

Government of India  
Ministry of Road Transport & Highways

Transport Bhawan,  
1, Parliament Street,  
New Delhi-110001

No RT-11012/1/09-MVL

Dated the 14/8/2010

To

The Principal Secretaries / Secretaries / Commissioners (Transport) in all the States / UTs.

Sub: Clarification regarding necessity for taking "trade certificate".

Sir,

This Ministry has received a representation from an automobile manufacturer regarding necessity for taking "trade certificate" by their wholesale dealers and eligibility of their authorized service centres to get the trade certificate.

2. In terms of Rule 33 of the CMVR, 1989 the "trade certificate" is required to be obtained by the dealer of the automobile manufacturer to get exemption from registration of motor vehicles. Such exemption is required by him as the motor vehicles are to be registered in the name of its buyer at dealer point in terms of Rule 42 of the CMVR, 1989. In terms of Section 2(8) of the Motor Vehicles Act, 1988 "dealer" includes a person who is engaged in building bodies for attachment to chassis, in the repair of motor vehicles and in the business of hypothecation, leasing or hire-purchase of motor vehicle.

3. It may be noted that the manufacturer, factories / depots, wholesalers, distributors if not selling / registering the motor vehicle in the name of its buyer are not required to obtain the trade certificate. It is further clarified that "trade certificate" is required only for selling the complete vehicle and not for selling its spares, accessories, etc. either by wholesaler / dealer / authorized service centre. As such the necessity of obtaining the "trade certificate" or the eligibility of getting the "trade certificate" should always be linked with the selling of motor vehicle to its buyer after its registration.

4. All State / UT Governments are requested to take note of the above legal position / interpretations and circulate it to all RTOs in their jurisdiction in order to avoid any confusion in the matter and for strict compliance.

Yours faithfully,

(ANAND K. RAKASH)  
Director (RT)  
Tel No. 23719097

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Copy forwarded to all Deputy Transport  
Commissioners all - Regional Transport offices and  
Joint Regional Transport offices for information.

For Transport Commissioner

16/8/2010