VIA COURIER

IN THE MATTER OF the Motor Vehicle Dealers Act, 2002, S.O. 2002, Chapter 30, Schedule B and Regulations, as amended

- and -

IN THE MATTER OF the registration of AUTOMOTIVE WHOLESALE INC. o/a TORONTO AUTO GROUP/2ND CHANCE AUTOMOTIVE/NEED A CAR USED CAR SUPERSTORES

TO: **Automotive Wholesale Inc. o/a**
Toronto Auto Group/
2nd Chance Automotive/
Need A Car Used Car Superstores

2380 Lawrence Avenue East
Toronto, ON M1P 2R5

TO: **Anil Puri**

AND TO: **Karen Poonawalla**

NOTICE OF PROPOSAL TO REVOKE REGISTRATION

Take notice that pursuant to Section 9 of the *Motor Vehicle Dealers Act, 2002* (the "Act") the Registrar is proposing to revoke the registration of Automotive Wholesale Inc. o/a Toronto Auto Group/2nd Chance Automotive/Need A Car Used Car Superstores (the "Dealer") as a motor vehicle dealer and of Anil Puri and Karen Poonawalla as motor vehicle salespersons under the Act.

REASONS

The intention and objective of the Act is to protect the public interest.

In doing so, the Act prohibits registrants from making false statements in an application for registration and requires them to carry on business in accordance with the law and with integrity and honesty. The past conduct of Anil Puri and of Karen Poonawalla is inconsistent with the intention and objective of the Act and therefore warrants their disentitlement to registration, as well as that of the Dealer, under the Act.

PARTICULARS

The reasons for this proposal are:

Background

1. The Dealer is a registered motor vehicle dealer under the Act. It was first registered in or around January 10, 1999, and continues to be registered.

2. Anil Puri ("Puri") was first registered as a motor vehicle salesperson under the Act in or around February 2, 1996, and continues to be registered. Puri is also the Officer and Director of the Dealer and has been at all material times.

3. Karen Poonawalla ("Poonawalla") was first registered as a motor vehicle salesperson under the Act in or around May 11, 2009, and continues to be registered.

4. Poonawalla is the Director of 2504558 Ontario Inc., a company that is not registered under the Act. 2504558 Ontario Inc. is an interested person with respect to Poonawalla.

PAST CONDUCT

Puri's Past Conduct

Failure to Ensure Proper Execution of Sale Contracts

5. On January 31, 2022, Puri sold a 2008 BMW 328 (VIN 6919). He failed to ensure that the contract of sale was signed by both parties including the purchaser, as required under section 40(9) of O. Reg 333/08 of the Act.

6. On October 31, 2022, Puri sold a 2018 Mercedes Benz C (VIN 8852). He failed to ensure that the contract of sale was signed by both parties including the purchaser and the salesperson, as required under section 40(9) of O. Reg 333/08 of the Act.

7. On February 27, 2024, Puri sold a 2019 Mazda CX5 (VIN 1501). He failed to ensure that the contract of sale was signed by both parties including the purchaser and the salesperson, and that a copy was provided to the purchaser, as required under section 40(9) of O. Reg 333/08 of the Act.

Failure to Maintain Deal Files

8. On June 6, 2024, pursuant to a search warrant, Puri was unable to produce deal files for two transactions, as required under the Act.

9. On June 10, 2024, Puri remained unable to produce the requested deal files. Accordingly, Puri and the Dealer were both convicted of with failing to maintain all records pertaining to the trade of the following two vehicles, as required under section 53(1) of the Act:

    a. A 2022 BMW X7 (VIN 8018);
    b. A 2019 Toyota Sienna (VIN 8798);
    c. A 2018 Mercedez Benz (VIN 8852); and,
    d. A 2008 BMW 328 (VIN 6919);

10. On September 29, 2025, pursuant to another search warrant, Puri was unable to produce the deal file for a 2020 Infiniti XTR (VIN 6350), in further violation of section 53(1) of the Act.

Failure to Prevent the Dealer from Committing an Offense

11. For the above conduct, Puri was charged for failing to take reasonable care to prevent the Dealer from committing various offenses under the Act, pursuant to section 32(2).

Poonawalla's Past Conduct

Provision of False Statement on Renewal Application

12. On January 3, 2025, Poonawalla was charged with two counts of operating as a motor vehicle dealer without being registered as such, in violation of section 4(1)(a) of the Act.

13. On April 24, 2025, Poonawalla submitted her renewal application. The following question is asked as a part of the application:

> "Has the applicant **ever** been charged with an **offence** under **any law**, within or outside of Canada? This includes charges that are still pending or before the courts, charges that were stayed, charges that resulted in a finding of guilt, conviction, absolute, or conditional discharge, and charges that were withdrawn, dismissed, or resulted in a finding of not guilty."

14. In response to this question, Poonawalla stated "No" which is false.

Unauthorized Trade of a Vehicle

15. Between June 17 and December 5, 2024, without the consent or knowledge of the vehicle's owner, Poonawalla facilitated the trade of a 2019 BMW X5 (VIN 2431). This conduct led to charges being laid against Poonawalla under section 14(1) and 17(1) of the Consumer Protection Act.

Conviction of Interested Person (2504558 Ontario Inc.)

16. 2504558 Ontario Inc., an unregistered company of which Poonawalla is a Director, was convicted on two counts of acting as a motor vehicle dealer while not registered under the Act.

GENERALLY

17. Puri's past conduct, both personally and as an officer and director of the Dealer, affords reasonable grounds to believe that neither he nor the Dealer will carry on business in accordance with the law and with honesty and integrity. Accordingly, Puri is disentitled to registration under section 6(1)(a)(ii), and the Dealer under section 6(1)(d)(iii) of the Act.

18. Poonawalla's false statement on her renewal application, her past conduct, and the conviction of 2504558 Ontario Inc., of which she is a Director, afford reasonable grounds to believe she will not carry on business in accordance with the law and with honesty and integrity. Accordingly, she is disentitled to registration under section 6(1)(a)(ii) and 6(1)(a)(iii) of the Act.

RIGHT TO A HEARING

Section 9(2) of the Act provides that an Applicant/Registrant is entitled to a hearing by the Licence Appeal Tribunal in respect of this proposal, if **WITHIN 15 DAYS** after service of this proposal, the Applicant/Registrant mails or delivers a written request for a hearing, to the following parties:

Licence Appeal Tribunal

Tribunals Ontario
General Services
15 Grosvenor Street, Ground Floor
Toronto, ON M7A 2G6

Ontario Motor Vehicle Industry Council (OMVIC)
Registrar, *Motor Vehicle Dealers Act, 2002*
65 Overlea Blvd., Suite 300
Toronto, ON M4H 1P1

Email: LATRegistrar@ontario.ca - AND TO - Email: Legal_Dept@omvic.on.ca

Note that Section 9(4) of the Act provides that where the Applicant/Registrant does not require a hearing by the Tribunal in accordance with subsection 9(2), the Registrar may carry out the proposal to refuse/revoke/suspend the registration, without further notice to you.

Section 9(5) of the Act provides that where an Applicant/Registrant requires a hearing, the Tribunal shall schedule a hearing. At that time, the Tribunal may order the Registrar to carry out, or refrain from carrying out this proposal, or may order that the Registrar take such action as the Tribunal considers appropriate, in accordance with the Act and the regulations.

Section 9 (5) of the Act provides that the Tribunal may attach such terms and conditions to its Order or to the registration, as it considers proper to give effect to the purposes of the Act.

APPLICATION OF THE *STATUTORY POWERS PROCEDURE ACT*

The *Statutory Powers Procedure Act*, R.S.O. 1990, Chapter S.22, as amended, applies to the hearing to be held by this Tribunal. A party to a proceeding may be represented by counsel or an agent.

The Registrar states that the good character, propriety of conduct or competence of the Applicant/Registrant shall be an issue in any hearing before the Tribunal and the Registrar has, therefore, furnished herein reasonable information of allegations with respect thereto.

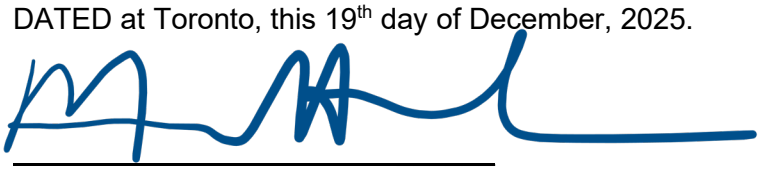
APPLICATION OF THE COMMON RULES OF PRACTICE AND PROCEDURE FOR THE LICENCE APPEAL TRIBUNAL, ANIMAL CARE REVIEW BOARD, and FIRE SAFETY COMMISSION

This is to serve as notice that the Registrar shall make application for its costs pursuant to Rule 19 of the Common Rules of Practice.

FURTHER PARTICULARS/SUPPLEMENTAL NOTICE

The Registrar may provide further and other particulars in respect of any other matters herein or in respect to any other matter including further grounds for refusal/revocation/suspension of registration.

DATED at Toronto, this 19th day of December, 2025.



Maureen Harquail, KC, MPA, ICD.D.
Registrar
Motor Vehicle Dealers Act, 2002