



Bruhat Bangalore Mahanagara Palike NR Square, Bangalore

Press note

28th January 2008

Sub: Renewal of trade licence

Bruhat Bangalore Mahanagara Palike will commence the annual renewal of trade licences from 1st February 2008. The Karnataka Municipal Act 1976 provides that the traders shall renew the trade licence one month before expiry of its validity. The trade licence renewal process was simplified last year under the automatic renewal scheme subject to the traders giving an undertaking that they are abiding by the byelaw applicable to their trade. This automatic renewal scheme proved very successful and the traders had welcomed the new initiative.

For the current year, 2008-09 the automatic renewal for a specified period will be done across the counter in all the 8 BBMP Zones. The undertaken given by them in the previous year that they are abiding by the byelaw would continue to be valid and hence no fresh undertaking needs to be filed for the current year.

To facilitate the process of renewal counters will be opened at all the offices of the Medical Officers of Health, at the office of FKCCI and at the office of the Bangalore Hotels Association. Medical Officers of Health will man these counters. Renewal application forms will supplied free of cost at all these counters. Application forms can also be downloaded from the BBMP website www.bmponline.org and submitted.

Calendar for renewal

For the renewal of trade licences under the Automatic renewal the following is the calendar of events:

Phase 1

1. Renewal counters will be opened at all offices of the 30 Range offices of Medical Officers of Health and in all 5 new Zones of the erstwhile CMC area. Counters will be opened from 10.30 A.M. to 1.30P.M. on all working days.
2. Renewal clinics will also be opened at the FKCCI, Kempegowda Road and Bangalore Hotels Association, K.R. Road premises from 10.30 AM to 1.30 PM on all working days from **1st February to 29th February 2008**. Traders, irrespective of their location, can avail this facility to renew the licence at any of the above venues. One Medical Officer of Health will be posted to each of these counters daily to dispose off the renewal applications. The renewal application will be supplied free of cost.
3. The renewal fee as applicable to the respective trades has to be paid by **demand draft** in favour of the Commissioner, Bruhat Bangalore Mahanagara Palike.

4. Filled up applications along with the renewal fee and the Original Trade licence certificate issued during the renewal for the year 2007-08, has to be produced at the counter. The respective Medical Officer of Health after due verification of the application and the fee payable will attest and affix the seal on the Trade certificate for renewing the trade licence.

Renewal Phase II

From 1st March to 31st March 2008 renewal will be made only at the respective offices of the Medical Officers of Health. During this period the licence will be renewed against penalty of 25 % of the licence payable. Two demand drafts, one for the renewal fee and another for penalty should be paid along with the application for renewal. Renewal will be made across the counter after verifying the correctness of the application and the fee and penalty payable.

Renewal Phase III

From 1st April to 30th June 2008 renewal will be made only at the respective offices of the Medical Officer of Health. During this period the licence will be renewed against penalty of 100 % of the licence fee payable. Two demand drafts one for the renewal fee and another for penalty should be paid along with the application for renewal. Renewal will be made across the counter after verifying the correctness of the application and the fee and penalty payable.

Issue of licence to new Trades brought under Trade Licence

Last year, 2007-08, several new trades were brought under the preview of trade licence. Trades such as chemicals, building materials, wholesale and retail liquor shops, water tankers, transporters storing schedule goods, etc has been included. Hence, all existing trades that are included in the Schedule are obliged to have valid trade licence. However, to ease the procedure for applying for licence for the existing trade can avail the automatic issue of licence from 1st February to 29th February 2008. Those who have failed to obtain licence last year will have to pay the licence fee for the previous year and the current year licence fee. While the application form will be available for sale at the Trade Associations and all office of MOH and the citizen service centers, the application will have to be submitted at the respective offices of the MOH only. The cost of the handbook is Rs.50/-

Licence for non-food trade will be issued within 3 working days and without inspection, subject to an undertaking given on plain paper. The form of undertaking for respective trade is available at the office of the MOH. It is also available in the website www.bmponline.org

Action for failure to renew after 30th June 2008 including for new trades brought under Trade Licence

After 30th June 2008, renewals and issue of licence for existing trades brought under the trade licence, will not be done and such trade premises will be sealed. As per the KMC Act, all trade licence renewals should be done on or before the last day of February each year. Failure to renew would automatically result in cancellation of the licence. However, in relaxation to this rule, the council in resolution No. 410/06-07 dated 3-2-07 took a decision to extend the renewal period subject to a penalty in addition to the licence fee payable. This position is applicable to all new trade brought under trade licence. The penalty details are as under:

From 1st March to 31st March the penalty would be 25% of the licence fee. From 1st April to 30th June the penalty would be equal to 100 % of the licence fee payable.

The trade associations have been informed of the fact that Bruhat Bangalore Mahanagara Palike has provided two additional opportunities to renew the licence and for new trades brought under trade licence to obtain licence, against penalty is itself a sufficient opportunity for traders to renew/obtain the licence. Failure to renew/obtain despite these opportunities provided, the respective Medical Officer of Health will take necessary action to seal such trade premises.

Traders whose licences have not been renewed, should apply afresh following the prescribed procedure for new licences mentioned in the handbook-Survarna Arogya Paravanige 2007. Until the licence has been issued, such premises will remain closed.

Procedure for applying for new trade commencing business in Schedule trade:

Before commencing business in any of the schedule trades, KMC Act makes it obligatory for the trader to possess a valid licence issued by the jurisdictional Medical Officer of Health. The list of trade requiring licence under the KMC Schedule X is mentioned in Annexure A of the handbook at page 5-10. The procedure of applying for trades licence is explained in Annexure G at page 29.

Inspections of Trade Premises

As a measure of safeguard to both BBMP officers and the trader and also to bring in transparency in administration, inspection of trade premises would be done as per the following protocol:

1. Routine inspection:

Routine inspection of trade premises will be conducted after giving 7 days notice to the trader and shall be taken up with 2 members of the FKCCI/Bangalore Hotels Association.

2. Surprise Inspection:

Surprise inspection can be conducted without any notice to the trader, but such inspection will be conducted with at least 3 members of the respective associations FKCCI/Bangalore Hotels Association.

However, the Commissioner or the Special Commissioner (Admn) may authorize any officer to take up inspection with or without the members of the trade body.

Trade Association responsibility

The respective trade Associations will select a list of members who would be their nominee observers during the trade inspection. If the respective associations fail to provide members to accompany the inspection team as and when requisitions are made, the inspection will be conducted without their members being present. It is also agreed that, while this safeguard is provided to the traders, the members accompanying the inspection team will be observers and not obstruct the authorized officer in discharging their lawful duties.