

THE TRAVEL AGENCIES RULES, 1977

SRO No.463(1/77).---- In exercise of the powers conferred by section 16 of the Travel Agencies Act, 1976 (XXX of 1976), the Federal Government is pleased to make the following rules, namely:---

1. Short title and commencement.--- (1) These rules may be called the Travel Agencies Rules, 1977.
(2) they shall come into force at once.

2. Definitions. --- In these rules, unless there is anything repugnant in the subject or context,---

- (a) “Act” means the Travel Agencies Act, 1976 (XXX of 1976);
- (b) “Form” means form appended to these rules;
- (c) “Controller” means the Controller, Department of Tourist Services, and includes a Deputy Controller and an Assistant Controller and such other person as may be authorized by the Federal Government by notification in the official Gazette to perform all or any of the function of the Controller;
- (d) “licensee” means a person licensed to operate a travel agency under the Act; and
- (e) “Section” means section of the Act.

3. (1) Grant of license-. Any person operating or intending to organize and operate a travel agency shall apply to the Controller in Form-I together with a certificate from a bank certifying that he holds a capital of not less than two lac rupees.

(2) On receipt of an application under sub-rule (1), the Controller shall consider the application and, if considered

necessary, satisfy himself as to the suitability of the office premises of the applicant in such manner as he may deem fit.

(3) Subject to sub-section (3) of section 4, if the Controller is satisfied that the application is a fit person for the grant of a license, he may grant him a license in , on payment of the fee specified in Form-III,

(4) In case the applicant is not found fit for the grant of a license, the Controller shall inform him accordingly, briefly stating the grounds.

4. Register for entering names, etc. of licensees.---The Controller shall maintain a register in which names, addresses, nature, composition and the field of operation of all licensees shall be entered.

5. Renewal of a license and fee therefore, --- (1) The license may be renewed on payment, within fifteen days from the date of its expiry, of the fee specified in form-III, provided that the application for renewal of a license is made before the date of its expiry.

(2) If the application for renewal of a license is made after the date of its expiry, it shall be renewed on payment of late fee of five thousand rupees.

6. Field of operation.--- A license may be granted to an applicant for one or more of the following field of operations, namely:-

- 1 Booking of passages and baggage by air for citizen of Pakistan or tourists for any destination
- 2 Booking or passages and baggage by rail, road or sea for citizens of Pakistan or tourist for any destination.
- 3 Booking of passages and baggage by air, rail, road or sea for tourists for any destination outside Pakistan.

- 4 Organizing group tours of citizens of Pakistan within Pakistan
- 5 Organizing group tours of foreigners within Pakistan
- 6 Organizing group tours of citizens of Pakistan to a foreign country or countries.
- 7 Providing transportation, whether by his own vehicles or hired vehicles for group tours within Pakistan
- 8 Providing transportation, whether by his own vehicles or hired vehicles for tourists.
- 9 Reservation of accommodation for tourists
- 10 Organizing or arranging sight-seeing tours within Pakistan for tourists.
- 11 Providing or arranging sports including (Shikar) for tourists.
- 12 Providing or arranging entertainment's for tourists.
- 13 Arranging trekking or mountain climbing for tourists.

7. License not transferable.--- The licence granted to a person shall not be transferable.

8. Cancellation, suspension or alteration of license.--- (1) The Controller may, after affording the licensee an opportunity of showing cause against the action proposed to be taken against him, by order in writing, cancel his license in any of the following cases, namely;---

- (a) If, in the opinion of the Controller, a licensee violates the provisions of the Act or the rules or the terms and conditions of the license or the code of conduct and of such violation is considered against the public interest, or the interests of the country or its international relations;

- (b) If the licensee fails under any of the categories mentioned in submission of, the Controller and does not resume it within six months from the date of such suspension or within the time specified by the Controller;

 - (c) If the licensee fails to deposit an amount into the business guarantee fund, if required under sub-section (1) or sub-section (4) or section 7;

 - (d) If the licensee falls under any of the categories mentioned in sub-section (3) of section 4; or

 - (a) If the licensee becomes insolvent.
- (2) The Controller may if in his opinion it is expedient, while issuing a show cause notice to the licensee under sub-rule (1),

suspend his license for a period not exceeding six months at a time and may extend it from time to time until a final decision in the case is arrived at.

9. Display of license.--- The license shall prominently display the license granted to him in his office premises.

10. Fixation of service charges. –

- (1) Every licensee shall submit to the Controller for the approval of the committee details of service charges proposed to be charged by him from tourists.
- (2) The committee may approve the rates with such modification as it may consider necessary keeping in view the general conditions in the country and the charges made by other license for the same services.
- (3) No licensee shall make any alteration in the service charges approved by the committee without its prior approval.
- (4) No licensee shall charge more than the approved rates from any tourist.

11. Alteration fee.-- Every change in the nature or composition or field of operation of a travel agency shall be entered in the Register maintained under Section 4 on payment of the fee specified in Form-III.

12. Discontinuance of business, etc.--- Discontinuance of business etc. In the case of discontinuance or transfer of business, dissolution, re-organization or winding up of a licensed travel agency, the Controller shall be informed by the licensee within thirty days of such discontinuance, transfer, dissolution, reorganization or winding up, and on receipt of the information, the Controller may either cancel the license granted to the licensee or, in the case of transfer of business or reorganization, grant a new license to the transferee travel agency or to the travel agency as reorganized.

13. Conditions of license.--- The following shall be the conditions of the license, namely:-

- a The licence shall be in the name of a specific person, for a specific business, place or places;
- b The licence shall not be transferable;
- c The licensee shall limit his field of operation to the activity or, activities for which the license is granted;
- d The licensee shall have at least one year's practical experience and professional know how to run a travel agency, or he shall employ a professionally qualified and experienced manager;
- e The licensee shall employ experienced and trained staff for travel and tour operation work;
- f The licensee shall be a citizen of Pakistan;
- g The licensee shall obtain prior permission of the Controller if he desires to change his field of operation or branches and shall get his licence modified accordingly;
- h The licensee shall promptly and immediately inform the Controller of any change in the nature or composition of his firm obtain his permission and get his licence endorsed accordingly or have a fresh licence issued to run the business;
- i The licensee shall get his service charges approved by the Committee through the Controller and no change in such charges shall be made without the prior approval of the Committee;
- j The licensee shall not charge for his services except in accordance with the rates approved by the Committee;

- k The service charges duly approved by the Committee shall be prominently displayed by the licensee in his office premises and brought to the notice of the tourists and other clients concerned before entering into a contract with them;
- l The licensee shall have a properly planned office in a suitable locality with distinct and separate counters for booking passages, baggage or goods by sea , air, rail or road, group tours, sight-seeing and entertainment bookings with such other work facilities as may be desirable for the activities undertaken by him;
- m The licensee engaged in group tours at sight seeing activities shall employ on a regular basis sufficient number of licensed tourist guides duly, trained at the Tourism and Hotel Training Institute of Pakistan
- n The licensee shall furnish any information in respect of his business that may be sought by the Controller;
- o The Controller or an officer duly authorized by him shall have free access and right of inspection to the premises of the licensee and his records [***]
- p The licensee shall quote the number of his licence prominently in all his correspondence and commercial publications;
- q The licensee shall, within fifteen days of the grant of license, open a business guarantee fund under sub-rule (1) of rule 14, or furnish a bank guarantee 2{***} under sub-rule (2) of that rule, 4{Provided that the bank guarantee fund be opened or as the case may be, the bank guarantee may be furnished within a further period of thirty days on payment of late fee of five thousand rupees and }
- r The licensee shall not carry out any business related to travel and tour operation work with any person or organization which does not hold a valid licence granted under the Act.

14. Business guarantee fund.---- (1) A licensee shall maintain in a scheduled bank a business guarantee fund in terms of section

7 of the Following amount namely:-

S.No.	Field of operation	Main Office	Branch Office
1.	Booking of passages and baggage by air for citizen of Pakistan or tourists for any destination	200000/-	75,000/-
2.	Organizing group tours of citizens of Pakistan to a foreign country or countries.	150000/-	55,000/-
3.	Organizing group tours of citizens of Pakistan or foreigners within Pakistan and organizing arranging sightseeing, providing or arranging sports including shooting (Shikar), entertainment or arranging trekking or mountain climbing for tourists within Pakistan.	50000/-	55,000/-
4.	Providing or arranging accommodation and transportation for tourists within Pakistan or outside Pakistan.	50,000/-	20,000/-
5.	Hajj and Umrah Pilgrims	500,000/-	250,000/-
(2) A licensee may, if he so desires, furnish in place of the business guarantee fund, a bank guarantee of the same amount in form IV 2{***}			
(3) A licensee who has maintained the guarantee fund in a schedule bank shall intimate the name of the bank with full address of the branch holding the account and the number of the account to the Controller immediately with a bank certificate in Form-V			
(4) A amount shall be payable out of a business guarantee fund maintained by a licensee except to the order of the Controller.			

(5) A tourist, carrier, company, or hotel or lodging house, tourists having any monetary claim against the licensee, not settled by the later within thirty days from the date of its becoming due, may apply to the Controller, with full proof in support of his claim against the licensee for settlement thereof; and the Controller shall, after making such enquiry as he may deem fit and after being fully satisfied with the claim of the applicant, give a show cause notice of a fortnight to the licensee as to why the amount should not be paid out of his business guarantee fund.

(6) On the expiry of the notice period, if the claim is not meanwhile settled by the licensee and if the Controller is still satisfied with the genuineness of the claim, he may order payment, out of the business guarantee fund, of the amount of the claim due under intimation to the licensee and require him to deposit the said amount into the business guarantee fund within a period of fifteen days of such payment.

(7) Sub-rules (4) (5) and (6) shall apply mutatis mutandis in cases where the licensee has furnished a bank guarantee 2{***} under sub-rule (2)}

15. Code of conduct.--- (1) A licensee shall adhere to ethical commercial practices and shall refrain from objectionable activities such as overselling undercutting, misleading tourists, clients or principles and failing to fulfill his commitments.

(2) The following shall be regarded unethical practices, namely:-

(a) misleading the public or any client;

(b) damaging the reputation of another licensee or principal;

(c) claiming to provide a better service than in fact he does;

(d) unjustly delaying the discharge of debits accruing from his business transactions;
(e) failing to afford necessary facilities to the Controller or an officer authorized by him in this behalf to inspect the office premises and records;
(f) failing to maintain a high standard of reputation or doing anything which is against the interests of Pakistan or which jeopardizes its prestige or security;
(g) failing to have good relations with the public, tourists and clients.
(3) A licensee, in relation to the general public, tourists and his clients, shall ----
(a) not do anything damaging to the interest of the public, tourists and clients;
(b) keep himself and his employees fully informed of all aspects of domestic and international travel services to as to give his clients truly professional travel service and secure for them the best possible services;
(c) made the general public, tourists and his clients aware of the services provided in an all inclusive travel cost quotation;
(d) not make misleading and doubtful superlative statements in his dealings, advertisements and brochures;
(e) in the event of a dispute, make every efforts to settle the matter amicably at the earliest possible.

- (f) Employ only salaried sales representatives operating mainly outside his business premises and shall ensure that they are trained, experienced and fully informed in the business of travel trade;
- (g) Ensure that information supplied by him in whatever form for all inclusive tours shall contain comprehensive and accurate information with regard to the firm or organization responsible for the tour, the means of transport, name of carrier, type and class thereof provided, destinations and itineraries, durations of tours and halts at each place, types and classes of accommodation, facilities, of meals offered and any other special arrangements such as entertainment;
- (h) If alterations have to be made in the information referred to in clause (g) for which bookings have already been made by the tourists, inform them without delay giving them an option to accept the alteration or cancel the bookings, and shall promptly refund the amounts due to them, if any, provided, that this shall not be binding when the alterations arise out of circumstances beyond the control of the licensee.

(i) Conduct business at advertised prices only except where price changes become necessary due to changes in currency exchange rates, fares and hotel rates.

(4) A licensee, in relation to his principals, shall ---

(a) follow the best traditions of salesmanship, abiding by his contractual undertakings with them and following all relevant rules;

(b) ensure that his employees have full knowledge of current tariffs and regulations of the principals;

(c) accept or release all offers of accommodation as quickly as possible and within the stipulated period; and

(d) settle all accounts without delay and within the agreed period.

(5) A licensee shall not violate the provisions of the Act or the rules made there under or the terms and conditions of the license.

16. Complaints.--- On receipt of a complaint from a tourist the committee shall forward it with its remarks, if any, to the Controller for disposal and the Controller, after making necessary investigation, shall dispose of the same as promptly as possible and inform the complainant the result of the investigation.

17. Inspection.----- (1) The Controller or an officer authorized by him in this behalf may inspect during working hours the office premises of a licensee for the purposes of ensuring that the office is maintained in accordance with the rules and terms and conditions of the license.

(2) Any member of the Committee may inspect during working hours the office premises of a licensee against whom a complaint has been lodged if he considers that such inspection would play a vital part in the proper disposal of the complaint.

(3) Inspection of premises may include inspection of registers and records of the licensee.

(4) The person making the inspection shall carry an identity card or paper indicating his name, designation and authority for the inspection.

(5) A licensee shall afford all facilities to the Controller or an officer authorized by him or a member of the Committee to inspect his premises and shall produce before him such records, documents, papers and statements, relating to his business as may be demanded by him.

18. Redemption of business guarantee fund.---- (1) A licensee or, in the event of his death, his legal heirs may, after the expiry of three months from the date of winding up of his business or revocation or cancellation of his licence apply to the Controller to redeem his business guarantee fund [the bank guarantee [***] furnished under sub-rule (2) of rule 14] as the case may be.

(2) In the case of an application by the legal heirs of a deceased licensee, the application shall be accompanied by succession certificate.

[(3)]On receipt of an application under sub-rule (1), if the Collector is of the opinion that the business guarantee fund or the bank guarantee furnished under sub-rule (2) of rule 14 has served the purpose, he shall inform the bank concerned which shall redeem his business guarantee fund or the bank guarantee, as the case may be]

19. Appellate authority.---- (1) A licensee aggrieved by the decision or order of an officer or authority other than the Controller under the Act or these rules may prefer an appeal to the Controller.

(2) A licensee aggrieved by the decision or order, not being a decision or order in appeal, of the Controller under the Act or these rules may appeal to the Federal Government.

(3) An appeal under sub-section (1) of Section 13 shall be preferred within thirty days of the date of the decision or order appealed against.

(4) An appeal shall state the relevant facts of the case and the grounds there for within a specific prayer in the matter and the supporting documentary evidence, if any, and shall also be accompanied by the original order in question or a certified copy thereof.

(5) The appellate authority shall call for a report thereon from the officer or authority who had passed the order appealed

against as well as the complete records of the case and decide the appeal in the light of the facts of the case.

20. Review.---- No application for review shall be entertained after the expiry of thirty days from the date of the order passed in appeal.

Form-I

*(Reference Rule 3(1) of Travel Agencies)
Rules, 1977*

FORM OF APPLICATION LICENCE

(1. Please furnish typed replies)
(2. Separate sheets may be used where necessary)

1	Name of the person/firm
2	Business address (if Registered, please give registered address). If the principal place of business is outside Pakistan or

	the Company is incorporated outside Pakistan give name and address of the duly authorized agent, in Pakistan
3	Nature of the firm whether proprietary, partnership, private company, public company, limited or unlimited.
4	Year of establishment (year of registration in case of partnership/company. Please attach attested copy of registration certificate).
5	<ul style="list-style-type: none"> a) Telephone number with number of lines. b) Telegraphic/telex/cable address. c) Details of branch office, if any established/Proposed to be established.
6	Capital invested (Please indicate clearly the paid-up capital and enclosed certificate of appropriate authority in support of your statement).
7	Names and address of directors/partners/manager, indicating qualifications and experience of each in travel business (separately for those heading each branch office).
8	Name of banker (Please attach reference from the bank).
9	Name and address of auditors, if any.
10	Number of staff category-wise employed or proposed to be employed (separately for each branch office).
11	Nature of business (Please give details, indicating clearly the field of operation proposed to be undertaken
12	Whether any other activities are proposed to be undertaken? If so, in what fields?

13	Please indicate airline/rail/shipping agencies (including foreign agencies) negotiated or proposed to be acquired
14	Please give the following details:- i) Assets: ii) Liabilities, clearly showing investments, tangible and intangible assets loans and other liabilities, reserve funds, cash & bank balance.
15	Do you hold a licence to deal in foreign exchange? If so, please give your licence number and date (enclose attested copy of the licence) with a statement of foreign exchange earned during the last three calendar year, duly certified by your bankers.
16	Please give details of your connections with foreign travel agents and tour operator (enclose copies of agreements, if any, entered into with them.
17	Please state if you or your manager or a partner or any of the directors of your company have ever been convicted of an offence. If so, please give details.
18	Please give a detailed plan of your office (including each branch office if any) indicating the space, various counters, show windows etc.
	<i>DECLARATION</i>
1	I/we hereby solemnly declare that all the particulars give above are correct
2.	I/we hereby solemnly declare that if a licence is granted to me/us, I/We will abide by the Travel Agencies Act, 1976 and the Rules made their under the terms of the licence granted to me/us, and the code of conduct.

Signature of applicant.

Note: This application should be accompanied by (1) the last three years audited account reports duly certified by the auditors of the applicant (for the existing agencies only) (2) upto date income tax clearance certificate from the appropriate authority.

FORM –II
{ See rules 3(3)
Form of licence
Insignia of Pakistan
D.T.S.

Mr./Miss/Mrs./Messrs. _____ address _____ is/are hereby granted a licence to operate as a travel agency under the Travel Agencies Act, 1976, for the following field/fields of operation:

- i) .
- ii) .
- iii) .
- iv) .

This licence is also valid for the following branches, namely:-

1.	Booking of passages and baggage by air for citizen of Pakistan or tourists for any destination	8000/-	5,000/-
2.	Organizing group tours of citizens of Pakistan to a foreign country or countries.	8000/-	5,000/-
3.	Organizing group tours of citizens of Pakistan or foreigners within Pakistan and organizing arranging sightseeing, providing or arranging sports including shooting (Shikar), entertainment or arranging trekking or mountain climbing for tourists within Pakistan.	12000/-	8,000/-
4.	Providing or arranging accommodation and transportation for tourists within Pakistan or outside Pakistan.	4,000/-	2,000/-
5.	Hajj and Umrah Pilgrims	25,000/-	13,000/-

B. Fee for alteration

i)	For change in the nature of composition of a travel agency	Rs.10000/-
ii)	For change in the number of branch Offices	Rs.2000/- for Each branch office
iii)	For change in the field of operation	Rs.5000/- in respect of main office & Rs.2000/- in respect of each branch office.

iv)	For the issuance of duplicate licence	Rs.10000/-
v)	For shifting of office premises.	Rs.1000/- for Headquarter Office and Rs.500/- for each branch office.

FORM –IV
{ See rules 14(2)
BANK GUARANTEE FORM

Know all men by these presents that we, Bankers at in the district of hereinafter called the Guarantor, bind ourselves to stand as guarantor to the (Controller) and undertake to pay at any time to the order of the Controller any amount not exceeding Rupees On behalf of Mr./Miss/Mrs./Messers a licenced travel agency without prior reference or confirmation from the said licensee

This guarantee shall be valid and shall remain in force and binding on the Guarantor until it is redeemed by order of the Controller or an officer duly authorised by him in this behalf.

Dated...

Place....

Manager_____

Official seal of the bank_____

i. Witness.....

ii. Witness

N.B. ---- This guarantee shall be executed on stamp paper of the appropriate value prescribed under the Stamp Act, 1899.

FORM –V

{ See rules 14(3)

Form of bank certificate in respect of the Business Guarantee Fund

We do hereby certify that

(*name of bank with branch*) Mr./Miss/Mrs./Messers has/have deposited with us an amount of Rs..... as the Business Guarantee Fund on (*date*) vide Account No..... to be held on trust on his/her/their behalf and to be operated only to be the order of the Controller or an officer duly authorised by him in this regard.

Dated...

Place....

Manager_____

Official seal of the bank_____

1.Witness.....

2. Witness

N.B. ---- This guarantee shall be executed on stamp paper of the appropriate value prescribed under the Stamp Act, 1899.

