

**OFFICE OF THE TRANSPORT COMMISSIONER-CUM-CHAIRMAN
STATE TRANSPORT AUTHORITY, ODISHA, CUTTACK**

CIRCULAR NO. 2 of 2023

Sub: Issue of Fresh Registration Certificate to financier.

It is noticed that no uniform procedure for issue of Fresh Registration Certificate to financier under Section 51 (5) of M.V. Act, 1988 is being followed by Registering Authorities.

Section 51 (5) of M.V. Act, 1988 provides that "where the person whose name has been specified in the certificate of registration as the person with whom the registered owner has entered into the said agreement, satisfies the registering authority that he has taken possession of the vehicle from the registered owner owing to the default of the registered owner under the provisions of the said agreement and that the registered owner refuses to deliver the certificate of registration or has absconded, such authority may, after giving the registered owner an opportunity to make such representation as he may wish to make by sending to him a notice by registered post acknowledgment due at his address entered in the certificate of registration and notwithstanding that the certificate of registration is not produced before it, cancel the certificate and issue a fresh certificate of registration in the name of the person with whom the registered owner has entered into the said agreement.

Provided that a fresh certificate of registration shall not be issued in respect of a motor vehicle, unless such person pays the prescribed fee:

Provided further that a fresh certificate of registration issued in respect of a motor vehicle, other than a transport vehicle, shall be valid only for the remaining period for which the certificate cancelled under this sub-section would have been in force."

Soon after seizure / repossession of vehicle, the financier shall intimate concerned Registering Authority and file application in Form – 36 of CMV Rules, 1989 for issue of Fresh Registration Certificate (FRC) in the name of financier by following procedure laid down under Rule 61 (2) of CMV Rules, 1989.

Being the possessor of vehicle so seized / repossessed, the financier shall pay entire outstanding tax / penalty due against the vehicle and compound e-challan, if any.

On receipt of intimation regarding seizure / possession of vehicle from financier along with application in Form – 36, the Dealing Assistant shall complete verification flow in VAHAN. The Registering Authority shall issue notice to the registered owner in Form – 37 by Registered Post with A.D. to file representation, if any, by giving 15 days time.

Following procedure shall be followed by all Regional Transport Officers relating to issue of FRC in the name of financier.

1. On receipt of application in Form – 36 from the authorized person of financier, the registering authority shall check the tax due and pending e-challan etc and in case there was tax outstanding, the RTO shall realize the entire tax and penalty due from the financier and in case any e-challan is pending, same should be disposed of by compounding of offences. The financier must have valid Trade Certificate.
2. The vehicle must have valid Insurance Certificate and Fitness Certificate at the time of receipt of Form – 36 from the financier. In case Insurance Certificate and Fitness Certificate are not valid, the financier shall update the Insurance Certificate and Fitness Certificate following due procedure of law and thereafter file Form – 36.
3. On receipt of application in Form – 36 from the financier, complete in all respect, the RTO shall inward the application in Vahan and realise fee as applicable as per Rule 81 of CMV Rules, 1989 through URL link.
4. The Dealing Assistant shall complete the VERIFICATION FLOW in VAHAN and after completion of such process, Form-37 shall be auto generated in Vahan and the Dealing Assistant shall take a printout and send it to the owner by Registered Post with Acknowledgement Due asking the owner to file representation, if any.
5. The Dealing Assistant shall track the Postal Dispatch through India post Portal to ensure that such document has been received by the addressee and shall take a print out of postal Dispatch and keep it in the concerned record.

6. The Regional Transport Officer shall wait for 15 days from the date of receipt of notice in Form-37 by the registered owner and ensure that same is delivered.
7. In case the registered owner did not file any objection / representation within 15 days, the Registering Authority shall proceed with the FRC application filed by the financier and approve the same.
8. In case the registered owner files any objection / representation, the RTO shall conduct hearing of both financier and registered owner and pass speaking order following due process of law.
9. In case notice issued to the registered owner is returned undelivered with postal remark, the RTO shall take steps to serve the notice either through special Messenger or through news paper publication to make the service sufficient after which the RTO can proceed further in the matter.
10. Upon issue of fresh registration certificate in the name of financier, permit issued to previous owner shall be cancelled under Section 86 (1) (c) of M.V. Act, 1988.

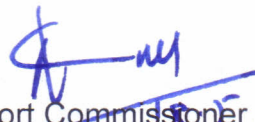
The Regional Transport Officers shall follow the above instructions meticulously.


Transport Commissioner
Odisha.

Memo No. 7454

dated 18-05-2023

Copy forwarded to all Officers at Head Quarters / All D.C.Ts./All RTOs for information and necessary action. Copy to Computer Cell / Communication Cell to host in the website.


Transport Commissioner
Odisha.