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Civil Aviation Authority of Nepal

Procedure Regarding Permission and Regulation of General Sales Agent, 2077 (2020)



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Procedure Regarding Permission and Regulation of General Sales Agent, 2077 (2020)

In exercise of power conferred by Rule 85 of the Civil Aviation Authority of Nepal, Civil Aviation Regulation, 2058 (2002), the Civil Aviation Authority of Nepal has framed this procedure to regulate (Permission and Monitoring) the General Sales Agent (GSA) by bringing it within the scope of the authority.

Chapter- 1

Preliminary

1. **Short Title, Extent and Commencement:** (1) This Procedure shall be called as “Procedure Regarding Permission and Regulation of General Sales Agent (GSA), 2077 (2020)”.

(2) This Procedure shall come into force from the date approved by the authority/Director General.

2. **Definitions:** In this Procedure, unless the subject or the context otherwise requires,-

(a) “Ministry” means the Ministry of Culture, Tourism and Civil Aviation.

(b) “Board of Directors” means the board of directors constituted under Section 13 of the Act.

(c) “Authority” means the Nepal Civil Aviation Authority established under the Nepal Civil Aviation Authority Act, 2053 (1996).



- (d) “Regulation” means Civil Aviation Authority of Nepal, Civil Aviation Regulation, 2058 (2002).
- (e) “Director General” means Director General of the Authority.
- (f) “Flight Schedule” means the updated flight programme of the air services approved by the Authority.
- (g) “International Air Service” means international air service operated with regular (schedule) flight approval from the authority that received permission for operation from the Ministry of Culture, Tourism and Civil Aviation under bilateral and multilateral air service agreement.
- (h) “Flight Fare” means fees prescribed by the Government of Nepal to transport passenger and goods by the aircraft.
- (i) “General Sales Agent (GSA)” means person/institution registered pursuant to the prevailing law and has permission from the authority to provide service of the General Sales Agent for transaction related to Air Aviation.
- (j) “Agreement” means bilateral manuscript conducted with Air Service Companies in written form to do activities related to general sales.
- (k) “Fees” means fees prescribed under Schedule-1 of the Civil Aviation Authority of Nepal, Civil Aviation Regulation, 2058 (2002).



(l) “Procedure” means Procedure Regarding Permission and Regulation of General Sales Agent (GSA), 2077 (2020).

(m) “Schedule” means schedule of this Procedure.

Chapter-2

3. **To obtain Permission:** (1) Organization, with approval to provide General Sales Agent (GSA) service for transaction related to air aviation according to prevalent law, shall make an application before the Director General in format prescribed by the authority and fees as provided in the Civil Aviation Authority of Nepal, Civil Aviation Regulation along with fees prescribed in the Schedule (1) in order to operate such service.

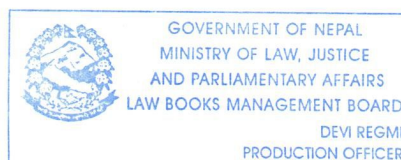
(2) Permission according to Schedule (2) of the Procedure with/without condition shall be provided after necessary examination of the application received pursuant to Sub Rule (1).

(3) Service shall be operated, to be operated only after taking permission of the authority within 6 (six) months of the issuance of this Procedure in case of the General Sales Agent (GSA) in operation before the issue of this Procedure and only after taking permission of the authority in case of the General Sales Agent (GSA) to be operated after the implementation of this Procedure.

4. **Document to be submitted with application:** (1) Following document along with application shall be submitted before the Director General for operation of General Sales Agent (GSA) according to Rule (3) of the Procedure.



Registration Certificate of Organization,



- (b) Registration Certificate of Industry,
- (c) Permanent Account Number or Value Added Tax Certificate,
- (d) Memorandum of Association/Articles of Associations/ Organization/ Person,
- (e) Citizenship of Board members, Experience of work, authorized certificate of contact person on behalf of the organization,
- (f) Tax Clearance Certificate,
- (g) Detail of equipment and physical infrastructure,
- (h) Detail of Human Resource (Employee),
- (i) Agreement between the concerned Air Service Company and General Sales Agent (GSA).
- (j) Other details prescribed by the Government of Nepal and the Civil Aviation Authority of Nepal, from time to time, pursuant to the prevalent Act, law.

5. **Process related to General Sales Agent (GSA) Registration and Bank Guarantee:** (1) Any person or organization shall register company/firm of paid up capital of at least 50 lakhs according to the prevalent Act, Rules in order to provide service of General Sales Agent (GSA).

(2) If the General Sales Agent (GSA) in operation before the implementation of this Procedure has company/firm of paid up



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capital less than that of Sub section (1), it shall make paid up capital that equals to Sub section (1) within 6 (six) months.

(3) If any person/company or organization has paid up capital less than that of Sub section (1), it shall issue bank guarantee equals to that in the name of Civil Aviation Authority of Nepal.

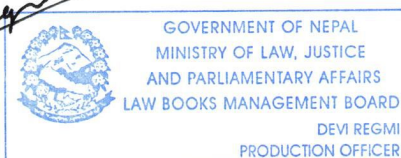
(4) Company/Firm without total paid up capital according to Rule (1) and Bank Guarantee according to Rule (3) shall be void *ipso facto*.

(5) General Sales Agent operating domestic service and international service shall present a document of submission of Bank Guarantee equals to 15 (fifteen) lakhs and 30 (thirty) lakhs respectively with a validity of 1 year to the Authority.

6. Conditions to be followed by the General Sales Agents (GSA):

Following conditions shall be followed by the General Sales Agents (GSA) with permission from the Authority according to Rule (3).

- (a) service as prescribed by the Government of Nepal or the Authority shall be operated,
- (b) competent employee for activities related to the General Sales Agent (GSA) shall be arranged
- (c) there shall be physical infrastructure as per necessary for operation of office,
- (d) there shall be transparency in transaction related to the General Sales Agent (GSA)



- (e) permission letter of the General Sales Agent (GSA) shall be put in visible to everyone,
- (f) the prevailing Act/Rules of the Government of Nepal and the conditions issued by the Authority in relation to it shall be followed completely,
- (g) if a passenger needs to take back any amount from the air service, the General Sales Agent (GSA) shall immediately make an effort for return according to law,
- (h) the General Sales Agent (GSA) shall be responsible to pay amount that should be paid by the air service to the authority.
- (i) details of transaction related to the General Sales Agent (GSA) shall be provided when asked by the Government of Nepal or the Authority.

7. **Renewal of the Permission:** (1) The time limitation of the Permission Letter issued by the Authority according to Rule (3) shall be valid till end of every fiscal year.

(2) Copy of documents as following along with renewal fees according to provision in the Civil Aviation Regulation shall make an application before the Director General for renewal 30 (thirty) days before expiration of time limitation pursuant to Sub Rule (1).

- (a) Authorized copy of Registration Certificate of General Sales Agent (GSA),
- (b) Registration Certificate of Organization,

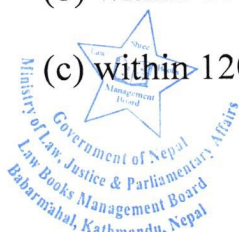


- (c) Registration Certificate of Industry,
- (d) Permanent Account Number or Value Added Tax Certificate,
- (e) Memorandum of Association/Articles of Associations/ Organization/ Person,
- (f) Citizenship of Board members,
- (g) Tax Clearance Certificate,
- (h) Detail of equipment and physical infrastructure,
- (i) Detail of Human Resource (Employee),
- (j) Annual Audit Report,
- (k) Bank Guarantee pursuant to Sub rule (5) of Rule (5),
- (j) Other details.

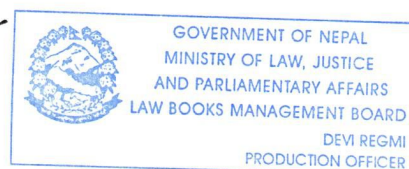
(3) The Director General shall renew by completing the process according to Rule (7) after inspection of details received for renewal pursuant to Sub rule (2).

8. **Provision related to additional renewal fees:** If could not renew within time limitation pursuant to Rule (7), additional renewal fees as following other than renewal fee as provided in the Regulation shall be taken.

- (a) within 30 days of expiration of time limitation - 25 percent
- (b) within 60 days of expiration of time limitation - 50 percent
- (c) within 120 days of expiration of time limitation - 75 percent



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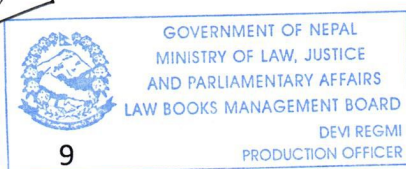
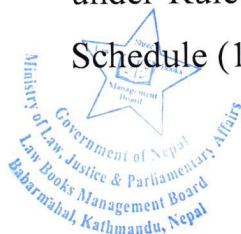


9. **Termination or void of Permission:** Permission Letter shall be terminated by ipso facto if the conditions pursuant to Rule (6) is not followed and fails to renew within time limitation pursuant to Rule (7) and (8).
10. **Branch Office related to the General Sales Agent (GSA):** If any person or organization with permission to provide the General Sales Agent (GSA) service wants to open branch office, branch office shall be opened by following conditions of Rule (6) and its information shall be provided/to be provided to the Authority along with concerned body.

Chapter-3

Miscellaneous

11. **Provision related to action:** The General Sales Agents (GSA) that are operated without fulfilling the process under Rule (3), Rule (6), Rule (7) and Rule (8) shall be terminated by *ipso facto* pursuant to Rule (9).
12. **Procedure Implementation and Monitoring:** The Authority may monitor/make to monitor of organization (General Sales Agent GSA) at anytime in relation to if the standards mentioned in the Procedure are being followed or not.
13. **Format of Application:** The format of application to be submitted under Rule (3) and Rule (7) of this Procedure shall be according to Schedule (1) and Schedule (3).



14. **Release of Guarantee:** If the conditions mentioned in Rule (6) of this Procedure is not followed or not renewed in time/prescribed amount is not paid, the Authority shall get amount that is remained to be taken from the security or bank guarantee according to rule which is kept pursuant to Sub rule (3) of Rule (5) and will cancel the permission and certificate provided pursuant to Rule (3).

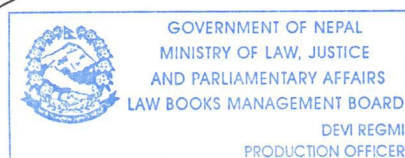
15. **Suspension:** if the General Sales Agent (GSA) with permission under Rule (3) is found guilty of any activities against the prevalent laws, the Director General may suspend the concerned General Sales Agent (GSA) for 6 (six) months.

(2) The concerned General Sales Agent (GSA) shall be given an opportunity to present its innocence in written form before suspending it as per Sub rule (1).

(3) Such General Sales Agent (GSA) shall not be allowed to do any related activities during the period of suspension pursuant to Sub rule (1).

16. **Power to interpret and release obstacle of the Procedure:** (1) If there arises any kind of ambiguity in the process of implementation of this Procedure, the Director General shall have power for its interpretation and everyone concerned shall follow the interpretation made by the Director General.

17. **Schedule related to Monitoring:** The monitoring of the General Sales Agents (GSA) pursuant to Rule (12) shall be according to Schedule-4.



18. **Amendment of the Schedule:** If the schedule of this Procedure is required to be amended, the Director General may make changes and alteration in the schedule as per necessary.
19. **Required to submit details:** Company or organizations that have received permission to provide the General Sales Agents (GSA) service pursuant to Rule (3) shall submit details compulsorily to the Authority by filling up monthly/annual details in format provided in Schedule (5).



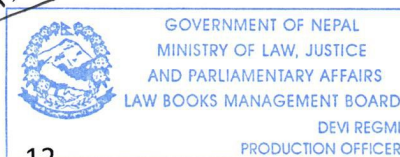
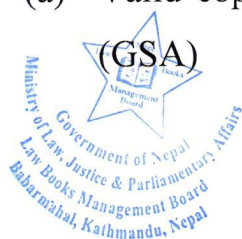
Schedule-1

Format of Application for Licensing

The Director General,
Civil Aviation Authority of Nepal,
Head Office, Babarmahal, Kathmandu.

This application has been submitted with following details to get license for operation of General Sales Agent (GSA).

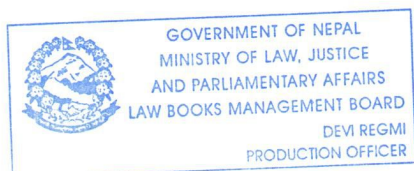
1. Institution operating General Sales Agent (GSA)
 - (a) Name, Address:
 - (b) Name, address and designation of main person doing transaction on behalf of the organization:
 - (c) Name, address of main shareholder or investor:
2. Type of operating General Sales Agent (GSA)
 - (a) Domestic
 - (b) International
 - (c) Domestic/International
3. Documents to be attached with the application:
 - (a) Valid copy of Registration Certificate of General Sales Agent



- (b) Copy of License
- (c) Registration Certificate of Organization
- (d) Registration Certificate of Industry
- (e) Permanent Account Number or Value Added Tax Certificate
- (f) Memorandum of Association/Articles of Associations/
Organization/ Person
- (g) Copy of citizenship of Board members
- (h) Tax Clearance Certificate
- (i) Detail of equipment and physical infrastructure
- (j) Detail of Human Resource (Employee)
- (k) Agreement between the concerned Air Service Company and
General Sales Agent (GSA).
- (l) Rate (percent) of commission provided by the Air Service
Company to concerned General Sales Agent (GSA).
- (m) Other details prescribed by the Government of Nepal and the
Civil Aviation Authority of Nepal, from time to time, pursuant
to the prevalent law.



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For Applicant/Applicants

Name and Signature:

Address:

Date:

Schedule-2

(Related to Chapter-(2) Rule (3))

Civil Aviation Authority of Nepal

Head Office

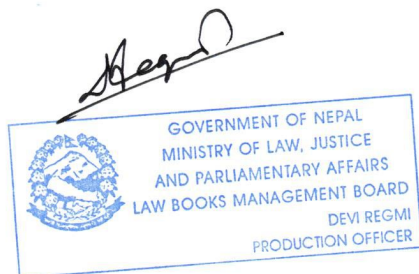
Permission Certificate of the General Sales Agent (GSA)

This certificate has been provided to Mr/Ms.....for permission to operate the General Sales Agent (GSA) according to Sub section of Section of Procedure Regarding Permission and Regulation of General Sales Agent (GSA), 2077 (2020).

.....

Director General

Civil Aviation Authority of
Nepal



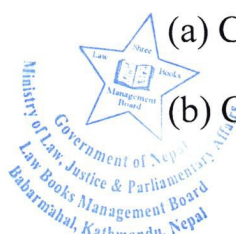
Schedule-3

Format of Application for Renewal of License

The Director General,
Civil Aviation Authority of Nepal,
Head Office, Babarmahal.

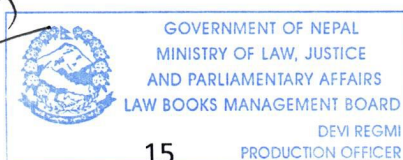
This application has been submitted with following details to get renewal of license for operation of General Sales Agent (GSA).

1. Institution operating General Sales Agent (GSA)
 - (a) Name and Address:
 - (b) Registration Number:
 - (c) Name, address and designation of main person doing transaction on behalf of the organization:
 - (d) Name and address of main shareholder or investor:
 - (e) Date of expiration of time limitation of the certificate:
2. Type of operating General Sales Agent (GSA)
 - (a) Domestic
 - (b) International
 - (c) Domestic/International
3. Documents to be attached with the application:



- (a) Copy of Registration Certificate of General Sales Agent (GSA)
- (b) Copy of License

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- (c) Copy of Permission Certificate obtain from the Authority
- (d) Citizenship of Board members (if there is any changes)
- (e) Tax Clearance Certificate
- (f) Detail of equipment and physical infrastructure
- (g) Detail of Human Resource (Employee)
- (h) Agreement between the concerned Air Service Company and General Sales Agent (GSA).
- (i) Rate (percent) of commission provided by the Air Service Company to concerned General Sales Agent (GSA).
- (j) Other details prescribed by the Government of Nepal and the Civil Aviation Authority of Nepal, from time to time, pursuant to the prevalent law.

For Applicant/Applicants

Name and Signature:

Address:

Date:



Schedule-4

(Related to Chapter, 3 Rule (17))

Civil Aviation Authority of Nepal

Civil Aviation Security Regulation Directorate

General Sales Agent (GSA) Monitoring Schedule

Name of Company/Organization:

Address:

S.N.	Details	Condition	Recommendation	Remarks
1	Registration Number of Organization			
2	Permanent Account Number or VAT Number			
3	Physical condition of organization			
	(a) Building and room			
	(b) Logistics			
	A) Generator			
	B) Photocopy			
	C) Telephone			

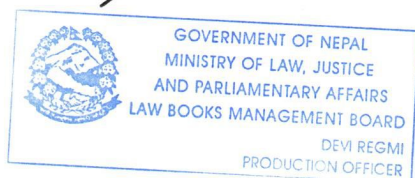
Ministry of Law, Justice & Parliamentary Affairs
Law Books Management Board
Babermahal, Kathmandu, Nepal

GOVERNMENT OF NEPAL
MINISTRY OF LAW, JUSTICE
AND PARLIAMENTARY AFFAIRS
LAW BOOKS MANAGEMENT BOARD
DEVI REGMI
17 PRODUCTION OFFICER

	D) Computer			
	E) Fax			
	F) Internet			
	G) Others			
5	Executive of organization and their experience			
6	Company Profile			
7	Detail of Competent Human Resource			
9	Detail of other Human resource			
10	Detail of Income Source			
11	Other detail			

Ministry of Law, Justice & Parliamentary Affairs
Law Books Management Board
Babarmahal, Kathmandu, Nepal

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(Related to Chapter, 3 Rule (19))

Name of Company/Organization:

Year:

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Nov. 27, 2020

