

The Real Estate Agents & Motor Vehicles Dealers (Regulation of Business) Rules, 1981

Framed

by

The Azad Government of the State of Jammu and Kashmir

Compiled by

SABIR HUSSAIN BALOCH

(August-2020)

**THE REAL ESTATE AGENTS AND MOTOR VEHICLE DEALERS
(REGULATION OF BUSINESS)
RULES, 1981**

**NOTIFICATION
(Muzaffarabad)**

No.16639-16698/81 dated 13th December, 1981.- In exercise of powers conferred by Section 11 of the Azad Jammu and Kashmir Real Estate Agents and Motor Vehicles Dealers (Regulation of Business) Ordinance, 1981 the Azad Government of the State of Jammu and Kashmir is pleased to make the following rules: ---

1. Short Title and commencement.--(1) These rules may be called the Real Estate Agents and Motor Vehicles Dealers (Regulations of Business) Rules, 1981.

(2) They shall come into force at once.

2. Definitions.-- (1) In these rules unless there is anything repugnant in the subject of context:-

(a) "Certificate" means a certificate issued under Section 3 of the Ordinance and includes a certificate duly renewed under Section 6;

(b) "Form" means a form appended to these rules;

(c) "Ordinance" means the Azad Jammu and Kashmir Real Estate Agents and Motor Vehicles Dealers (Regulation of Business) Ordinance, 1981;

(d) "Ordinary place of business" means such place within the territorial limits of the registering authority concerned where a real estate agent or a motor vehicles dealer, as the case may be, ordinarily carries on business;

(e) "Transaction" means a transaction referred to in clause (c) or (f), as the case may be, of Section 2 of the Ordinance; and

(f) "Treasury" means a Government treasury or sub-treasury or a branch of a bank authorized by Government to receive payment on its behalf.

(2) All other words and expressions used herein and not hereinbefore defined shall be deemed to have the meanings respectively assigned to them in the Ordinance.

3. Application for Registration.--(1) An application for registration as a real estate agent or a motor vehicles dealer, as the case may be, shall be in form I which shall

be duly signed and verified by the applicant and shall be accompanied by a receipt showing the deposit into the treasury/bank of the prescribed fee and the security required to be provided under these Rules.

(2) Where the applicant is a firm, the application shall be signed and verified by all partners of the firm and where the applicant is a company, the application shall be signed and verified by the person authorized under the Memorandum and Articles of Association of the company to sign and verify instruments on behalf of the company.

(3) The application shall be presented before the Registering authority either in person or by registered post (acknowledgement due) by the applicant or his authorized agent.

4. **Application for renewal of certificate.**--(1)An application for renewal of a certificate shall be in Form-II which shall be duly signed and verified in the same manner as the application for registration under Rule 3.

(2) An application for renewal of a certificate shall be made within thirty days preceding the date of expiry of the certificate and shall be accompanied by a receipt showing the deposit of the prescribed fee into the treasury/bank.

(3) The application for renewal of the certificate shall be presented in the same manner as the application for registration under Rule 3.

5. **Fees.**--(1) The fee payable for the grant of a certificate shall be rupees two thousands.

(2) The fee payable for renewal of a certificate shall be rupees six hundred.

(3) The fees payable under these rules shall be credited to the head "0000-Tax Revenue-0200-Indirect Taxes (on commodities and transactions)-0299-others-Fee for registration of Real Estate Agents and Motor Vehicles Dealers"

6. **Security Deposits.**--(1) The security to be furnished by a real estate agent or a motor vehicles dealer shall be rupees five thousands and will be in cash.

(2) The security shall be deposited in a Government treasury/bank under the Head to be determined by the Accountant General, Azad Jammu and Kashmir.

(3) The security shall be refundable if a real estate agent or a motor vehicles dealer, as the case may be, does not want to continue the business, and seeks cancellation

of a valid certificate, or notified his intention not to ask for its renewal on its expiry.

7. **Proof of particulars.**--(1) Before granting a certificate of registration the registering authority may call upon on applicant to appear before it and to satisfy that the particulars given in the application are correct and that the applicant does not suffer from any of the disqualification specified in section 4 of the Ordinance. The registering authority may made such other inquiries as it may consider necessary to satisfy itself that the applicant is eligible for grant of the certificate.

(2) For the purposes of renewing a certificate, the registering authority may not call upon the applicant to appear before it to satisfy itself that the particulars given in the application are correct or to institute inquiries unless it in possession of some *prima facie* evidence of the fact that the applicant has suffered from any of the disqualifications specified in section 4 of the Ordinance or is otherwise unfit to hold a certificate.

(3) If the registering authority decides not to grant a certificate or renew it, it shall record its reasons therefore and shall supply a copy of its order to the applicant.

8. **Certificate of registration and its renewal.**--(1) If the registering authority decides to grant the certificate to an applicant, it shall issue a certificate in Form-III.

(2) The renewal of a certificate shall be made in the form of an endorsement under the certificate duly signed by the Registering Authority.

(3) The certificate shall be non-transferable.

(4) Where there is an introduction of a new partner in a firm holding a certificate as real estate agent or a motor vehicles dealer, the firm shall make an application to the registering authority indicating the name and other particulars of the new partner and the registering authority on being satisfied that the new partner is not an improper unfit, or an undesirable person shall make necessary entries in the certificate and the register of certificates maintained under rule 9.

(5) The certificate shall be exhibited at some prominent place in the ordinary palace of business of the certificate holder.

9. **Register of Certificates.**--The Registering Authority shall maintain a register in Form-IV containing particulars of the certificates issued by it and renewed from time to time.

10. Change of place of business.-- (1) Where the certificate holder decides to change the ordinary place of his business within the jurisdiction of the registering authority which issued the certificate to him, he may make an application to the registering authority accompanied by the original certificate and the registering authority may, on being satisfied about the correctness of the change of the ordinary place of business revise the place of business entered in the certificate and may also make necessary changes in the register of certificates.

(2) Where a certificate holder intends to change the ordinary place of his business to a place outside the jurisdiction of the registering authority which issued the certificate to him he may make an application to the registering authority in whose jurisdiction the ordinary place of his business shall thereafter be situated and the new registering authority, after obtaining the record from the previous registering authority, and on being satisfied about the correctness of the changed place of business, revise the certificate and make necessary entries in his own register of certificates under intimation to the previous authority.

11. Maintenance of record and accounts.-- (1) A certificate holder shall maintain the following record at his ordinary place of business: -

(i) A register in Form-V containing particulars of transactions negotiated and or arranged, by him.

(ii) A receipt book in Form-VI with each page serially numbered containing particulars of payments received by the certificate holder in respect of transactions negotiated arranged by him from time to time.

(2) Every transaction negotiated or arranged by the certificate holder shall be entered by him in the register forthwith.

(3) The certificate holder shall immediately issue a regular receipt for every payment received by him in respect of every transaction negotiated arranged by him.

(4) The register of the receipt book maintained under sub-rule (1) and (2) shall not be destroyed by the certificate holder without the previous permission in writing of the registering authority.

12. Inspection and production of record.--(1) Any Officer of the Excise and Taxation Department, not below the rank of sub-inspector, may inspect the record

maintained by a certificate holder under rule 11 and may make any note thereon or take any extract therefrom or may seize the same.

(2) Where any record is seized under the provisions of sub-rule (1) the registering authority or the officer seizing it, shall issue a receipt to the certificate holder concerned.

(3) The registering authority may at any time call upon a certificate holder to bring and produce before him the record maintained by him under rule 11.

13. Annual Returns.-(1) A certificate holder shall submit to the registering authority within one month of the close of every financial year, a return in Form-VII.

(2) The registering authority may require a certificate holder to supply him such additional information in respect of transaction negotiated or arranged by him or in respect of the record maintained by him and the certificate holder shall supply such information within such time as may be specified by the registering authority.

14. Rate of commission or remuneration.- (1) The rate of commission and other remuneration chargeable by a real estate agent on a transaction negotiated arranged by him shall not exceed: -

(a) half a month's rent in the case of a transaction of lease or tenancy;

(b) two percent of the amount of consideration involved in transactions of mortgage;

(c) two percent of the transfer value of the property involved in transaction other than those mentioned in (a) and (b) above.

(2) The rate of commission and other remuneration chargeable by a motor vehicles dealer shall not exceed 10% of the transfer value of the motor vehicle sold, exchanged or transferred or that of the amount against which the motor vehicle is pledged.

(3) The maximum rates chargeable under sub-rule (1) and (2) are the rate chargeable in respect of a transaction irrespective of whether the commission and other remuneration is payable by one of the parties only or by both the parties to the transaction.

15. **Appeal.**- (1) Any person aggrieved by an order of the registering authority passed by it under these rules, may prefer an appeal to the Collector, Excise and Taxation, concerned, within thirty days of the communication of the order to him.

(2) An appeal may be admitted by the Collector, Excise and Taxation after period of thirty days mentioned in sub-rule (1) if the applicant satisfies the appellate authority that he had sufficient cause for not preferring the appeal within prescribed period.

(3) The appeal under sub-rule (1) shall be preferred in the form of a memorandum bearing the requisite court fee mentioned in column 3 of item 11(aa) of schedule II of the Court Fee Act, 1870 (VII of 1870) and shall be duly signed by the appellant and presented to the appellate authority or to such officer as it appoints in this behalf. The memorandum shall be accompanied by a copy of the order appealed against unless the appellate authority dispenses with this requirement.

(4) The appellate authority shall not give the decision adverse to the appellant unless the person concerned has been given a reasonable opportunity of being heard.

* * * * *

FORM-I

(See Rule 3)

I/We hereby apply for certificate of registration to engage in or carry on the business of a Real Estate Agent/Motor Vehicle Dealer (Strike out whichever is not applicable).

- 1. Name of applicant _____
- 2. Permanent Address _____
- 3. Status (Individual, Firm or Company) _____
- 4. If a firm or a company, the names,
parentage and address of the partners/
Directors and Managers, if any _____
- 5. Ordinary place of business (with complete address) _____
- 6. Particulars of the receipt of deposit of fee _____
- 7. Particulars of the security provided _____
- 8. Whether the applicant held such a
certificate previously? If so the particulars thereof. _____

DECLARATION

I/We hereby declare that: --

- (a) I am not a minor.
- (b) I have not been found to be of unsound mind or declared insolvent by a court of competent jurisdiction.
- (c) I have not been found guilty of criminal misappropriation, criminal breach of trust or of cheating or of any offence involving moral turpitude or an abetment or attempt to commit any such offence, by a court of competent jurisdiction.

I further declare that the particulars and other facts mentioned above are true to the best of my knowledge and belief and that nothing has been concealed or mis-stated by me.

Names (in Block Letters).	Signatures
_____	_____
_____	_____
_____	_____

- Note: - 1. If the applicant is a firm or company the declaration should be signed by all the partners/Directors of the firm or company, as the case may be, and also by the Manager, if any.
2. If the applicant is a firm or company, the application should be accompanied by a copy of the deed of partnership or the Memorandum and Articles of Association, as the case may be.

FORM-II

(See Rule 3)

I/We hereby apply for renewal of certificate of registration to carry on the business of a Real Estate Agent/Motor Vehicles Dealer. (Strike out whichever is not applicable)

1. Name of the applicant _____
2. Certificate No and Date _____
3. Date of Expiry of the certificate _____
4. Particulars of the receipt of deposit of renewal fee. _____

DECLARATION

I/We hereby declare that: --

- (a) the various particulars given by me/us in the original application for registration have not undergone any change except the following:---

- (b) I/We have not suffered any of the disqualification to hold the certificate.

I/We further declare that the particulars and other facts mentioned above are true to the best of my knowledge and belief and that nothing has been concealed or mis-stated by me/us.

Names (in Block Letters).	Signatures
_____	_____
_____	_____
_____	_____

- Note: - 1. If the applicant is a firm, the declaration is to be signed by all the partners of the firm.
2. If the applicant is a company, the declaration may be signed by the person authorized to sign on behalf of the company.

FORM-III
(See Rule 8)

No. REA/MVD/_____

CERTIFICATE OF REGISTRATION

(to be displayed at the ordinary place of business of the holder)

Subject to the provisions of the Azad Jammu and Kashmir Real Estate Agents and Motor Vehicles Dealers (Regulation of business) Ordinance 1980 and the Rules framed thereunder this certificate is granted to Mr/Messers..... to engage in or carry on the business of

REAL ESTATE AGENT / MOTOR VEHICLES DEALER

in the Territory of Azad Jammu and Kashmir.

1. This certificate, unless renewed, is valid for the year ending _____

Registering Authority

Dated_____

Renewal for the period:-

Signature of the
Registering Authority
with date

FORM-IV
(See Rule 9)

**REGISTER OF CERTIFICATES OF REAL ESTATE AGENTS/MOTOR
VEHICLES DEALERS**

Certificate No. and date of issue.	Name and other particulars of the holder. (Indicate whether an individual firm or company.)	Name and other particulars of partners in case of firm and Directors & Managers in the case of a company.	Ordinary place of business.	Date of Expiry of certificate
(1)	(2)	(3)	(4)	(5)

Particulars of the security furnished	Particulars of registration fee, renewal fee deposited	Renewed for the period ending	Remarks if any	Signature of the Registering Authority.
(6)	(7)	(8)	(9)	(10)

FORM-V

(See Rule 11)

{Missing from the Gazette}

FORM-VI

(See Rule 11)

**FORM OF RECEIPT ISSUED BY THE REAL ESTATE AGENT/MOTOR
VEHICLES DEALER**

COUNTERFOIL	RECEIPT
Received from _____ a sum of rupees _____ as commission/remuneration for arranging/negotiating transaction No. _____ entered in the Register of Transactions maintained by me/us. Dated _____ Signature of the Certificate holder	Received from _____ a sum of rupees _____ as commission/remuneration for arranging/negotiating transaction No. _____ entered in the Register of Transactions maintained by me/us. Dated _____ Signature of the Certificate holder

FORM-VII
(See Rule 13)

**FORM OF RETURN TO BE SUBMITTED ANNUALLY BY THE REAL
ESTATE AGENT/MOTOR VEHICLES DEALER**

Name of Certificate holder			
Ordinary place of business			
Period to which the return pertains			
Total No. of transactions arranged or negotiated during the year in respect of	Total amount of commission received in cash.	Nature and particulars of remuneration received otherwise than in the form of cash	Remarks if any.
Sale Mortgage Exchange Lease or tenancy pledge			

Dated

Signature.....

FORM-VIII
(See Rule 11)

S.No and date of finalization of the transaction	Nature of transaction arranged or negotiated (Whether sale, exchange, mortgage, lease/tenancy/transfer or pledge)	Description of the subject matter of the transaction	Amount of consideration and in case of lease/tenancy, the monthly rent	Nature and other particulars of the vendor, mortgagor etc lessor as the case may be	Nature and other particulars of the vendee, mortgagee etc. or lessee as the case may be
(1)	(2)	(3)	(4)	(5)	(6)

Particulars of the instruments received if any relating to the transactions	Amount of commission and other remuneration charged	Particulars of receipt issued (i.e. receipt No. and date)	Signature of the parties to the transaction	Remarks	Signature of certificate holder
(7)	(8)	(9)	(10)	(11)	(12)
