

**BILLS INTRODUCED IN THE LEGISLATIVE ASSEMBLY
OF THE STATE OF TAMIL NADU**

Under Rule 130 of the Tamil Nadu Legislative Assembly Rules, the following Bill which was introduced in the Legislative Assembly of the Tamil Nadu on 2nd February, 2024 is published together with Statement of Objects and Reasons for general information:—

L.A Bill No. 19 of 2024

A Bill further to amend the Tamil Nadu Panchayats Act, 1994.

BE it enacted by the Legislative Assembly of the State of Tamil Nadu in the Seventy-fifth year of the Republic of India as follows:—

Short title and commencement.

1. (1) This Act may be called the Tamil Nadu Panchayats (Sixth Amendment) Act, 2024.

(2) It shall come into force on such date as the State Government may, by notification, appoint.

Substitution of section 159.

2. For section 159 of the Tamil Nadu Panchayats Act, 1994 (hereinafter referred to as the principal Act), the following section shall be substituted, namely:

Tamil Nadu Act 21 of 1994.

“159. Grant of trade licence.— (1) No person shall carry on any category of trade or business, as may be notified by the Government, from time to time, in any place, whether public or private, within the panchayat village limit without a trade licence granted by the executive authority subject to such terms and conditions as may be prescribed and such trade licence may be renewed in the manner as may be prescribed:

Provided that no trade licence is necessary in respect of any place in the occupation or under the control of the Government or the Central Government or of a market committee established or deemed to be established under the Tamil Nadu Agricultural Produce Marketing (Regulation) Act, 1987 (Tamil Nadu Act 27 of 1989).

(2) Every application for the trade licence shall be made to the executive authority in such form and in such manner and accompanied by such fee, as may be prescribed.

(3) On receipt of such application, the executive authority shall, if the application is in order, grant trade licence:

Provided that no application for grant of trade licence shall be refused without giving a reasonable opportunity of being heard:

Provided further that if the application for trade licence is not disposed of within a period of thirty days from the date of its receipt, the trade licence applied therein shall be deemed to have been granted on expiry of the said period.

Amendment of Section 160.

3. In section 160 of the principal Act, for the expression “panchayat union council”, the expression “Inspector” shall be substituted.

4. In section 161 of the principal Act,—

Amendment of
Section 161.

(1) sub-section (2) shall be omitted;

(2) in sub-section (4), for the expression “panchayat union council”, the expression “Inspector” shall be substituted.

5. In Schedule II to the principal Act, for the entry in column (3), against section 159 in column (1) thereof, the following entry shall be substituted, namely:—

Amendment of
Schedule II.

“Carrying on any trade or business without trade licence.”

6. In Schedule III to the principal Act, for the entry in column (3), against section 159 in column (1) thereof, the following entry shall be substituted, namely:—

Amendment of
Schedule III.

“Carrying on any trade or business without trade licence.”

STATEMENT OF OBJECTS AND REASONS.

The Sixth State Finance Commission has recommended that the nomenclature of the dangerous and offensive trade licence should be modified as trade licence. Further, in order to make the provisions of the Tamil Nadu Panchayats Act, 1994 (Tamil Nadu Act 21 of 1994) in line with the objective of the Tamil Nadu Business Facilitation Act, 2018 (Tamil Nadu Act 7 of 2018) that is, "Ease of Doing Business", the Government have decided to empower the Inspector to give permission under section 160 of the said Tamil Nadu Act 21 of 1994 for the purposes specified therein. Accordingly, the Government have decided to amend the said Tamil Nadu Act 21 of 1994 suitably.

2. The Bill seeks to give effect to the above decision.

I. PERIYASAMY,
Minister for Rural Development.

MEMORANDUM REGARDING DELEGATED LEGISLATION.

Clause 2 of the Bill authorise the Government to issue notification or to make rules, as the case may be, for the purposes specified therein.

2. The powers delegated are normal and not of an exceptional character.

I. PERIYASAMY,
Minister for Rural Development.

Secretariat,
Chennai-600 009,
22nd February 2024.

K. SRINIVASAN,
Principal Secretary.