agents, In depth explanation on service tax payable of tickets sourced from airline and if sourced from consolidators were given, Topics like \*service tax calculation based on basic

fare vs service charge, \*how the airlines and consolidators have switched service tax payable from the beginning of the financial year, \* how agents can do the same, \*how travel agents can claim a refund from airlines for service tax, all formed the base of other topics. Also different lines of business that agents are doing across the country with live examples were discussed. Lunch was a perfect setting at the hotel allowing informal interaction between all. In conclusion, most attendees surmised that though service tax sounds complicated, this presentation made it easy for them to understand it!



## WHAT THEY SAID . . . . .

### **Ganesh Rao,**

General Manager, Ascon Travel Pvt Ltd,  
Hyderabad- TAAI AP & Telangana Chapter

"Both CA Mr Manish Gadia and TAAI HSG Mr. Harmandeep Singh Anand conducted the Services Tax Presentation extremely well and were highly knowledgeable about the subject. We members are of the opinion that we should have more such interactive presentations"

### **Nandini Mulay**

Director, – 3A Travels,  
Nagpur, Nagpur Chapter

The Service Tax Presentation Held In Nagpur By Taai Was Avery Educative And Enlightening Experience For Me. We Realised The Major Difference Between Basic And Commission Structure That We Agents Are Following. The Billing For Our Customers Has To Be Clear With Breakups In Order To Avoid Discrepancies During Audit. The Presentation Was A Good Guideline For Agents Who Are Still Following The Old Basic Structure To Switchover To The Commission Structure.

This Presentation Was Indeed An Eyeopener For All The Agents I am Sure.....

### **Jyoti Botelho**

Les Passages  
Panaji  
TAAI Goa Chapter

"I was happy that I could make the time to attend The Service Tax Presentation conducted by TAAI on 12 June 2014 in Goa. It was very informative and to most of us, an eye opener! I found Mr. Manish Gadia, of GMJ & CO. the Service Tax Consultant, very knowledgeable in his subject & was very informative & his advice extremely valuable. Mr.Harmandeep, made it informal enough, to let us interact without any qualms with Mr Gadia. Thank you.

I only wish we were better prepared to absorb it, to its fullest ! Nevertheless - Thank You. "



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## NEWS FROM SOUTHERN REGION



Mr. V.K.T.Balan, Mr. Arul Lazaran, Mr.Lalith Kumar Jain, Ms. Saranya, TAAI –SR, Chairman, Secretary, Treasurer respectively and Chairman Tourism Council, met Her Excellency Citra Devi Ramiah, the Consul General for Malaysia in Chennai and as a mark of respect honoured her with the traditional shawl. During the discussion that followed the friendly relationship of both the countries were stressed upon. Besides matters relating to visa formalities were taken up and she assured that everything possible will be done un-hesitatingly to make things easy in the best interest of all concerned.



It was a gesture of good-will all the way. The office-bearers of TAAI – Tamilnadu, who were elected in their AGM recently, Messrs. Ananda Velu, Mohideen, Veera Kumar, Chairman, Secretary, Treasurer and Managing Committee members Gokula Ramanan, Krishnamoorthy were honoured with the traditional shawl. Others in the picture Messrs. V.K.T.Balan, Arul Lazarean. Lalith Kumar Jain, TAAI-SR Chairman, Secretary Treasurer respectively and Chairman, Convention Committee Mr.Vaidya Nathan.



A meeting regarding Andaman Fam Trip by TAAI-SR in September 2014 Coordination by Mr. Krishnamachari, The Sagar Tours & Travels, Andaman, Port Blair held on 26th June 2014 at Ambassador Palla, Chennai



TAAI - S.R. meeting held on 26th June 2014 at Ambassador Palla, Chennai

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## TAAI PRESENCE AT VISITBRITAIN, UKINBOUND AND ETOA - HOST INDIA MARKET SEMINAR IN LONDON

With few weeks left for the Indian cricket team to arrive in England, VisitBritain, UKinbound and ETOA hosted their India Market Seminar to grow tourism from one of Britain's fastest growing markets 24th June at Lord's, one of the most iconic cricket venues in the world. In January this year, European Tour Operators Association (ETOA) signed a MOU with Travel Agents Association of India(TAAI) to strengthen tourism ties and to maintain a strong B2B relationship and generate even more tourism business in the years to come.

TAAI was represented in London by Jay Bhatia, Chairman - Tourism Council as a speaker and panelist who stated that "TAAI has accelerated its endeavours to promote Britain and Europe through its members, by identifying special products and addressing the gaps in service levels expected by Indian travellers. ETOA along with VB is also working with TAAI in understanding the nuances of doing business with Indian trade partners and its unique market dynamics."

The panel debate and Q&A sessions with members of the trade in UK was moderate by Nick Greenfield, Head of Tour Operator Relations, ETOA. Mr Bhatia met with Keith Beecham, acting CEO of VisitBritain and its entire team having fruitful discussions on how TAAI and VisitBritain can take this promotion forward. He also interacted with Deirdre Wells, CEO UKinbound and other senior representatives from the industry. The seminar at the event looked at the outbound performance of India to UK.

Myths were busted as to how the Indian Travel Industry works, visa issues, the challenges working with India market, viz-aviz, bureaucratic barriers, flight connects, consumer decisions etc. Latest insights from Switzerland and its success story with the Indian market was also discussed. Keith Beecham, acting CEO of VisitBritain said: "China grabs the headlines but the Indian market is one of our most loyal and the largest in volume of all of the BRICs "TAAI and VisitBritain together can enhance incoming tourism from Britain and UK and even Ireland, now that there is one single visa for both the countries. "I am confident that Indian travelers to Britain will increase along with incoming tourists and it will soon become a remarkable two way traffic between India and UK which is TAAI 's focus "he said. Going forward TAAI members and Visit Britain shall work in tandem so as to increase inbound travel into UK.



## TAAI ATTENDED

- Mrs. Jyoti Mayal, Chairperson, Airline Council TAAI MC Member attended the Meeting on DRV Annual Convention and Destination Work Shop on 10th June in New Delhi, Ministry of Tourism (Overseas Marketing Division), Government of India followed by the meeting for Appointment of India Tourism Marketing Representatives (ITMR's) Mrs. Mayal also attended a meeting convened by the Ministry of Tourism, Government of India on 3rd July, 2014 to discuss issues pertaining to revision of hotel Classification/Reclassification guidelines
- HSG, Mr. Harmandeep Singh Anand, Hon. Treasurer Mr Marzban Antia, Tourism Council Chairman Mr. Jay Bhatia & Mr. Sampat Damani WR Chairman attended the prestigious 88th Birthday function of her Majesty Queen Elizabeth II on 11th June in Mumbai , British Deputy High Commission.
- Mr.Sampat Damani WR Chairman along with Secretary Col. P. Shashidharan, VSM, AFV & Treasurer Mr. Sameer Karnani

attended the Hotel Orchid's Exclusive for Travel Agents Only Party on 20th June Mumbai at Hotel Orchid.

- Hon Treasurer Mr.Marzban Antia met with the Economic Commercial Counselor to Ambassador of Peru to India on 23rd June in Mumbai.
- Visit Britain / ETOA 's - India Market Seminar was attended by Mr. Jay Bhatia on 24th June in London.
- Meeting with Mr. K. P. Yadav, Director (T&C), Ministry of Railways – a FAITH Initiative on 27th June in New Delhi was attended by Mr. Harkripal Singh, Chief Representative.
- Financial Advisory Group (FAG) Meeting on 27th June in Mumbai was attended by Mr. Harmandeep Singh Anand & Mr.Jay Bhatia followed by the 40th Agency Program Joint Council (APJC) Meeting of IATA.





Quiet mystic Kandla was the venue for TAAI Gujarat Chapter's Meeting in Kandla on 21st June at the luxurious Radisson Hotel. Around 25 members were greeted and welcomed by Chairman, Shreeram Patel who then lavished praise on the excellent arrangements done by Radisson hotel. Secretary, Paras Lakhia informed Members about a few key points which would be beneficial for them and about how SpiceJet was to start commissions effective 01st July 2014.



Mr Lakhia also sighted the point of Courier charges which each Member pays for their couriers being sent to Mumbai and Delhi for visa processing. Some who were paying for the couriers sent by Blue Dart noticed that there was a big disparity in rates. He informed that the Committee shall try to talk to the courier company for a competitive rate for the entire Membership. Secretary Mr Lakhia then discussed about various Banks who are now offering Corporate Cards for Business payments on secured basis (against some security). Limits on the cards, credit cycles and other advantages need to be individually discussed and negotiated since everyone has different statistics. This alternative mode of payment can be very useful in this weekly environment and also be a good source of generating additional revenue since such cards also offer cash back on target based usage and selection of credit cycle. In the longer run, payments to BSP thru credit cards would also help bring down the Bank Guarantee amounts which again would be a saving.



Next on the agenda was the issue of the quality of Passport booklets. Chairman, Shreeram Patel informed that this is an issue pan India. The Secretary asked Members for their feedback of the Service Tax Seminar which was organized at the Pride hotel. Members appreciated this informative session specially organized by the Chapter for them and recommended further such sessions that were both informative and useful sessions as well. The Secretary later asked Members if they had any points of concern or good practices to share and members brought up the issues of about the Consolidators deducting 12.5% as Service charge from their PLB amounts and no clarity was being provided by them, ADMS, about Non-IATA members and GDS access being freely given to them (matter to be taken up at national M C Meeting), and about EMD (Electronic Miscellaneous Document) which is being introduced in India,



The issue of LCC airlines providing most of their schemes orally to agencies and not being fulfilled as promised was discussed & informed that the Committee shall surely send this point to the respective airline, but individual followup and pressurizing the airline needs to be done by the member. The Secretary also gave the news that a VFS workshop and LCC workshop were being planned in the near future for the benefit of members. It was not all work and no play !! The Chapter took time off for a visit to the Kandla Port and especially going on the vessel to have a feel of the port activities.



The Team Building games, the Magician's Act and the DJ evening were the highlights of the trip. All Members participated actively in the Team Building games and understood the importance of Team work and how it can benefit everyone. Members thoroughly enjoyed the DJ night followed by Gala dinner. The return on 22nd June saw all members saying what a wonderful meeting it was and how the happy memories of this trip will stay with them forever.

Said Chairman, Mr Shreeram Patel " We thank the Senior Management of Radisson hotel, Kandla immensely for their wonderful hospitality and excellent arrangements. Members have appreciated what the hotel has done & how they have gone out of their way to make the trip memorable for TAAI Gujarat Chapter members. The Secretary also conveyed special Thanks to Mr. Hemil from Ahmedabad Sales office for arranging everything for TAAI Gujarat Chapter Members.





## **IN CASE YOU HAVEN'T READ . . . . .**

### **\* Air passengers to cross 400 million by 2020: Civil Aviation Minister**

Hindu Business Line NEW DELHI, JUNE 20 In what can be seen as a major boost to tourism, foreign tourist arrivals (FTAs) in the country in May 2014 have grown 9.7% over the same month last year. The Ministry of Tourism in a statement said that FTAs for May 2014 were at 4.21 lakh compared with 3.84 lakh in May 2013. In May 2012, the figure was 3.74 lakh. FTAs during the period January-May 2014 were 30.52 lakh, which is 6.6 per cent higher than 28.63 lakh arrivals in the corresponding period in 2013, the statement added.

Foreign exchange earnings, on the other hand, grew 21.5 per cent from ₹6,092 crore in May 2013 to ₹7,403 crore in May 2014. In a separate statement, the Ministry said that during May 2014, a total of 1,833 Visa on Arrival (VOA) were issued compared with 1,114 VoAs during the month of May 2013, registering a growth of 64.5 per cent. . . . .

### **\* DYK: YOU CAN CARRY UP TO RS.25,000 ABROAD**

This may be especially useful for frequent travelers - THE LIVEMINT On 19 June, the Reserve Bank of India (RBI) allowed all residents and non-residents, except individuals from Pakistan and Bangladesh, to carry Indian currency notes up to Rs.25,000 while leaving the country. They can also bring Indian currency up to Rs.25,000 into India every time they visit. However, citizens of Pakistan and Bangladesh travelling to and from India will not be allowed to carry Indian currency. Resident individuals travelling to Nepal and Bhutan will also not be allowed to carry Indian currency. RBI had first made this announcement on 3 June.

The central bank has been increasing the limit of Indian currency that can be carried overseas in a phased manner for residents. For instance, in 2009, it had increased the limit from Rs.5,000 to Rs.7,500 per person. Then, in September 2013, it further increased the limit to Rs.10,000 per person. What does it mean? You don't need Indian rupees while abroad, but you may need it when you return. The increased limit to Rs.25,000 can be useful for various things-it can cover the cost of transportation on reaching India, hotel stay, buying a SIM card or even buying gifts at duty-free shops at an Indian airport. . . .

### **MINISTER FABIUS MEETS TOURISM PROFESSIONALS TO PROMOTE FRANCE AS A TOURIST DESTINATION**

On the occasion of his visit to India, from June 30th to July 1st, 2014, H.E. Mr Laurent Fabius, Foreign Affairs and International Development Minister of France, met tourism professionals in Mumbai on Tuesday 1st July to promote. A selection of Indian travel professionals attended this event, during which the Minister announced new measures to further boost France's image as a welcoming destination for Indian tourists: such as \* For Indian tourists, French visas will be issued within 48 hours as of 1st January 2015.

\* Furthermore, an official application for smartphones and tablets, has been designed for Indian tourists travelling to France. This free app, which will be launched in summer 2014, will initially focus on Paris and destinations in France..

source : [www.ambafrance-in.org/](http://www.ambafrance-in.org/)

### **\* ASSOCHAM : INDIA'S OUTBOUND TOURISM WITNESSING RUSH THIS SUMMER**

According to an Assocham survey. A huge number of Indians are opting for foreign holidays this summer. Attracted by online travel portals, social media references and wooed by aggressive marketing by tour operators.

The survey estimated that outbound tourists may increase by about 15 to 20 per cent this summer, although domestic tourism has also seen a good rise. The outbound tourist rush is being witnessed even as the Indian economy is battling a slowdown which is slated to pick up soon. Indians are looking at International tourist destinations like Thailand, Malaysia, Singapore, Dubai, Maldives and South Africa the survey said.

## TRADE NEWS!

### VISA POWER: PMO GIVES NOD TO ELECTRONIC CLEARANCE

Himanshi Dhawan, TNN | Jul 1, 2014,  
TIMES OF INDIA

NEW DELHI: Tourists from about 40 countries including United States, United Kingdom, Russia, Canada, Germany, France, Malaysia and Australia, may be able to apply for a visa from the comfort of their home from next year. The PMO gave its nod for electronic visa for tourists from about 40 countries by December as part of the first phase of visa reforms.

In a meeting on Monday, principal secretary to PM Nripendra Misra asked the union tourism ministry to prepare a list of countries where the electronic travel authorization (ETA) could be extended. The countries that are not likely to be on the list will be SAARC and countries that are on "prior reference" list which includes Pakistan, Iran, Iraq, Somalia, Sudan, Sri Lanka, Nigeria and Afghanistan. ETA will allow foreign travelers to apply for a visa and receive an online confirmation in five working days. This is the first time that electronic visas will be implemented in the country. Officials said plans were afoot to include 109 countries

once the first phase was successfully implemented.

ETA will be available for a 30-day period from the date of the tourist's arrival in India. A separate website would be set up for extending the facility to foreigners intending to visit India as tourists. To get visa, they would need to apply in the designated website along the required fees. The countries for which visa on arrival facility would be extended include the US, UK, Canada, Brazil, Australia, the UAE and Saudi Arabia, Germany, France, Italy, Sweden, the Netherlands, Switzerland, Spain, Belgium, Austria, Denmark, Poland, Norway and Ireland. A 'visa restriction index' released by Henley & Partners recently ranks India at 74 out of 93 countries above Pakistan, China, Egypt, Afghanistan and Iran underlining the high number of restrictions that foreign citizens face when choosing to travel to India.

Countries where ETA could be extended:

US, UK, Russia, Canada, Germany, France, Malaysia, Australia, Italy, Spain, South Africa, UAE, Sweden, Switzerland, Israel, Austria, Ukraine, Portugal, Mauritius.

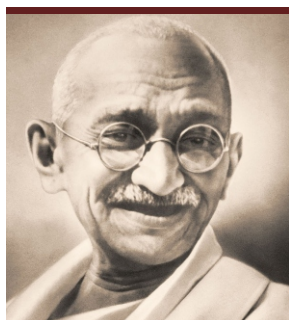
### INDIA'S BULLET TRAIN DREAM MOVES CLOSER Government considers two-pronged approach to high-speed rail



Bullet trains could connect Mumbai with Ahmedabad and Pune India's long wait for a high-speed rail network may be coming to an end, as the country's new railway budget is

reported to include the potential for two types of bullet train. The Economic Times reported an official with India's Ministry of Railways as saying that proposals are being considered for trains running at speeds of up to 300kph on brand new rail corridors, and upgraded services of up to 150kph on existing tracks. The new bullet train routes would include connections from Mumbai to Pune and Ahmedabad. According to the report, the Indian government is considering allowing 100% foreign investment in the new projects.

The upgrade of existing tracks to handle higher speed trains could see the introduction of electric systems similar to those used in the Delhi Metro, the report added. New Indian Prime Minister Narendra Modi has said he wants to create a "diamond quadrilateral" of high-speed trains offering world-class facilities for passengers.



### QUOTE OF THE MONTH

**" A NO uttered from the deepest conviction is better than a 'YES' uttered merely to please, or worse, to avoid trouble."**

**- Mahatma Gandhi**