

**GOVERNMENT OF TELANGANA
MUNICIPAL ADMINISTRATION DEPARTMENT**

O/o the Commissioner & Director of
Municipal Administration, T.S,
640, A.C., Guards, Hyderabad.

Endt.No.200234/2020/M1, Dt. 26/09/2020.

Communicated the G.O.Rt.No.147 MA&UD (MA) Department,dt.22.09.2020 regarding the Telangana Municipalities Trade Licenses (Regulation of Issue and Renewal) Rules, 2020 to all the Commissioners of Municipality/Municipal Corporation in the State for necessary action.

***(This has the Approval of Director of Municipal Administration,
T.S., Hyderabad)***

**T S V N THRILLESWAR RAO
DEPUTY DIRECTOR**

To

All the Municipal Commissioners Municipality/Municipal Corporation in the State in the State (except GHMC).

The Additional Collectors for Urban Local Bodies in the State(with a request to monitor the action in the ULBs concern).

The Regional Director-cum-Appellate Commissioner of Municipal Administration, Hyderabad and Warangal Region(for information and necessary action).

Copy submitted to the Principal Secretary to Government, MA&UD Department, Secretariat, T.S, Hyderabad.

Copy submitted to the Officer on Special Duty to Minister for MA&UD Department, T.S Secretariat, Hyderabad.

Signature valid

Digitally signed by TSVN
THRILLESWAR RAO
Date: 2020.09.26 17:48:47 IST
Reason: Approved

PESHI

22 SEP 2020

C. & D.M.A.

Govt. of Telangana

GOVERNMENT OF TELANGANA
ABSTRACT

Rules- The Telangana Municipalities Trade Licenses (Regulation of Issue and Renewal) Rules, 2020 - Notification - Orders - Issued.

MUNICIPAL ADMINISTRATION & URBAN DEVELOPMENT (MA) DEPARTMENT**G.O.Ms.No.147,****Dated: 22.09.2020****Read:**

The Telangana Municipalities Act, 2019 (Act No.11 of 2019)

ORDER:

In pursuance of the Telangana Municipalities Act, 2019 (Act.No.11/2019), the Government hereby makes the Telangana Municipalities Trade Licenses (Regulation of Issue and Renewal) Rules, 2020.

2. Accordingly, the following notification will be published in an Extraordinary issue of the Telangana Gazette, Date: 23.09.2020.

NOTIFICATION

In exercise of the powers conferred by sub-section (1) of section 238 read with section 158 of the Telangana Municipalities Act, 2019 (Act No.11 of 2019), the Government of Telangana hereby makes the following rules relating to issue and renewal of trade licenses and related matters in the Municipalities / Municipal Corporations of the State.

RULES

1. Short title: These Rules may be called the Telangana Municipalities Trade Licenses (Regulation of Issue and Renewal) Rules, 2020.

2. Definitions: In these rules:-

- (1) "Act" means the Telangana Municipalities Act, 2019;
- (2) "Commissioner" means Commissioner of the Municipality, appointed by the Government under section 38 of the Act;
- (3) "Dangerous & Offensive Trades" means the trades which are stored in places that are prone to accident;
- (4) "Double Lane" means a road having approach for both side vehicular movement;
- (5) "Floor area" means plinth area of a building or place;
- (6) "Industrial" means any product that is manufactured on small, medium or large scale;
- (7) "Multiple Lane" means a road having two or more lanes for traffic in each direction;
- (8) "Single Lane" means a road having approach to single vehicular movement;
- (9) "Temporary Trade" means a trade in such place or building, and for such temporary period as notified by the Municipality;
- (10) The words and expressions used but not defined in these rules shall have the meaning assigned to them in the Telangana Municipalities Act, 2019.

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3. Trade License:

(1) Unless exempted under the Telangana Municipalities Act, 2019 or any other law, trade license shall be levied on all trades and businesses in any place / building within the municipal limits.

(2) Trades are categorized as detailed below for the purpose of issue or renewal of trade license:-

- (i) Dangerous & Offensive Trades,
- (ii) General establishments or offices or shops,
- (iii) Industrial establishments,
- (iv) Temporary trades.

(3) No trade shall be carried in the municipal areas without prior license or renewal from the Commissioner. Before issue of license, the Commissioner shall ensure that the applicant pays required license fee and possesses required approvals / certificates from concerned departments.

(4) The Municipality shall publish a notification specifying the rates of license fee, conditions for issue of license and certificates required from various agencies including Pollution Control Board, for carrying a trade in the Municipality.

4. Fixation of rate of fee on trade licenses and publication of notification:

(1) The Municipal Council shall fix the trade license fee with reference to location and floor area as per the details of various categories of trades:

(i) Dangerous & Offensive trades

| Sl. No. | Category of location | Road width | Minimum rate of License fee |
|---------|----------------------|---------------------------------|-----------------------------|
| 1 | Single Lane | Road width upto 20 Feet | Rs.3/- per sft. |
| 2 | Double Lane | Road width upto 30 Feet | Rs.4/- per sft. |
| 3 | Multiple Lane | Road width of more than 30 feet | Rs.5/- per sft. |

(ii) General Establishments or offices or shops

| Sl. No. | Category of location | Road width | Minimum rate of License fee |
|---------|----------------------------------|---------------------------------|-----------------------------|
| 1 | Single Lane | Road width upto 20 Feet | Rs.3/- per sft. |
| 2 | Double Lane | Road width upto 30 Feet | Rs.4/- per sft. |
| 3 | Multiple Lane | Road width of more than 30 feet | Rs.5/- per sft. |
| 4 | Star Hotels, Corporate Hospitals | Road width of more than 30 feet | Rs.6/- per sft. |

(iii) Industrial establishments.

| Sl.No. | Minimum rate of License Fee |
|--------|---|
| 1. | Rs.4/- per sft. to Rs.7/- per sft. (depending upon scale of industry, viz., small or medium or large scale industry) |

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(iv) Temporary trades

| No | Description of Trade | Rate of License fee |
|----|--|--|
| 1 | Sale of fire crackers, kites or any other seasonal trade | As fixed by municipal council depending upon trade |
| 2 | Promotion or sale of products by companies | description, location, size of place, duration and other considerations. |

(2) When the Municipal Council determines to levy the fee for the first time or revises the fee at a new rate under sub-rule (1), the Commissioner shall take action to notify the rate of fee, the effective date of levy and period of levy and make a publication of the notification in the District Gazette.

(3) The notification under sub-rule (2) shall also contain the conditions of issue of license, the certificates from other departments and agencies required for carrying the trade, the manner of making application, the manner of paying license fee and other details.

5. Revision of Trade License Fee:

The Municipal Council shall revise the trade license fee every three years and in the absence of such revision, the Government or the District Collector shall direct the Commissioner to revise the trade license fee and place the matter before the Municipal Council for information:

Provided that nothing contained in this rule shall be deemed to prevent the Government to direct an early revision of trade license fee.

6. Method of payment of license fee and submission of application for issue and renewal of Trade License:

(1) Any person intends to carry on a trade in the municipal area, shall make an application atleast one week in case of trades referred under rule 3 (2)(ii) and (iv) and one month in the case of trades referred under rule 3 (2) (i) and (iii) before carrying the trade to the Commissioner along with details of trade and also a self-certification stating that the intended trade would be carried on as per the norms of Government and the conditions imposed by the Municipality. The applicant shall also enclose required certificates from concerned departments and pay the required license fee as notified by the Municipality.

(2) The application for renewal of trade license shall be made before one week prior to the expiry of trade license period, along with the self-certification and other certificates referred in sub-rule (1). The license fee shall also be paid along with the application.

(3) To ease the process of getting trade license including renewal, the Commissioner shall provide online services for making application as well as payment of license fee. The trade license as well as the renewal of license shall be issued instantly as provided in Schedule-III of the Act.

(4) The license issued under sub-rule (3) shall be valid till the end of the financial year viz., 31st of March.

(5) The instantly issued Trade License shall be in the form of Trade License Certificate containing a unique identification number (License number) for future reference. The license certificate shall contain, besides the unique identification number, the name of license holder, the place of trade, the nature and details of trade and conditions of license.

(6) All licenses issued under sub-rule (3) shall be stored in data base for the purpose of record and verification of the Commissioner and District Collector every month and to the Municipal Council when called for.

(7) If it is found at a later date that the self-certification is not correct and the trade license has been obtained on misrepresentation of facts, the license shall be revoked and the applicant is liable for penalty as per the provisions of the Act.

7. Verification of Applications and Supervision of Trades:

(1) The Commissioner shall constitute a verification team consisting of municipal officials to verify the applications made for issue and renewal of trade licenses during the month.

(2) The verification team shall undertake the verification and submit its report to the Commissioner in the first week of the succeeding month. If any omissions are noticed in the process and if there are any trades without proper license or payment of lesser license fee, the Commissioner shall take action to levy one time penalty at 25 time of actual fee and collect the penalty along with the difference of fee from the trade owner. A notice shall also be issued on the trade owner that penal action would also be taken along with the penalty levied for wrong input details and declarations during application process.

(3) If omissions are other than payment of fee, like violation of trade license conditions and non-observance of appropriate requirements for the trade, the Commissioner shall take action to suspend or cancel the license after due notice on the trade owner.

(4) Notwithstanding the self-assessment process, the Commissioner shall constitute a team of municipal officials and collect list of trades carried on without proper license and trades upgraded without paying appropriate license fee every month in the form of monthly list of unlicensed or under-licensed trades. The Commissioner shall submit the monthly list to the District Collector and the Regional Director-cum-Appellate Commissioner of Municipal Administration. Such trades shall be licensed by charging appropriate license fee by a team of government officials and municipal officials appointed by the District Collector. The Commissioner shall direct the municipal officials to collect the license fee and issue trade license certificates through online system. The details of all such licensed trades shall be submitted to the District Collector and placed before the Municipal Council, every month.

(5) The District Collector and Commissioner shall ensure that all trades in the town shall have proper trade license and all trades are regulated as per norms and conditions.

(6) Any person intending to run a temporary trade, he shall make an application to the Commissioner seeking trade license with self- declaration duly indicating the location / building of such trade, size of trade premises, description of trade and duration of trade. He shall make the application duly paying the appropriate license fee also online, when trade license certificate would be issued instantly in the online mode. Such trades are allowed only in such places or buildings which have been notified by the Municipality for the purpose.

(7) Any person carrying trade with license obtained from the Municipality and the said trade is upgraded into larger area or in case of change of trade from existing trade, such person shall take revised license along with requisite fee, from the Municipality as an upgraded trade. On such application, the Municipal Commissioner shall issue license basing on self declaration.

(8) Any person not carrying out the trade for which a license is obtained from the Municipality or the trade is closed for any reasons, he shall intimate to the Municipality for cancellation of trade license. On such application, the Commissioner shall cancel the trade license.

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8. Penalty:

(1) Any person who is carrying out trade without license, shall be levied with penalty of 25% of trade fee till three months period from starting of trade and after three months of the starting of the trade, a penalty of 50% of trade fee shall be levied till the person running the trade obtain the license.

(2) Any person who is carrying out trade without license renewal, shall be levied with penalty of 25% of trade fee till June of the year and from 1st of July of the year, a penalty of 50% of trade fee shall be levied till the person running the trade obtain the trade renewal certificate.

9. Revision Petitions and Appeals:

(1) Any person aggrieved by the license fee fixed or any other grievance in respect of trade license may file a revision petition before the Commissioner, within 30 days of occurrence of the grievance. The Commissioner may condone any delay in filing the revision petition subject to satisfaction of sufficient cause. The Commissioner shall dispose the revision petition within 30 days from the date of receipt of the petition. Before disposal of the petition, the Commissioner shall give opportunity to the petitioner to appear in person and explain the grievance.

(2) A serial number shall be given to each revision petition and shall be entered in a register, and the orders of the Commissioner shall be recorded on the petition as well as in the said register.

(3) Any person aggrieved by the order on the Revision Petition may file an appeal to the District Collector within 30 days from the date of receipt of order of the Commissioner. The District Collector may condone any delay in filing the appeal subject to satisfaction of sufficient cause. Before disposal of appeal petition, the District Collector shall give an opportunity to the petitioner to appear in person and explain the grounds of his appeal. The orders on the appeal petition made by the District Collector shall be final.

(4) A serial number shall be given to each appeal petition and shall be entered in a register, and the orders of the District Collector shall be recorded on the petition as well as in the said register.

10. Repeal and Savings:

(1) All rules made and instructions issued in respect of issue and renewal of trade licenses under the Telangana Municipalities Act, 1965 are repealed.

(2) Any license lawfully issued or license fee lawfully levied by or on behalf of the Municipality at the commencement of these rules shall, notwithstanding any change in the method or manner of issue of license or levy of license fee under these rules, be continued till licenses are issued and license fee is levied under these rules.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF TELANGANA)

ARVIND KUMAR
PRINCIPAL SECRETARY TO GOVERNMENT

To

The Commissioner of Printing, Stationery and Store Purchase, Hyderabad.
(for Publication of the Notification in the Extra-ordinary Gazette & Supply
50 copies of the same).

The Director of Municipal Administration, Hyderabad.

P.T.O.

The Municipal Commissioners through Director of Municipal Administration, Hyderabad.

Copy to:-

The OSD to Minister for MA & UD

The P.S to Principal Secretary, MA & UD Department.

The P.S to Secretary, MA & UD Department.

The Law (A) Department.

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//FORWARDED BY ORDER//


SECTION OFFICER