



PHD Research Bureau
PHD Chamber of Commerce and Industry



Draft notification to promote ease of doing business and transparency in the sale and purchase of registered vehicles through dealers

The Ministry of Road Transport and Highways (MoRTH) has issued a draft notification G.S.R 693(E) on 12 September 2022 to promote ease of doing business and transparency in the sale and purchase of registered vehicles through dealers.

The pre-owned car market in India has been gradually gaining ground. In recent years, the advent of online marketplaces, which are involved in buying and selling of pre-owned vehicles has further given a boost to this market.

In the current ecosystem, many issues were being faced viz. during transfer of vehicle to subsequent transferee, disputes in regard to third party damage liabilities, difficulty in determination of defaulter etc.

MoRTH has proposed amendments in Chapter III of Central Motor Vehicle Rules, 1989 to build a comprehensive regulatory ecosystem for the pre-owned car market.

The key provisions of the proposed rules are as follows:

1. An authorization certificate for the dealers of registered vehicles has been introduced to identify the authenticity of a dealer.
2. Furthermore, the procedure for intimation of delivery of vehicle between the registered owner and the dealer has been detailed.
3. The powers and responsibilities of a dealer in possession of registered vehicles have also been clarified.
4. Dealers have been empowered to apply for renewal of registration certificate/ renewal of certificate of fitness, duplicate registration certificate, NOC, transfer of ownership, of motor vehicles in their possession.
5. As a regulatory measure, maintenance of an electronic vehicle trip register has been

mandated which would contain details of the trip undertaken viz. trip purpose, driver, time, mileage etc.

These rules are expected to aid in recognizing and empowering intermediaries / dealers of registered vehicles as well as provide adequate safeguards against fraudulent activities to the selling or purchasing of such vehicles.

Please find appended the link to access the detailed document on the same-

<https://static.pib.gov.in/WriteReadData/specificdocs/documents/2022/sep/doc2022915103901.pdf>

Members are requested to kindly share their inputs by 1st October 2022 at research@phdcci.in.

Please contact for any query related to this mail to Ms Kaveri Verma, Research Assistant at kaveri.verma@phdcci.in with a cc to Dr S P Sharma, Chief Economist | DSG at spsharma@phdcci.in and Mr Sanjay Ahuja, Joint Secretary at sanjay.ahuja@phdcci.in, PHD Chamber of Commerce and Industry.

Warm Regards,

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