

**THE MANIPUR UNIFIED (TRADE, SHOP AND ESTABLISHMENT
LICENSING) BILL, 2026**

(As introduced in the Manipur Legislative Assembly on)

THE MANIPUR UNIFIED (TRADE, SHOP AND ESTABLISHMENT LICENSING)**BILL, 2026**

A

Bill

to reform and modernize trade licensing governance in the State of Manipur by establishing a unified, transparent, digital and self-declaration-based licensing framework; to eliminate duplication of licences; to ensure time-bound administrative accountability; to introduce scientific risk-based classification of businesses; and for matters connected therewith or incidental thereto.

Be it enacted by the Legislature of Manipur in the Seventy-seventh Year of the Republic of India as follows:

CHAPTER I**PRELIMINARY**

1. (1) This Act may be called the Manipur Unified (Trade, Shop and Establishment) Licensing Act, 2026.

Short title,
extent and
commencement.

(2) It extends to the whole of the State of Manipur.

(3) It shall come into force from the date of its publication in the Official Gazette.

2. In this Act, unless the context otherwise requires—

Definitions.

(a) “ADC Area or Council Area” means an area under the Autonomous District Council of Manipur;

(b) “Annual Fee” or “Renewal Fee” means the fee payable periodically for continuation or renewal of licence of a Trade, Shop or Establishment under this Schedule;

- (c) “Annual Turnover” means the gross annual turnover of a Trade, Shop or Establishment during the preceding financial year, determined on the basis of audited accounts, GST returns, self-declaration, or such other documents as may be prescribed;
- (d) “Appellate Authority” means authority designated under section 21;
- (e) “Business” means any trade, commerce, profession, service, manufacture, occupation or economic activity carried on for livelihood or profit;
- (f) “Business Investment/Volume” means the proposed investment in land, building, plant and machinery, furniture, fixtures, equipment, tools, stock, working capital, or such other assets as may be declared at the time of application for grant of licence for a new Trade, Shop or Establishment;
- (g) “Competent Authority” means officer designated by Government to perform functions of a Competent Authority under this Act;
- (h) “Deemed approval” means approval granted by operation of law upon expiry of prescribed time without communication of deficiency;
- (i) “Executive Officer” means the Municipal Commissioner/ Senior Chief Executive Officer/ Chief Executive Officer/ Executive Officer of the Urban Local Bodies (ULBs) of Manipur
- (j) “Government” means the Government of Manipur;
- (k) “High-Risk Business” means business falling under Schedule I Part C or scoring 56 and above under Schedule II;
- (l) “Licence” means Unified Trade Licence issued under this Act;
- (m) “Licence Fee” means the fee payable for grant of licence to a Trade, Shop or Establishment under the Act, determined on the basis of risk categorisation and business investment/volume as specified in the Schedule.
- (n) “Local Body” means and include Urban Local Bodies (ULBs), Panchayati Raj Institutions (PRIs) and Autonomous District Councils (ADCs);

- (o) “Low-Risk Business” means business falling under Schedule I Part A or scoring 0–25 under Schedule II;
- (p) “Municipal Area” means the area under the Urban Local Bodies (ULBs) of Manipur;
- (q) “Medium-Risk Business” means business falling under Schedule I Part B or scoring 26–55 under Schedule II;
- (r) “Panchayat Area” means the area under the Panchayati Raj Institutions (PRIs) of Manipur;
- (s) “Portal” means Unified Trade Governance Portal developed under section 13;
- (t) “Schedule” means the Schedule appended to this Act;
- (u) “Self-declaration” means declaration by the applicant affirming compliance with applicable laws/rules and as per the prescribed format submitted online/ digitally on the portal.

CHAPTER II

GOVERNANCE REFORM FRAMEWORK

3. (1) There shall be a Unified digital Trade, Shop and Establishment Licensing system for the entire State, providing for a common framework, application process and Portal for such licensing, without prejudice to the statutory powers and functions of the Autonomous District Councils (ADCs) and other local bodies under the applicable laws. Establishment of Unified Trade, Shop and Establishment Licensing System and Nodal Agency.
- (2) The unified licensing system shall, notwithstanding anything inconsistent contained in any other State law relating to Trade, Shop and Establishment licencing, provide for a single license for the same business activity, and no duplicate license shall be required from different authorities for the same activity, provided that nothing contained in this section shall affect, restrict or derogate from the statutory powers and functions of any local body, including an Autonomous District Council, under any law for the time being in force, except to the extent specifically provided by this Act.
- (3) The Directorate of Trade, Commerce & Industry shall be the State Nodal agency for the coordination, facilitation, digital integration and monitoring of the Unified Licensing System for implementation of this Act. Further, CEO of the concerned ADC or such officer as may be authorised by the Council under applicable law, shall be the Competent Authority for issuing licenses in ADC/Council Areas.

Overriding effect. 4. The provisions of this Act shall have effect notwithstanding anything inconsistent contained in any other State law relating to Trade, Shops and Establishment licensing, provided that nothing contained in this Act shall affect, restrict or derogate from the statutory powers, functions and authority vested in an Autonomous District Council under the Constitution or any law for the time being in force.

Administrative accountability. 5. (1) Every Competent Authority shall dispose of applications within the prescribed timelines. Competent Authority for issuance of Unified Trade, Shop and Establishment Licence shall be as follows:

- (i) For Municipal Areas – Executive Officer concerned of the Urban Local Body (ULB);
- (ii) For Panchayat Areas – concerned Block Development Officer (BDO);
- (iii) For ADC/Council Areas - Concerned Chief Executive Officer (CEO) of Autonomous District Councils (ADCs), or such officer as may be authorised by the Council under applicable law.

(2) Failure to act within such timeline shall result in deemed approval, except for High-risk categories as Schedule-I and Schedule-II.

(3) Repeated or wilful delay without recorded reasons shall attract disciplinary action under applicable service rules.

CHAPTER III

LICENSING MECHANISM

Mandatory registration. 6. (1) No person shall carry on business in the State without obtaining a Unified Trade, Shop and Establishment Licence.

(2) Further, homebased/ household non-polluting units/industries having an investment volume of up to Rs. 1,00,000/- (Rupees one lakh) shall also have to mandatorily register on the portal for carrying out the activities on one-time payment of Licence amount as stipulated in schedule-III. However, they shall be completely exempted from renewal/ annual fee.

Mandatory Migration of Existing licence holders. 7. The existing licence holders shall migrate to Unified Trade, Shop and Establishment Licensing System within one year of notification of this Act at the time of renewal, whichever is earlier.

- 8.** (1) Licensing under this Act shall be based on trust and self-declaration on a non-judicial stamp paper of the value as fixed by the Government in the prescribed format through the Portal and necessary documents as prescribed. Self-declaration as governing principle.
- (2) Low-risk businesses shall receive immediate automated approval upon submission of complete application free from any material defects in the prescribed format and prescribed fee under Schedule-III online on the portal.
- (3) No prior inspection shall be required for Low-risk businesses.
- 9.** (1) In case of Medium-risk businesses, if no deficiency is communicated within 21 (twenty-one) working days, the Licence shall be deemed approved. Deemed approval.
- (2) High-risk businesses shall require prior statutory clearances as prescribed.
- 10.** Both Medium and Low Risk Businesses which have started businesses on self-declaration shall be liable to obtain all necessary approvals/ clearances within three years of its operations. Mandatory Clearances and approval.
- 11.** (1) Applicants shall pay Licence fee as prescribed under Schedule –III of this Act. Licence fee, Validity, Annual Fee and Renewal Fee.
- (2) Validity in each category shall be as follows:
- (i) Low-risk licence shall be valid for life time unless otherwise notified.
 - (ii) Medium risk licence shall be valid for 10 years.
 - (iii) High risk licence shall be valid for 5 years.
- (3) In each category, irrespective of validity period, the prescribed annual fees at schedule-III shall be deposited by the licensee in accordance with the frequency prescribed by the concerned Authority.
- 12.** (1) Renewal shall be granted upon self-certification of continued compliance and submission of prescribed documents and payment of prescribed renewal fee. Renewal.
- (2) Where Annual Fee is collected on yearly basis, no separate renewal fee shall be payable.

CHAPTER IV

DIGITAL AND TRANSPARENT GOVERNANCE

- 13.** (1) Government shall establish a digital Portal for processing applications, payments, inspections, renewals, and grievances. Unified Trade, Shop and Establishment Governance

(2) Each licence shall bear a unique identification number and QR code. Portal.

(3) All approvals and communications shall be electronic.

(4) All receipts collected with respect to this Act shall be deposited into the respective accounts of the Local Bodies including the concerned ADC, under whose jurisdiction the licence has been issued. The same receipts may be utilized by the concerned authorities as per Government approved framework in consultation with State Finance Department.

Data integration. **14.** (1) All Departments shall integrate their systems with the Portal. The integration of the systems relating to the ADCs shall be undertaken in consultation, and with concurrence of, the concerned ADC.

(2) No authority shall demand physical copies once digitally available.

(3) Data sharing shall be subject to applicable data protection norms.

CHAPTER V

RISK-BASED REGULATION AND INSPECTIONS

Risk-based regulation. **15.** (1) Businesses shall be regulated according to risk classification.

(2) Risk category shall be determined in accordance with Schedule I and Schedule II.

(3) Where inconsistency exists, higher risk classification shall prevail.

(4) Risk score shall be auto-generated through the Portal and form part of digital record.

Inspections. **16.** (1) Inspections shall be risk-based and randomized through the Portal.

(2) There shall be no pre-inspection in respect of Low-Risk and Medium-Risk businesses and no inspection for an initial period of 2 years. Thereafter, inspections shall be conducted in the following manner:

(i) Low Risk Businesses: Once in every three years.

(ii) Medium Risk Businesses: Once in every two years.

(3) Notwithstanding anything contained in sub-section (2), inspections, during the aforesaid period shall be conducted only upon a recorded complaint and with digital authorisation.

(4) High Risk businesses shall require pre-inspection and prior mandatory clearances. Further, they shall be subjected to annual inspection.

(5) Inspection reports shall be uploaded within 3 (three) working days.

(6) Joint inspections with the concerned Head of Department of the domain department leading the team and such other members as notified from time to time shall be conducted to avoid multiplicity.

(7) In ADC/Council Areas, inspections shall be undertaken by or with the participation of the concerned authority of the ADC, in accordance with applicable law.

CHAPTER VI

PENALTIES AND PROTECTION

17. Any person who knowingly makes a false declaration shall be liable to— False declaration.

- (i) Monetary penalty up to Rs. 1,00,000 (Rupees one lakh) in low-risk category; Rs. 3,00,000 (Rupees three lakh) in Medium-risk category; and Rs.10,00,0000 (Rupees one crore) in High-risk category.
- (ii) Suspension or cancellation of Licence;
- (iii) Blacklisting for up to five years in serious cases.

18. (1) No officer shall conduct unauthorized inspections. Protection against harassment.
(2) Any violation by an officer shall invite disciplinary proceedings.

(3) Minor procedural lapses by businesses shall attract opportunity for rectification before penalty.

19. Licence may be suspended or cancelled after providing opportunity of being heard. Cancellation.

CHAPTER VII

GRIEVANCE REDRESSAL AND APPEALS

20. (1) All grievances filed through the Portal shall be disposed of within 30 (thirty) working days. Time-bound grievance disposal.

(2) For ADC/Council Areas, the Grievances Redressal Officer shall be such officer as may be designated by the concerned ADC; for other areas, the Deputy Commissioner of the concerned District shall be the Grievances Redressal Officer.

- Appeal. **21.** (1) Any person aggrieved by an order under this Act may file an appeal within 30 (thirty) days before the Appellate Authority.
- (2) Administrative Secretary of the concerned Department shall be the Appellate Authority, who shall dispose of the appeal within 30 (thirty) days from the date of receipt of the appeal.

CHAPTER VIII

MISCELLANEOUS

- Power to make Rules. **22.** Government may make rules for carrying out the provisions and purposes of this Act.
- Power to amend Schedules. **23.** Government may amend Schedules as per risk perception and requirement by Notification, in the Official Gazette, provided that any amendment having specific application to ADC/Council Areas or Municipal Areas or Panchayat Areas shall be made in consultation with the concerned ADC or concerned local bodies.
- Power to remove difficulties. **24.** Government may issue orders to remove difficulties within two years from the commencement of this Act.

SCHEDULE I**[See Section 15 (2)]****Risk Classification of Business Activities in Manipur****PART A – LOW RISK**

1. Handloom weaving (non-mechanised)
2. Handicrafts
3. Bamboo craft (non-chemical)
4. Tailoring
5. IT services
6. Consultancy,
7. Retail shops (non-hazardous)
8. Tuition centres
9. Small eateries (limited LPG)
10. Floriculture trading
11. Organic produce retail

PART B – MEDIUM RISK

1. Food processing units (small scale)
2. Bakeries
3. Rice mills
4. Herbal processing (non-chemical extraction)
5. Essential oil distillation (small scale)
6. Warehouses (non-hazardous)
7. Automobile workshops

PART C – HIGH RISK

1. Petroleum storage
2. Diagnostic centres
3. Hospital
4. Nursing Home
5. Pathology Laboratory
6. LPG bottling
7. Crackers / Explosives
8. Chemical manufacturing / Chemical based manufacturing
9. Operations using Radio-active material
10. Paint manufacturing
11. Industrial gas plants

12. Hazardous waste processing
13. Slaughter houses
14. Brick Kilns/Mechanised brick kilns
15. Stone crushers
16. Operations in notified Eco-sensitive zones

The above-mentioned list is illustrative, not exhaustive. Any activity other than listed above, shall be subjected to “Scientific Risk Scoring Matrix” given in Schedule II, for Category assignment.

SCHEDULE II**[See Section 15 (2)]****Scientific Risk Scoring Matrix****A. Parameters:** Logic to be created on Portal as follows:

1. Public Safety Risk (0–20):

Condition	Points
No public access	0
< 20 persons/day	5
20-100 persons/day	10
> 100 persons/day	15
Fire/Explosion risk declared	20

2. Environmental Impact (0–20):

Condition	Points
No emissions	0
Non-hazardous waste	5
Effluent within limits	10
Significant discharge	15
Hazardous effluents	20

3. Hazardous Substances (0–25):

Condition	Points
None	0
LPG < Prescribed limit	10
Petroleum storage	10
Toxic chemicals	15
Explosives and Radio-active materials	20

4. Scale of Operations (0–15):

(Based on number of workers declared)

Workers	Points
Home based	0
Up to 10	5
11 - 50	10
> 50	15

5. Occupational Risk (0–10):

Machinery	Points
None	0
Light Machinery	5
Heavy Industrial	10

6. Location Sensitivity (0–10):

(Cross checks with Geo-coordinates and GIS)

Machinery	Points
Commercial Zone	0
Residential Area	5
Eco-sensitive/Disaster Zone	10

B. Risk Classification (Based on Total Score secured from above parameters):

Category	Total Score
Low Risk	0 - 25
Medium Risk	26 - 55
High Risk	56 and above

C. Risk score and categorization shall be digitally calculated and recorded.

SCHEDULE – III**Classification of Trade, Shops and Establishments and Licence Fee Structure****[See Section 11]****A. Licence Fee and Annual/ Renewal Fee**

1. The Licence Fee for Trade, Shops and Establishments shall be determined based on Risk Categorisation as specified in Schedule-I and Schedule-II; and Business Investment/Volume in case of new Trade, Shops and Establishments.
2. The Annual/ Renewal Fee shall be determined based on Risk Categorisation; and Annual Turnover of the Trade, Shop or Establishment whichever applicable.

PART – A**Classification Based on Business Investment/Volume***(Applicable for New Trade, Shops and Establishments)*

Sl.	Category	Investment/Volume
1.	Micro	Upto 5 lakh
2.	Mini	>Rs.5 lakh and upto Rs.25 lakh
3.	Small	>Rs.25 lakh –and upto Rs.75 Lakh
4.	Medium	> Rs.75 lakh and up to Rs. 1 crore
5	Large	>Rs. 1 crore and above

PART – B**Classification Based on Annual Turnover***(Applicable for Annual/Renewal Fee)*

Sl.	Category	Annual Turnover
1.	Micro	Upto 5 lakh
2.	Mini	>Rs.5 lakh and Upto Rs.25 lakh
3.	Small	>Rs.25 lakh –and upto Rs.75 lakh
4.	Medium	> Rs.75lakh and up to Rs. 1 crore
4	Large	>Rs. 1 crore

PART – C**Licence Fee for New Trade, Shops and Establishments**

Risk Category	Micro	Mini	Small	Medium	Large
Low Risk	Rs.500	Rs.1000	Rs.1500	Rs.3000	Rs.5000
Medium Risk	Rs.1000	Rs.1500	Rs.2000	Rs.5000	Rs.10,000
High Risk	Rs.1500	Rs.2000	Rs.2500	Rs.15,000	Rs.30,000

PART – D**Annual/Renewal Fee for Trade, Shops and Establishments**

Risk Category	Micro	Mini	Small	Medium	Large
Low Risk	Rs.250	Rs.500	Rs.750	Rs.1500	Rs.2500
Medium Risk	Rs.500	Rs.750	Rs.1000	Rs.2500	Rs.5000
High Risk	Rs.1000	Rs.1000	Rs.1250	Rs.7500	Rs.15,000

PART – E**Additional Provisions**

1. Where an establishment undertakes multiple activities, the fee applicable to the highest risk category shall apply.
2. Annual turnover shall be determined on the basis of audited accounts, GST returns, self-declaration, or such other documents as may be prescribed, which shall be submitted online through the Portal.
3. Renewal applications submitted after expiry of the validity period of licence shall attract such late fee as may be prescribed.
4. Where renewal is not applied for within 2 (two) months from the date of expiry of the licence, the licence shall stand automatically cancelled without further notice.
5. Where Annual Fee is collected on yearly basis, no separate renewal fee shall be payable.
6. In case of doubt regarding classification of any Trade, Shop or Establishment, the competent authority may determine the category based on such documents, information, or criteria as may be prescribed.
7. The Government may, by notification, revise the investment limits, turnover slabs, risk categorisation, and fee structure from time to time.
8. The Government may prescribe concessional fees, exemptions, or special provisions for startups, women entrepreneurs, self-help groups, village industries, or such other categories as may be notified.

STATEMENT OF OBJECTS AND REASONS

The existing Trade, Shop and Establishment licensing system is characterized by duplication, procedural delays and administrative discretion. This Bill seeks to reform governance by introducing a unified, digital, self-declaration-based and scientifically risk-classified licensing framework with accountability and transparency. Moreover, this Bill does not affect, restrict or derogate from the statutory powers, functions and authority vested in an Autonomous District Council under the Constitution or any law for the time being in force.

Further, it is required in accordance with Priority Areas 6 & 7 of Phase-II of Compliance Reduction & Deregulation Exercise for bringing ease of doing business.

Hence, this Bill.

Imphal,, 2026

Minister (i/c TC&I)
Manipur

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 22 of the proposed Manipur Unified (Trade, Shop and Establishment) Licensing Bill, 2026 seeks to empower the Government to make Rules for carrying out the provisions and purposes of the proposed Act.

Clause 23 seeks to empower the Government to amend the Schedules, by notification in the Official Gazette, as per risk perception and requirement.

Clause 24 seeks to empower the Government to issue orders for removing any difficulty that may arise in giving effect to the provisions of the proposed Act, within a period of two years from the commencement of the Act.