

KHYBER PAKHTUNKHWA REAL ESTATE AGENTS AND MOTOR VEHICLES  
DEALERS (REGULATION OF BUSINESS) ORDINANCE, 1983

**KHYBER PAKHTUNKHWA REAL  
ESTATE AGENTS AND MOTOR  
VEHICLES DEALERS (REGULATION  
OF BUSINESS) ORDINANCE, 1983**

## AN ORDINANCE

To regulate the business of real estate agents and motor vehicle Dealers in the Khyber Pakhtunkhwa.

WHEREAS it is expedient to regulate the business of real estate agents and motor vehicle dealers in the Khyber Pakhtunkhwa in the manner hereinafter appearing.

AND WHEREAS the Governor of Khyber Pakhtunkhwa Province is satisfied that circumstances exist which render it necessary to take immediate action.

NOW, THEREFORE, in pursuance of the proclamation of the fifth day of July, 1977, and in exercise of all powers enabling him in that behalf the Governor of the Khyber Pakhtunkhwa is pleased to make and promulgate the following ordinance:

**1. Short Title and Commencement.-** (1) This Ordinance may be called the Khyber Pakhtunkhwa Real Estate Agents and Motor Vehicles Dealers (Regulation of Business) Ordinance, 1983.

- (2) It shall extend to whole of the Khyber Pakhtunkhwa.
- (3) It shall come into force at once.

<sup>1</sup>[Note: Khyber Pakhtunkhwa Ord. No.VIII of 1983, shall apply to the Provincially Administered Tribal Areas of Dir, Chitral, Swat, Kalam and Malakand Protected Area.]

**2. Definition.-** In this Ordinance unless the context otherwise requires.

- (a) "Government" means the Government of the Khyber Pakhtunkhwa;
- (b) "motor vehicles" means any propelled vehicle adapted for use upon roads the power of propulsion is transmitted thereto from an external or internal source and includes a tractor, a trailer and a chassis to which a body has not been attached;
- (c) "motor vehicles dealer" means a person who arranges or negotiates any transaction of sale, exchange, transfer or pledge of a motor vehicle in consideration of some commission or other remuneration in cash or otherwise or who deals in <sup>2</sup>[sale, purchase or rent] of motor vehicles;
- (d) "prescribed" means prescribed by rules made under this Ordinance;

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<sup>1</sup> Extended vide Notification No. Legis:I (9)/70 Vol:VI dated 13-1-1990.

<sup>2</sup> Substituted vide KHYBER PAKHTUNKHWA Finance Act 2009.

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- (e) "real estate" means immovable property, including land, benefits to arise out of land and things attached to the earth:
- (f) "real estate agents" means a person who arranges or negotiates any transaction of sale, exchange, mortgage, lease or tenancy of a real estate in consideration of some commission or other consideration in cash or otherwise; and
- (g) "registering authority" means the District Excise and Taxation Officer or any other Officer notified by Government for the purpose, in whose jurisdiction the ordinary place of business of the real estate agent or the motor vehicles dealer is situated.

**3. Prohibition of Business Without Registration:** (1) No person shall engage in or carry on the business of a real estate agent or a motor vehicles dealer unless he is registered with the registering authority and holds a valid certificate issued by such authority:

Provided that in the case of a person who is already carrying on the business of a real estate agent or a motor vehicle dealer on the date of commencement of this Ordinance, this provision shall not be applicable until the expiry of a period of ninety days from the date of such commencement.

(2) A person already carrying on the business of a real estate agent or motor vehicle dealer on the date of commencement of this Ordinance shall apply for a certificate of registration within a period of ninety days from the date of such commencement.

(3) If any person already carrying on the business of a real estate agent or a motor vehicles dealer on the date of commencement of this Ordinance fails to apply for a certificate of registration as required under sub-section (2), the registering authority may, instead of taking action against him under the penal provisions of this Ordinance, entertain his application for grant of a certificate of registration on payment of a penalty which shall be five hundred rupees, if the application is made within a period of six months, one thousand rupees if it is made within a period of one year from the date of the commencement of this Ordinance.

**4. Disqualification:** No person shall be registered as a real estate agent or a motor vehicles dealer and granted a certificate of registration if he.--

- (a) is a minor; or
- (b) is found to be of unsound mind by a court of competent jurisdiction ; or
- (c) is declared insolvent ; or
- (d) has been found guilty of criminal misappropriation or criminal breach of trust or cheating or any other offence involving moral turpitude or an abetment of or attempt to commit any such offence by a court of competent jurisdiction: provided that this disqualification will not operate if a period of three years has elapsed since the completion of the sentence

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imposed on any person in respect of any such offence.

**5. Procedure for registration:** (1) A person who wishes to obtain a certificate of registration to engage in or carry on the business of a real estate agent or a motor vehicles dealer shall make an application to the registering authority concerned in such form and manner and on payment of such fee<sup>1</sup>[...] as may be prescribed.

(2) The registering authority, on being satisfied that the applicant has fulfilled all the requirements and does not suffer from any of the disqualifications laid down in section 4, shall register him as a real estate agent or a motor vehicles dealer, as the case may be and grant him a certificate in the prescribed form.

**6. Renewal of Registration:** (1) A certificate of registration issued under section 5 shall be valid for a period of one year only and shall be renewable annually.

(2) A real estate agent or a motor vehicles dealer who wishes to get his certificate of registration renewed shall, within thirty days preceding the date of expiry of his certificate, apply to the registering authority concerned in such form and manner and on payment of such fee as may be prescribed.

(3) The registering authority, on being satisfied that the applicant has fulfilled all the requirements and does not suffer from any of the disqualifications laid down in section 4, shall grant a certificate of renewal of registration in the prescribed form.

(4) If a real state agent or a motor vehicle dealer fails to apply for the renewal of his certificate of registration within the period provided by sub-section (2), the registering authority may, instead of taking action against him under the penal provisions of this Ordinance, entertain his application for renewal of registration on payment of penalty of one hundred rupees, the application is made within one month and five hundred rupees if it is made within three months of the date when the renewal was due.

**7. Fixation of Commission:** Government may prescribe maximum rate of commission or remuneration which a real estate agent or a motor vehicles dealer may charge on any transaction of real estate or motor vehicle arranged or negotiated by him.

**8. Maintenance of Record and Accounts etc:** (1)A real estate agent and a motor vehicle dealer shall maintain such accounts and other record of the transactions arranged, negotiated or made by him and in such manner as

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<sup>1</sup> "and furnishing of such security" omitted vide KHYBER PAKHTUNKHWA Finance Act 2009.

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may be prescribed.

(2) A real estate agent and a motor vehicle dealer shall, as and when required to do so, produce the accounts and other record maintained by him under sub-section (1) before such officer or authority as may be prescribed and shall also supply such information and in such form and within such time as may be required by the authority.

**9. Cancellation and Suspension of Registration:** (1) The registration authority may, by an order in writing, cancel or suspend a certificate for such period not exceeding three months for a first breach and not exceeding six months for a second or subsequent breach as may be specified in that order, if it is satisfied that a real estate agent or motor vehicle dealer has committed a breach of any of the conditions of the certificate or has committed any of the following mal-practices:

- (a) has maintained or submitted incorrect account of the transactions;
- (b) has arranged or negotiated a transaction knowing that there was a defect in the title of the real estate ; or
- (c) has charged commission or remuneration at a rate higher than that prescribed :

Provided that no such order shall be passed without giving the persons concerned an opportunity to show cause within fifteen days from the date of issue of show cause notice.

(2) Any person aggrieved by an order passed under sub-section (1) may, within thirty days of the passing of the order, prefer an appeal to the Director, Excise and Taxation, and the decision of the said Director shall be final.

**10. Section 10:** (1) A person who contravenes any of the provisions of this Ordinance shall be punishable with simple imprisonment which may extend to six months or with fine which may extend to twenty five thousand rupees or with both.

(2) No court shall take cognizance of the offence under this Ordinance, except on a complaint made in writing by the registering authority.

(3) The offences under this Ordinance shall be bail able.

**11. Section 11:** Government may make rules for carrying into effect the purposes of power to make rules under this Ordinance.

Peshawar  
Dated, the 29<sup>th</sup> June, 1983.

LIEUTENANT-GENERAL

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FAZLE-HAQ

Governor of Khyber Pakhtunkhwa.

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