From: Anjana Gosain <anjanagosainchambers@gmail.com>

Sent: 23 May 2019 18:55 **To:** IATO <admin@iato.in>

Subject: Re: Regarding IATO MEMBERSHIP FOR ACTIVE CATEGORY

Dear Mr. Mehra,

PFA

This is in reference to the below mail.

I have attached my opinion for your perusal with respect to the opinion of Active Members.

Kindly look into the matter.

Regards-

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Dear Mr. Mehra,

I have gone through your query which is as to whether an Active Member who loses its recognition from Ministry of Tourism can continue to be under the same category or not.

I have gone through all the definitions of all the members, it is amply clear that only those firms or companies can become Active Members who have an established business in India and are recognized by the Department of Tourism. In addition to this, such firms or companies must have a business of minimum of Rs 20,00,000/- in foreign exchange.

In my opinion, the above said condition does not only have to be present at the time of seeking membership but must continue for all times. In case, the said member loses its recognition from the Ministry of Tourism, such member cannot continue to be an Active Member and would have to be relegated to other categories i.e. Allied category as per the Memorandum & Articles of Association

The objections as explained by the said Active Members are not correct, as IATO has been giving time to either seek recognition or accept the lower position. In case, IATO wishes to have proper category of Active Members, it has got to insist upon continuity of the recognition of Ministry of Tourism as stated in the Memorandum.

Hence, the action taken by IATO appears to be correct in law.

Regards,

ADVOCATE

On Tue, May 21, 2019 at 11:17 AM IATO <admin@iato.in> wrote:

Dear Mrs. Gosain,

As per the IATO Memorandum of Association any company which is recognised by the Ministry of Tourism, Government of India can apply for active membership of IATO – either directly or can change their status from

already Allied member Category to Active Membership Category - after two years being recognised by the Ministry of Tourism in both the cases.

During last couple of years, some of our Active Members, have not been able to fulfil their requirement of Ministry of Tourism Recognition and therefore, the Ministry has de-recognised them.

We at IATO, had taken a stand that any company whose MoT recognition is not renewed, the company cease to be Active Member of IATO and its membership has been converted to Allied Category. Sufficient notices were given to members to get their recognition renewed and also IATO advised them that in case they require any help from us we are ready to do so, however, they need to fulfil the requirement of MOT.

Some members are objecting to this action of IATO.

As per the IATO Memorandum, following is the requirement for Active Membership:-

CATEGORIES OF THE MEMBERSHIP

The membership of the association shall be composed of

a) Active Members (b) Associate Members (c) Allied Members (d) Honorary Members

The Executive Committee may at any time create different classes of members and may provide for entrance fees and subscriptions and define their respective rights and privileges. The Executive Committee shall have power to dispense with the payment of the entrance fee/membership fee, if they deem fit. The decision of the Executive committee will be final in all cases.

(a) Active Members: A firm or company having established place of business in India and recognized by the Department of Tourism as Tour Operator / Travel Agent for a minimum period of two year and its major substantial part of activity of promotion of tourism and foreign exchange earnings in a year is minimum Rs.20,00,000/- shall be eligible for membership as an active member of the association provided an application is made and accepted by the Executive Committee. However only one office of a firm or company shall be admitted as an Active Member of the Association.

- (b) Associate Members: Any other office including overseas offices of an active or allied member shall be eligible for associate membership of the association. They shall have no right to vote in the proceedings of the association.
- (c) Allied Members: Any firm or company, which is regularly engaged or associated with Tourism and travel industry such as carrier companies, hoteliers, restaurants, excursion agents, transport contractors, forwarding and clearing agents, shipping companies, state tourist corporations / organizations, hotel marketing representatives/ agencies, trade publications and any overseas firm / company /corporation / organization shall be eligible for membership as an allied member. The allied members shall have the right to participate in the activities of the association except to vote. The allied members will be represented on the Executive Committee by nomination of office bearers of various national trade associations who reciprocate membership to IATO executive members on their association.

Therefore, we require your legal input in this matter.

Looking forward to hear from you.

With regards,

Rajiv Mehra

Vice President