

PART I

GOVERNMENT OF SINDH EXCISE & TAXATION DEPARTMENT

NOTIFICATION

Karachi, the 23rd January 1990.

NO.SO.T-I(E&T)5(125)/89-Tax- In exercise of the powers conferred by section 10 of the Sindh Finance Act, 1989, the Government of Sindh are pleased to make the following rules, namely:-

1. (1) These rules may be called the Sindh Motor Vehicles Dealers Licence Rules, 1989; **Short title and commencement.**
(2) They shall come into force atonce.
2. In these rules, unless there is anything repugnant in the subject or context— **Definition.**
 - (a) "Act" means the Sindh Finance Act, 1989;
 - (b) "Form" means a form appended to these rules;
 - (c) "Licence" means a licence issued under rule 6;
 - (d) "licence" means a person who has been granted a licence;
 - (e) "licensing authority" means the Director Excise and Taxation in whose jurisdiction the place of business of a motor vehicles dealer is situated or any other officer appointed by Government to exercise the powers of the licensing authority under these rules.
3. (1) Any person intending to engage himself in or carry on the business of a motor vehicles dealer shall apply for a licence to the licensing authority; **Application for Licence.**
(2) Any person who was engaged in or carrying on the business immediately before the commencement of these rules and desires to continue the business shall apply for a licence within sixty days of the commencement of these rules and shall carry on the business until his application for licence is decided or if appeal is preferred against rejection of his application until the decision of the appeal;
(3) An Application for a licence shall be accompanied by the fees prescribed by the Act;
(4) The licensing authority may, on receipt of the application, make such enquiries as deemed fit;

(5) Where the application is rejected, the licence fee received with the application shall be refunded to the applicant within a period of sixty days from the date on which his application is rejected or if appeal is preferred under these rules, on rejection of the appeal.

4. No person shall be granted a licence if he—

**Certain persons
not to be granted
Licence.**

- (a) is minor, or insane person
- (b) is bound to be of unsound mind by a Court of competent jurisdiction;
- (c) declared insolvent;
- (d) has been, on conviction for an offence of criminal misappropriation or criminal breach of trust or cheating or any other offence involving moral turpitude, or any abetment or attempt to commit any such offence, sentenced to imprisonment, unless a period of three years has lapsed since the expiration of the period sentence;
- (e) in the opinion of the licensing authority is not financially sound;
- (f) in the opinion of the licensing authority does not have appropriate office.

5. The licensing authority on being satisfied that the applicant does not suffer from any of the disqualifications mentioned in these rules, shall grant him a licence in Form "A" which shall be registered in a register maintained for the purpose.

6. A licensee shall—

**Condition of
licence.**

- (a) adhere to ethical commercial practices and shall refrain from objectionable activities such as misleading public or cleans of damaging their licence;
- (b) not with hold or conceal from any officer or functionary of Government or concerned organization or his client, any information, fact or documents which is likely to prevent any fraud, forgery or cheating in connection with any property which is the subject matter of his business;
- (c) afford necessary facilities to the licensing authority or an officer authorised by it in this behalf to inspect the office premises and records;
- (d) on demand produce his licence for inspection;
- (e) display the licence at a conspicuous place of the premises of his office;
- (f) not charge commission or remuneration in respect of any transaction arranged or negotiated by him in excess of the rates fixed by Government;
- (g) comply with the provisions of these rules or instruction given by the licensing authority.

7. (1) A licence shall be valid for a period of one year which shall be renewable for the same period on payment of the fees prescribed by the Act. **Renewal of Licence.**
- (2) Application for renewal of licence accompanied by the prescribed fees shall be made not later than thirty days preceding the date on which the validity of the licence is due to expire.
- (3) If the licensee fails to apply for the renewal of his licence in accordance with Sub-rule (2) and continue to carry on his business after the date on which the validity of his licence expires, the licensing authority may, instead of taking action against him, entertain his application for renewal of the licence on payment of additional amount, in addition to renewal fee, not exceeding double the renewal fees.
8. In the case of discontinuance or transfer of the business, the licensee shall inform the licensing authority within thirty days of such discontinuance or transfer, and the licensing authority shall, on receipt of such information, cancel the licence in the case of discontinuance and grant a licence to the Transferee in accordance with these rules in the case of transfer. **Discontinuance of the Business.**
9. If at any time the licensing authority is satisfied that a licensee has violated any provision of these rules or has committed any breach of the conditions of the licence or has been responsible for any irregularity or maintaining incorrect account of his business or has negotiated or arranged transaction in respect of a motor vehicle the title of which was defective, it may by order in writing suspend the licence for such period not exceeding three months as may be specified in the order, or cancel it; provided that no such order shall be passed unless the person concerned has been given reasonable opportunity of showing cause. **Suspension of Cancellation of Licence.**
10. If the licensing authority rejects an application for issuing or renewing a licence or suspends or cancels a licence, the aggrieved party may, within thirty days from the date of order of the licensing authority, prefer an appeal to Government and the order passed by the Government shall be final and given effect to by the licensing authority. **Appeal.**
11. A licensee shall maintain account and other record of the transaction arranged or negotiated by him in such form and manner as may be specified by the licensing authority. **Maintenance of record and account.**
12. (1) The licensing authority or an officer authorized by it may enter place of business or office of a licensee at any reasonable time in order to satisfy himself that the provisions of these rules and licence are being complied with and may inspect any books or documents kept in such place. **Inspection of Books, Documents etc.**

- (2) A licensee shall as and when required to do so produce the account and other record maintained by him before the licensing authority or any office authorized by it and shall also supply such information and in such form and within such time as may be required by the licensing authority or the authorised officer.
- (3) The licensee shall comply with the instruction, if any, given by the licensing authority or authorised officer after visiting the place of business or inspecting the documents under the foregoing provisions or otherwise.

GHULAM MUJADID ISRAN
Secretary to Government of Sindh

The Sindh Motor Vehicles Dealers Licence Rules, 1989;

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