

Car Rental Business Setup Checklist

FOR SELF-DRIVE, CHAUFFEUR-DRIVEN & AGGREGATOR-PARTNERED FLEETS

Choose your model

- Self-drive rental (Zoomcar, Revv model) — customer drives the car
- Chauffeur-driven (traditional taxi / travel agency)
- Aggregator partner (Ola, Uber) — cars listed under aggregator's fleet
- Corporate / airport / wedding niche — long-term contract-based

Statutory registrations

- Business entity — proprietorship / LLP / Private Limited
- PAN & GST registration (mandatory once turnover crosses ₹20 lakh, or immediately for inter-state)
- MSME / Udyam registration
- Shops & Establishment licence
- Trademark registration — protect brand name & logo

Transport-specific approvals

- Commercial vehicle registration with State RTO (yellow number plate)
- All India Tourist Permit — if operating across state borders
- Contract Carriage Permit — for chauffeur-driven operations
- Fitness certificate & pollution-under-control (PUC) for every vehicle
- Commercial motor insurance (comprehensive) — mandatory & higher premium than personal
- GPS tracking installation — mandatory for commercial passenger vehicles

Driver-side compliance (if chauffeur-driven)

- Commercial driving licence with badge
- Police verification of every driver
- Uniform, ID card and behavioural training records
- EPF & ESIC registration if you employ 20+ drivers

Ongoing tax & compliance

- GST @ 5% (without ITC) or 12% (with ITC) on rental services
- TDS on driver salaries under section 192

- Depreciation on fleet under Income-tax Act
- Renewal of RTO permits & fitness certificates annually
- Annual audit if turnover exceeds ₹1 crore

This checklist is provided for educational purposes by My First CA. For hand-holding, book a free 20-minute consultation with a qualified CA — call +91 9667512380 or visit www.myfirstca.in.