

Centre floats draft notification to regulate used-car selling

Rules aim to empower dealers of registered vehicles, avert fraud

OUR BUREAU

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The Ministry of Road Transport and Highways on Thursday said it has issued a draft notification to promote ease of doing business and transparency in the sale and purchase of registered vehicles through dealers.

The growing market for pre-owned, or second-hand cars has, in recent years, received a further boost with the advent of online selling.

"These rules are expected to aid in recognising and empowering intermediaries and/or dealers of registered vehicles as well as provide adequate safe-



guards against fraudulent activities to the selling or purchasing of such vehicles," according to a ministry statement.

Key provisions

The key provisions of the proposed rules include an authorisation certificate for dealers of registered vehicles. The draft notification was issued on September 12, and feedback invited from stakeholders within 30 days.

The Ministry has proposed amendments in Chapter III of the Central Motor Vehicle Rules,

1989, to build a comprehensive regulatory ecosystem for the pre-owned car market. Draft provisions include the procedure for intimation of vehicle delivery between the registered owner and the dealer, and the powers and responsibilities of a dealer.

Dealers have been empowered to apply for renewal of registration certificate and/or renewal of fitness certificate, duplicate registration certificate, no-objection certificate, and transfer of ownership of motor vehicles in their possession, the ministry said.

"As a regulatory measure, maintenance of an electronic vehicle trip register has been mandated, which would contain details of the trip undertaken, namely trip purpose, driver, time, mileage etc," it added.